

VCM: small steps forward

Kuching, Malaysia – May 2025

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VCM: small steps forward

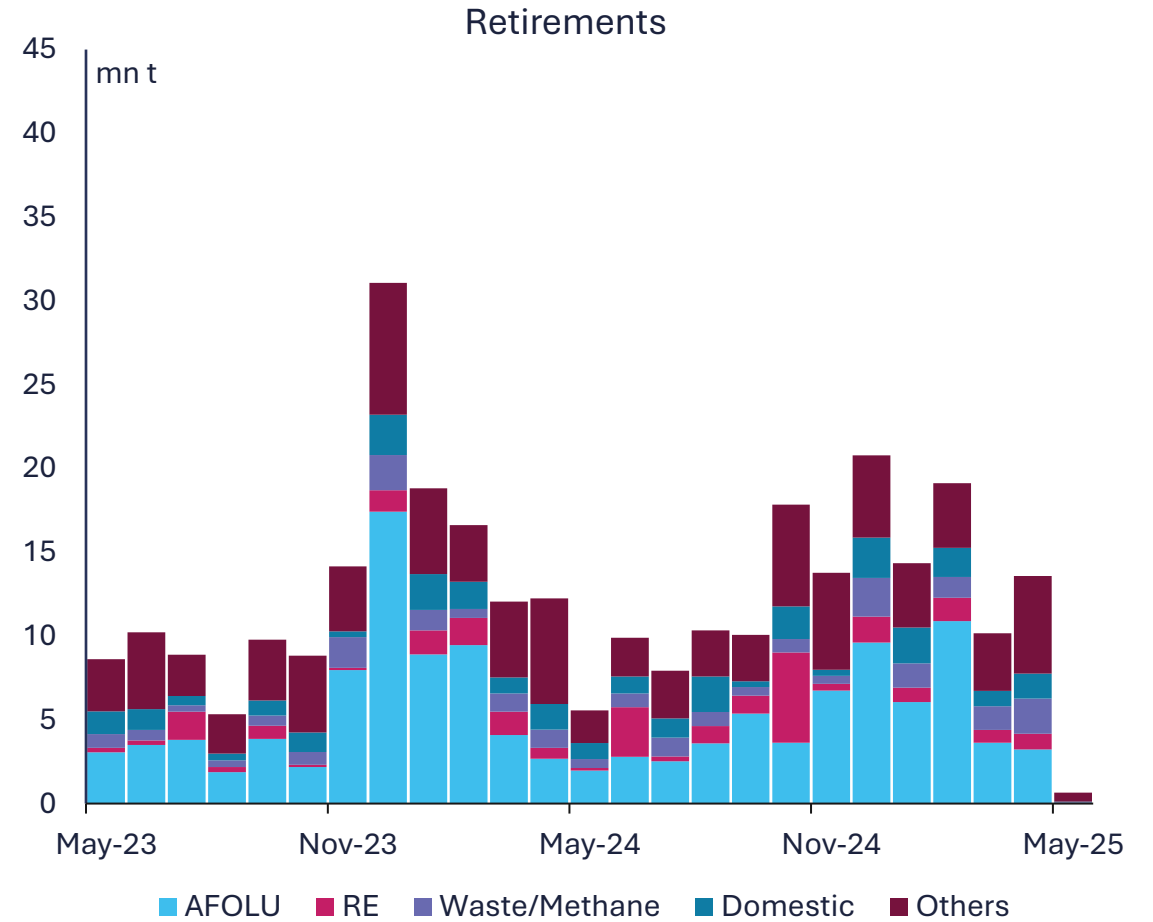
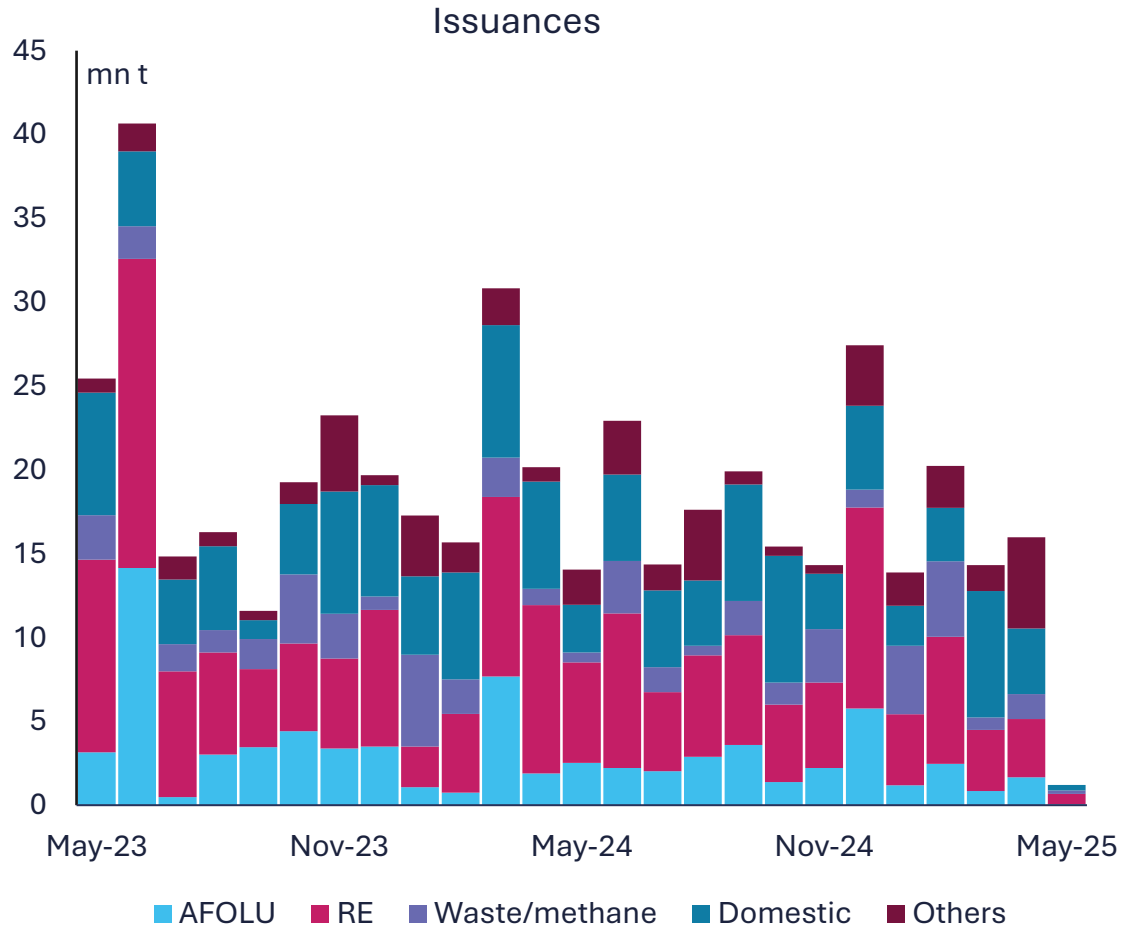
Market fundamentals

Market prices

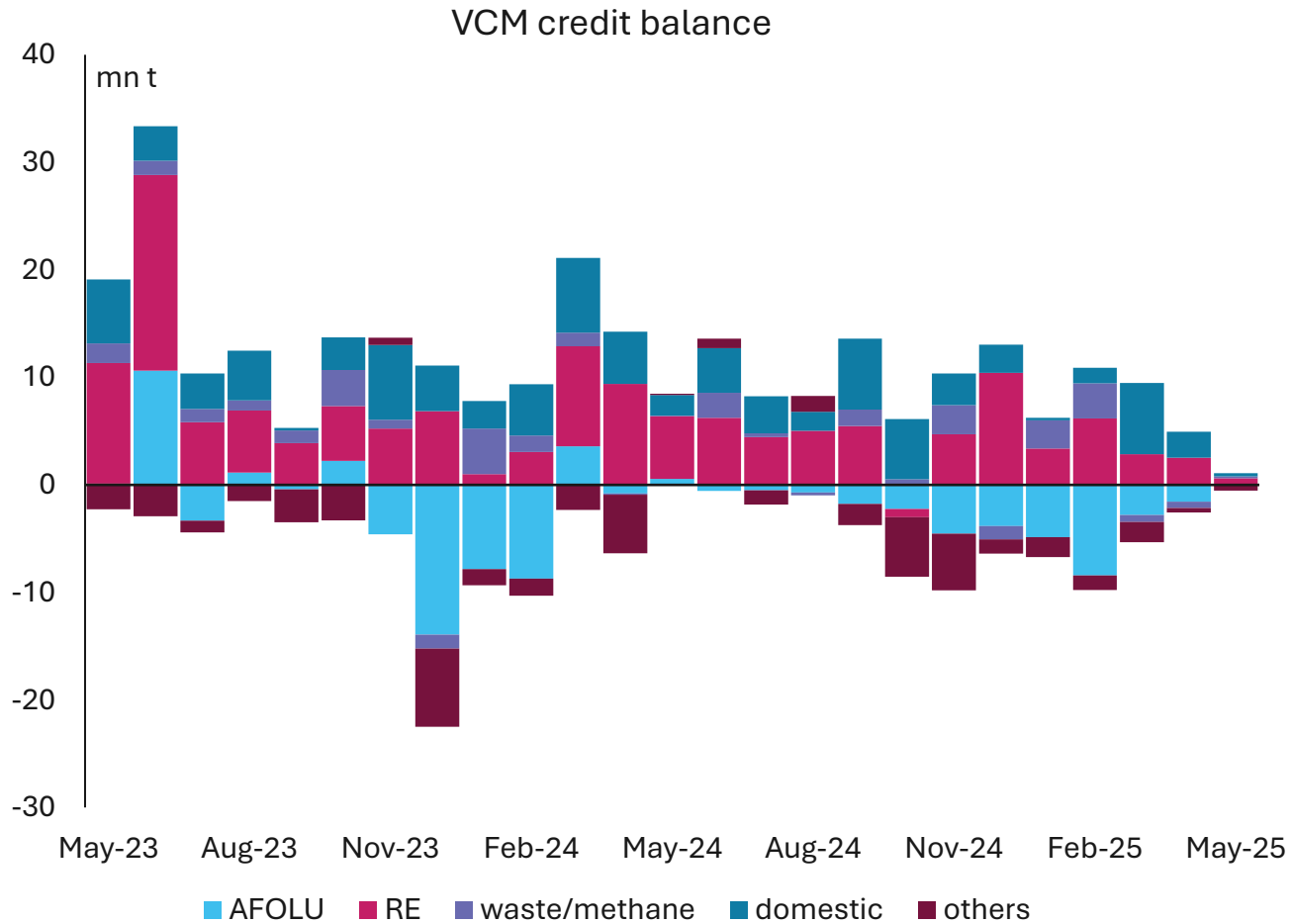
CORSIA

Argus Carbon

Market fundamentals: short-term oversupply

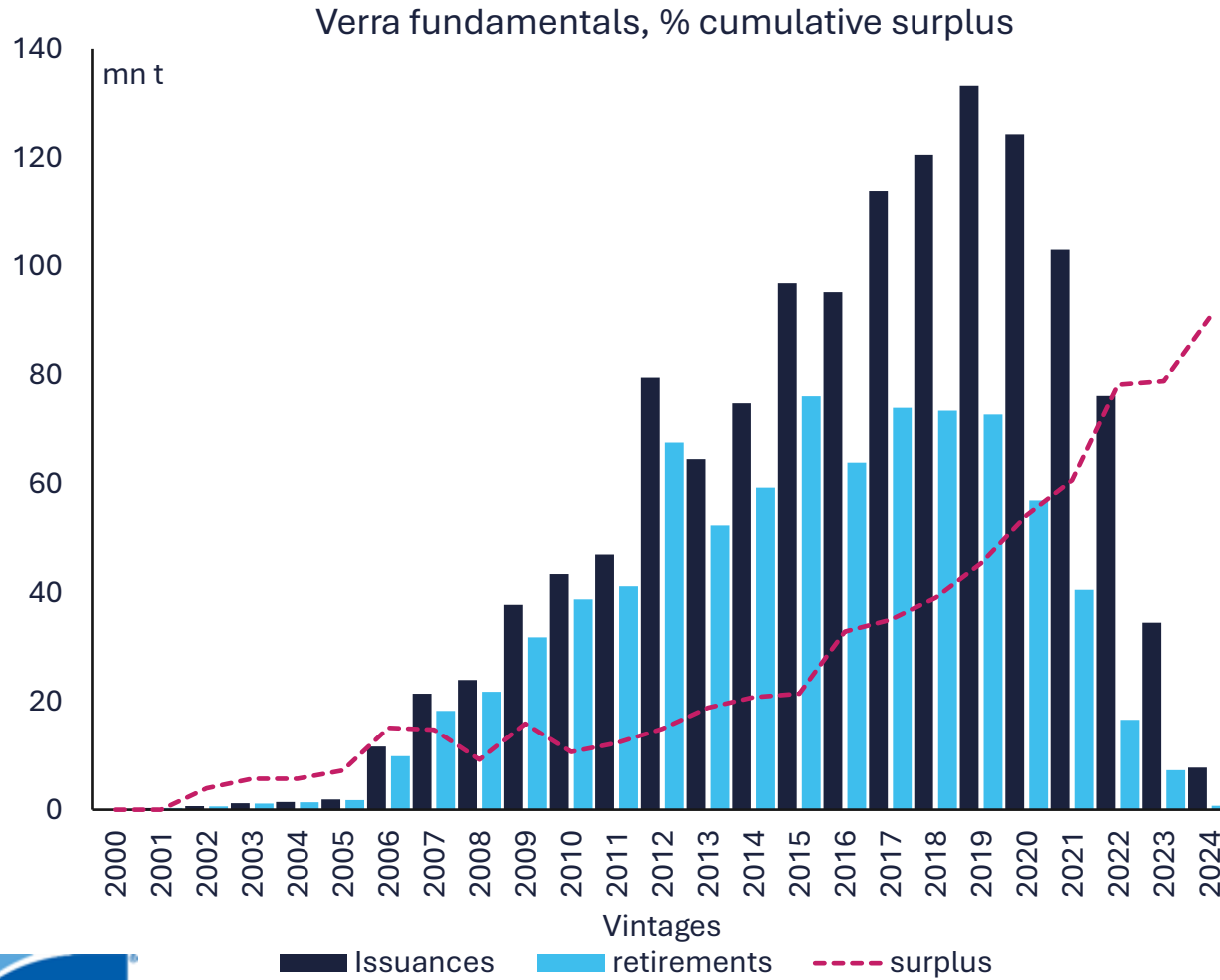


Market fundamentals: short-term oversupply



- AFOLU drives demand growth
- End-of-year demand focus
- Large energy companies with long-term offtake agreements
- Renewable energy remains oversupplied

Market fundamentals: long-term over oversupply



- Increasing oversupply despite rising demand
- Low prices “good” for consumers, bad for the planet
- Lack of regulation
 - Demand is good – so is supply
 - Demand incentives
 - Interaction with compliance markets
 - EU ETS market stability reserve

VCM: small steps forward

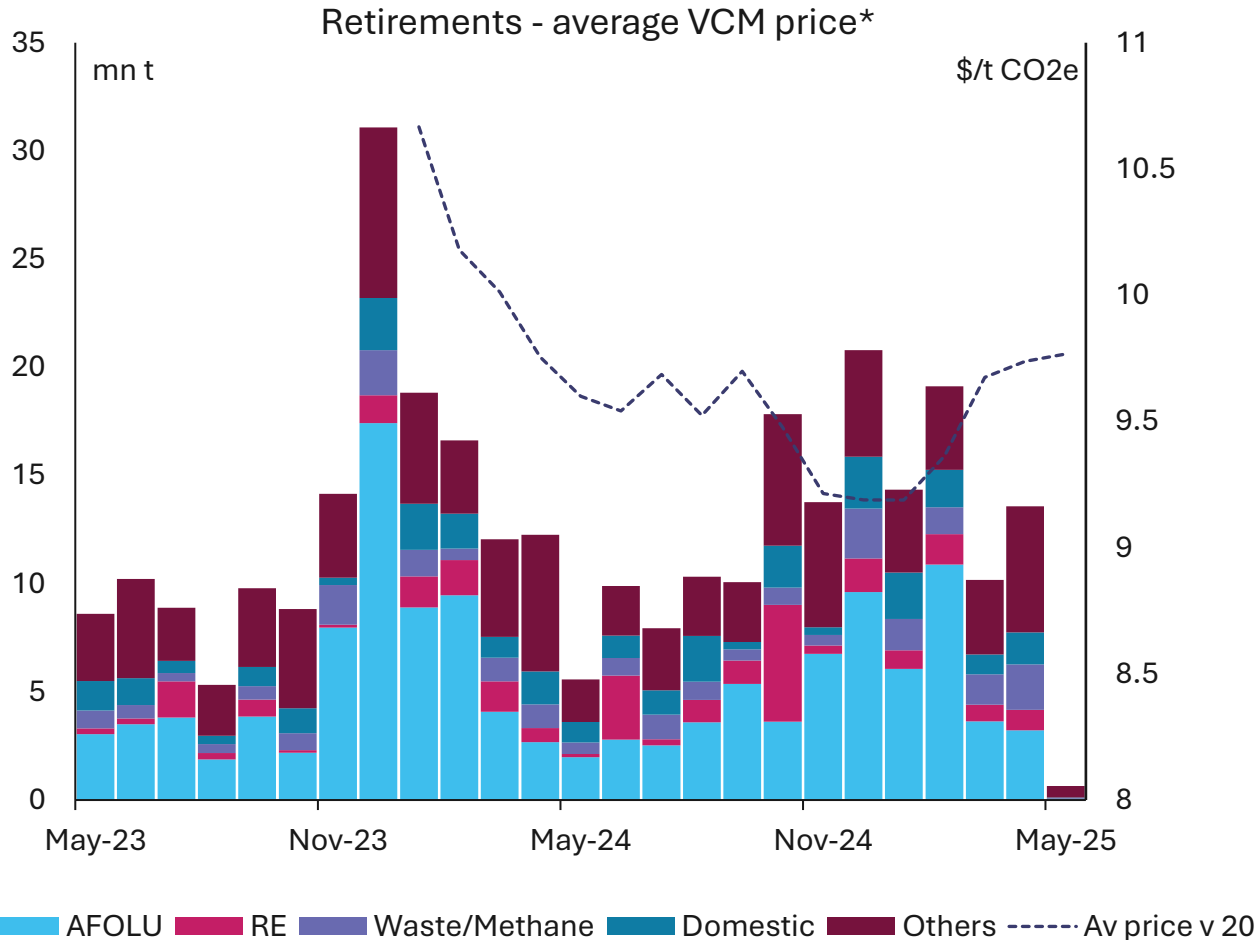
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Market fundamentals vs prices

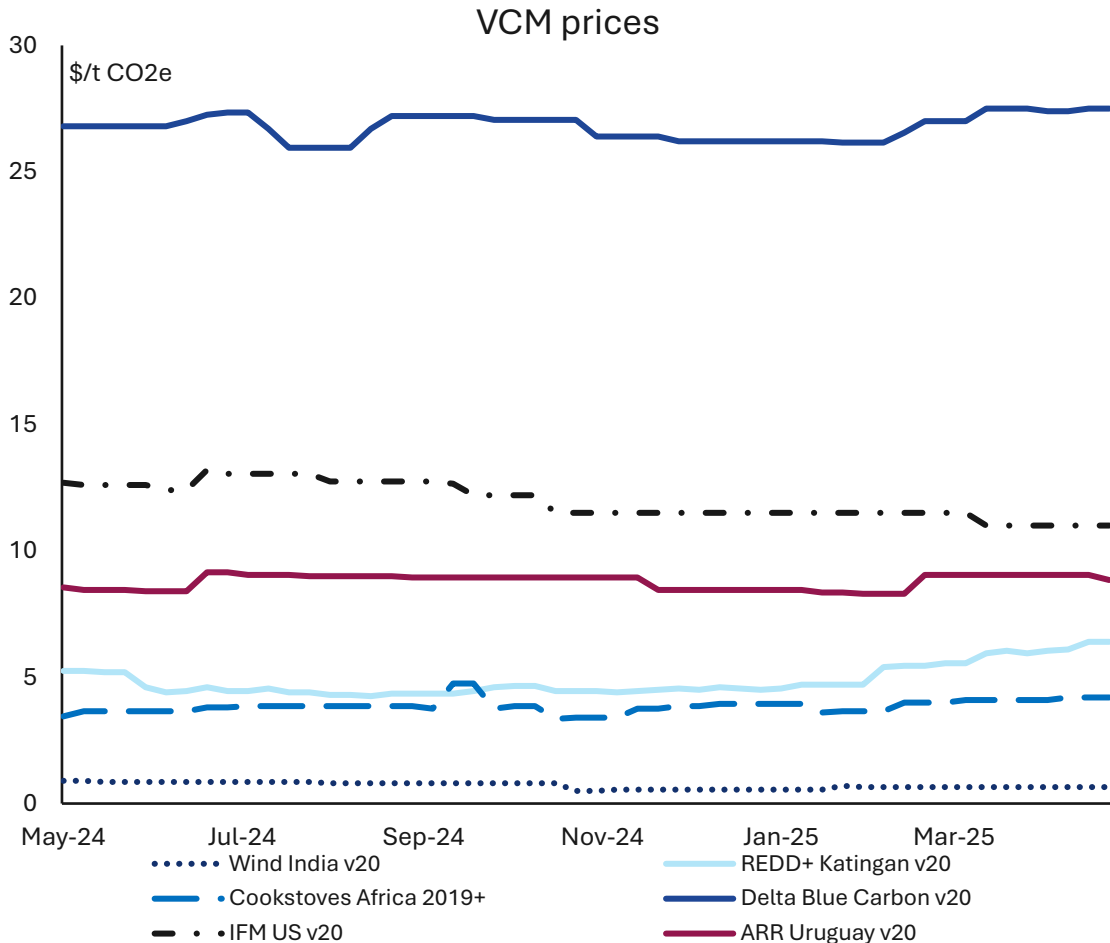


- Unregulated global market driven by sentiment
- Prices relatively stable
- Winter-summer spreads?
- Risk factors remain the same
 - Integrity – standardisation – policy
 - Baseline delta calculation
 - LCA
 - Future delivery - Future demand



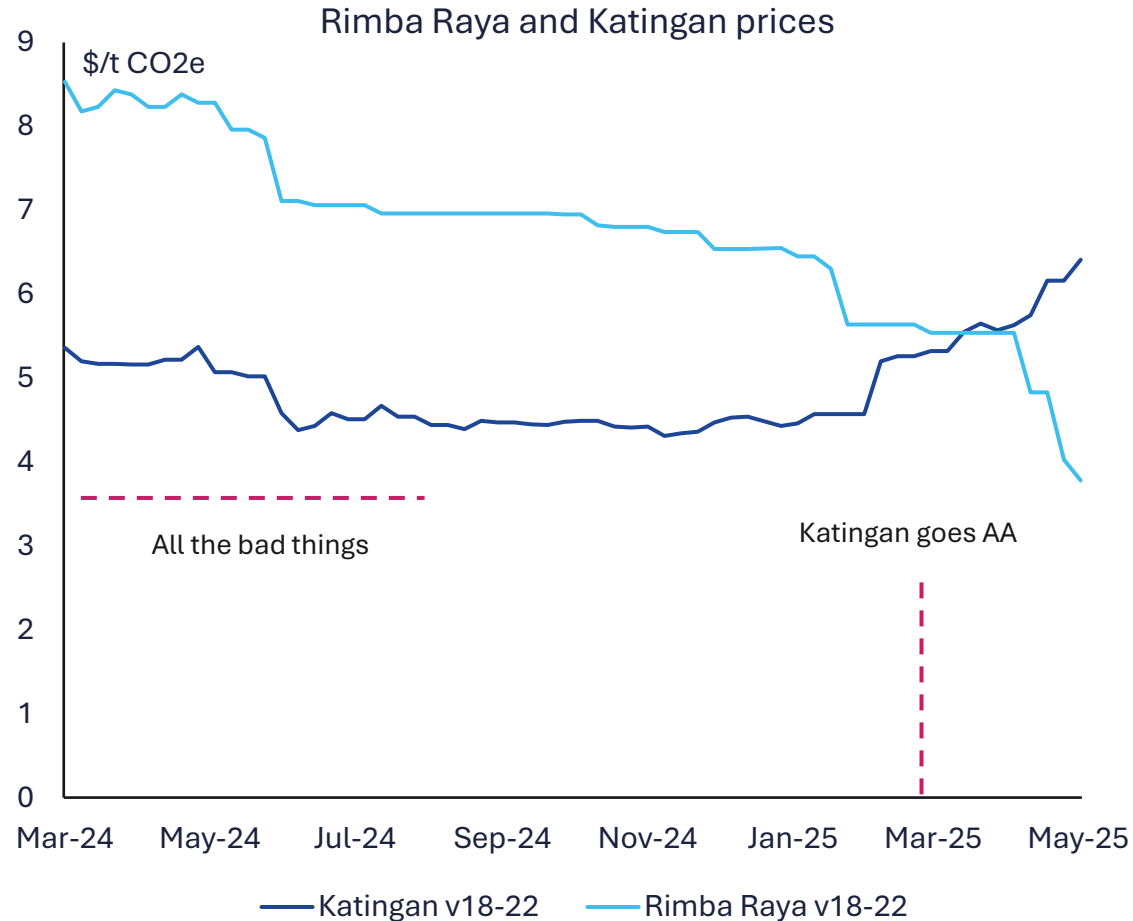
*v20 India wind, Katingan, Delta Blue Carbon, IFM US, Uruguay ARR, Africa cookstoves
 Source: ACR, CAR, GS, Verra

Market prices fragmented but stable



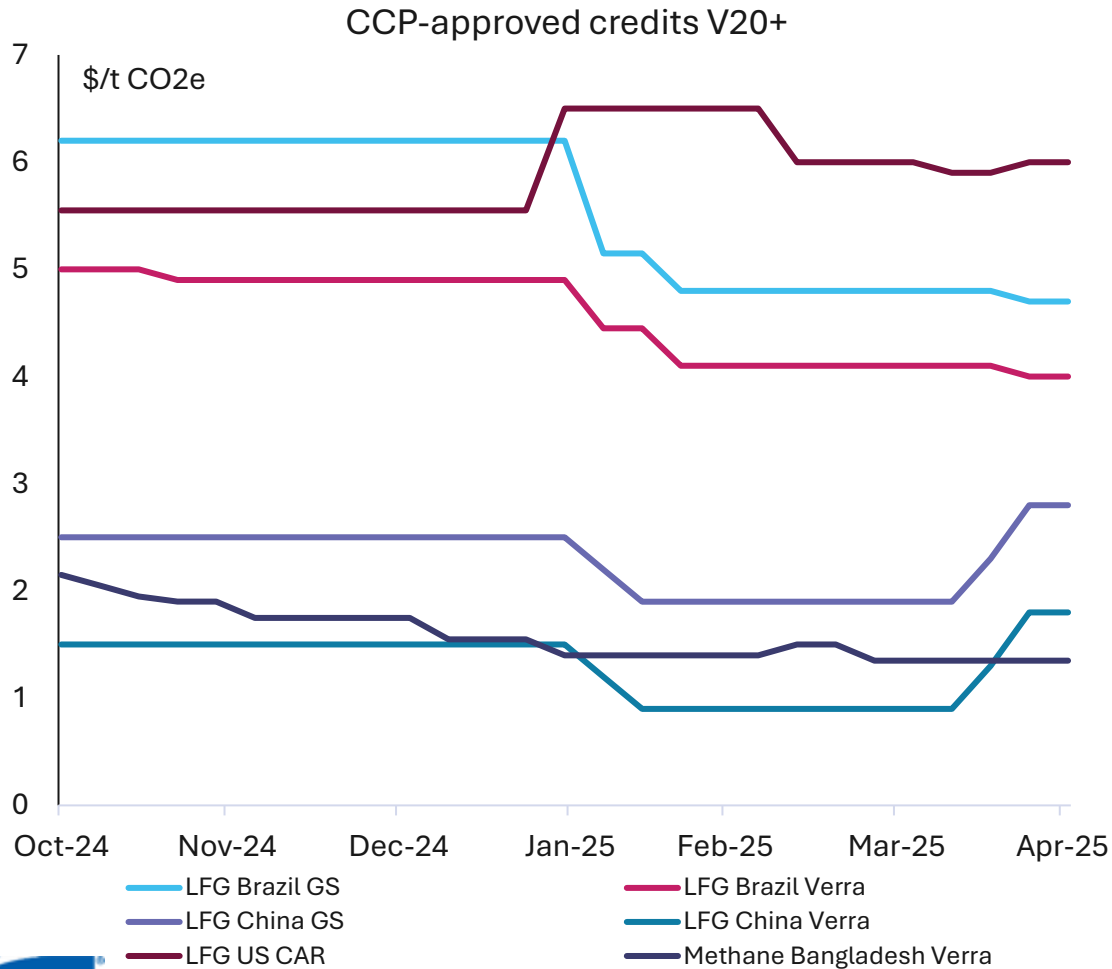
- Removals and wider benefits = price premium
- ICVCM rejects renewable energy credits in CCP methodology
- June 2024: Verra reinstates Southern Cardamom
- June 2024: Verra suspends 20 cookstove projects after C-Quest probe
- Cookstoves transition from CDM to Paris Art 6.4 PACM registry
- May 2024: US endorses VCM
- November 2024: Trump wins US presidential election

Katingan vs Rimba Raya



Katingan	Rimba Raya
4.2mn credits retired	250,000 credits retired
Shell – 11.9mn credits	Audi – 2.4mn credits
BeZero – AA	BeZero – AA
V2021 ban	V2021 ban
Last issuance 2022	Last issuance 2021

CCP credits – approved but unproven



- June 2024: ICVCM approves first methodologies
- 20 methodologies approved – 22 methodologies rejected
- Slow approvals – slow issuances
- Liquidity focuses on Bangladesh methane and US CAR LFG
- Limited price premium to non-CCP credits

VCM: small steps forward

Market fundamentals

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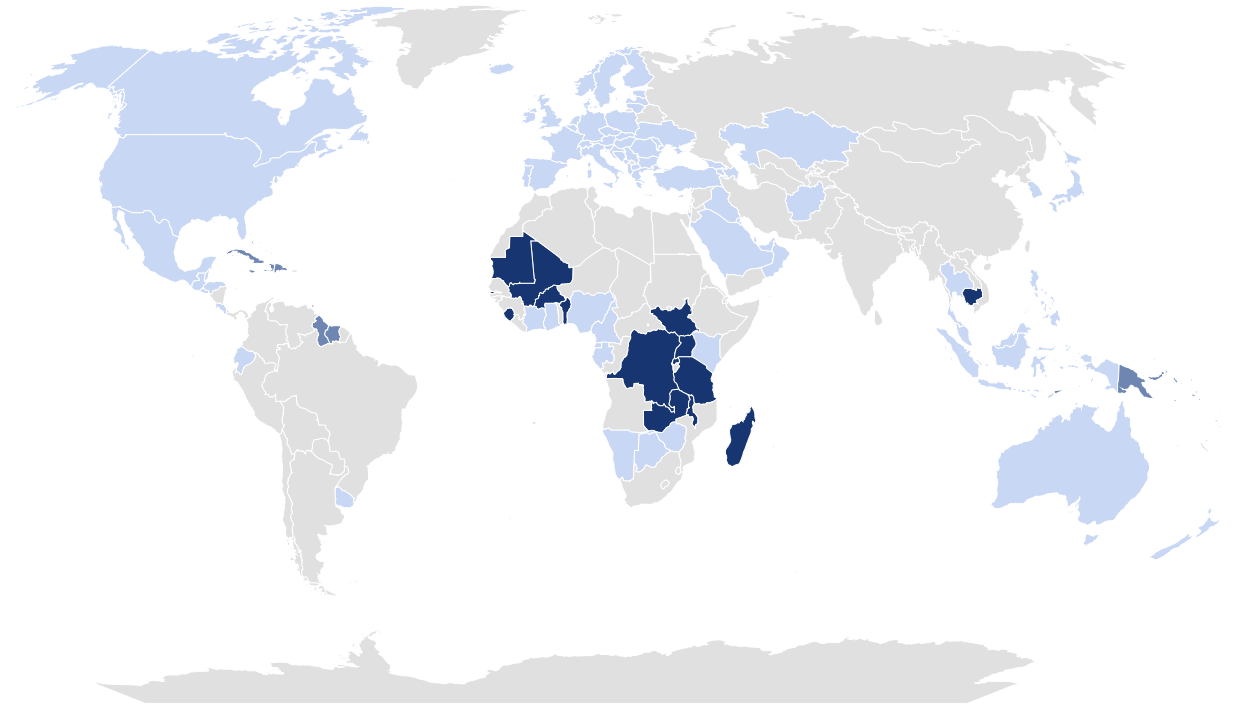
How many humans are in aeroplanes in the sky on average at any given moment?

CORSIA: sleeping giant or giant sleep?

Top 10 airports by passengers in 2024

All	International
Atlanta - USA	Dubai - UAE
Dubai - UAE	London Heathrow - UK
Dallas/Fort Worth - USA	Incheon - South Korea
Tokyo - Japan	Singapore - Singapore
London Heathrow - UK	Amsterdam - Netherlands
Denver - USA	Paris - France
Istanbul - Turkey	Istanbul - Turkey
Chicago - USA	Frankfurt - Germany
New Delhi - India	Hong Kong - Hong Kong
Shanghai - China	Doha - Qatar

CORSIA - 129 participating countries



CORSIA: sleeping giant or giant sleep?

Top 10 CORSIA facts

To reduce aviation emissions to 85% of 2019 baseline

IATA demand forecast: 140mn in 2024-26. 1.5bn in 2021-35

Phase 1 supply so far: 15.8mn - Guyana JREDD+

IATA first quarterly auction (Nov 24) - \$21.70/t CO₂e

!! Letter of authorisation !!

6.5mn Verra credits under CORSIA scope – mostly cookstoves

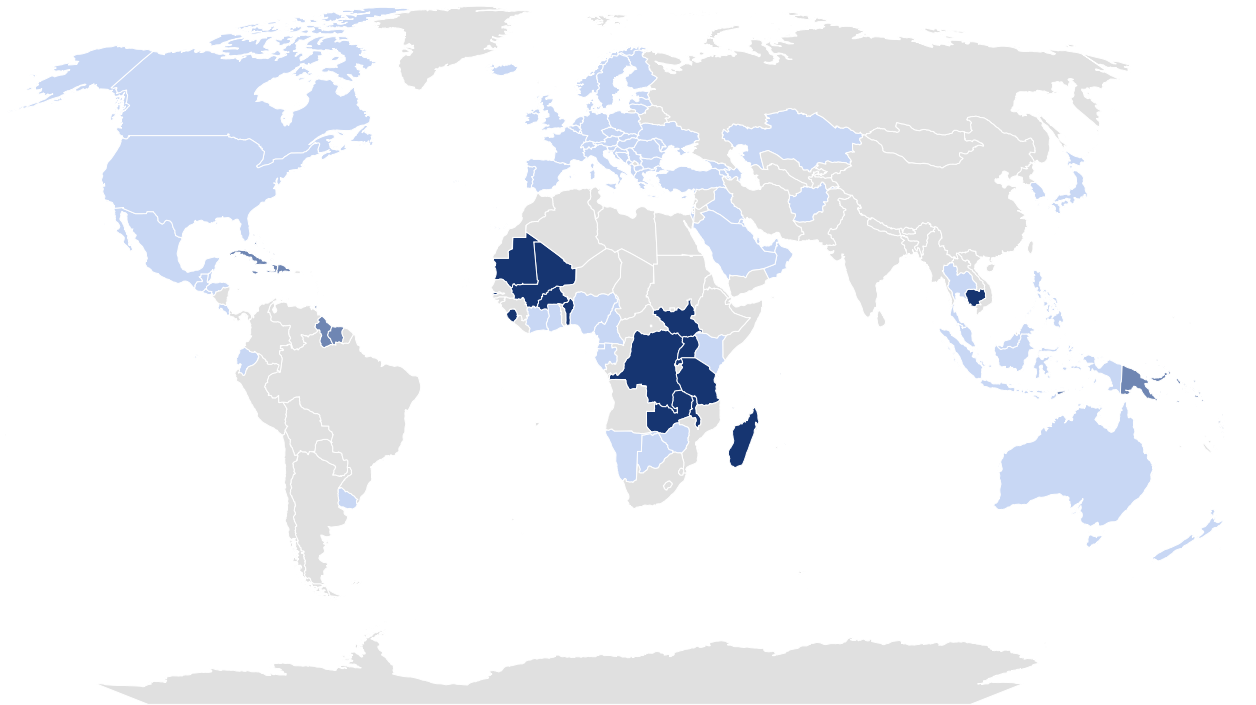
Verra Bangladesh AM0023 – CCP and CORSIA phase 1 scope

USA potential withdrawal

OTC spot prices \$20-22/t CO₂e

ICE CORSIA futures – highly illiquid

CORSIA - 129 participating countries

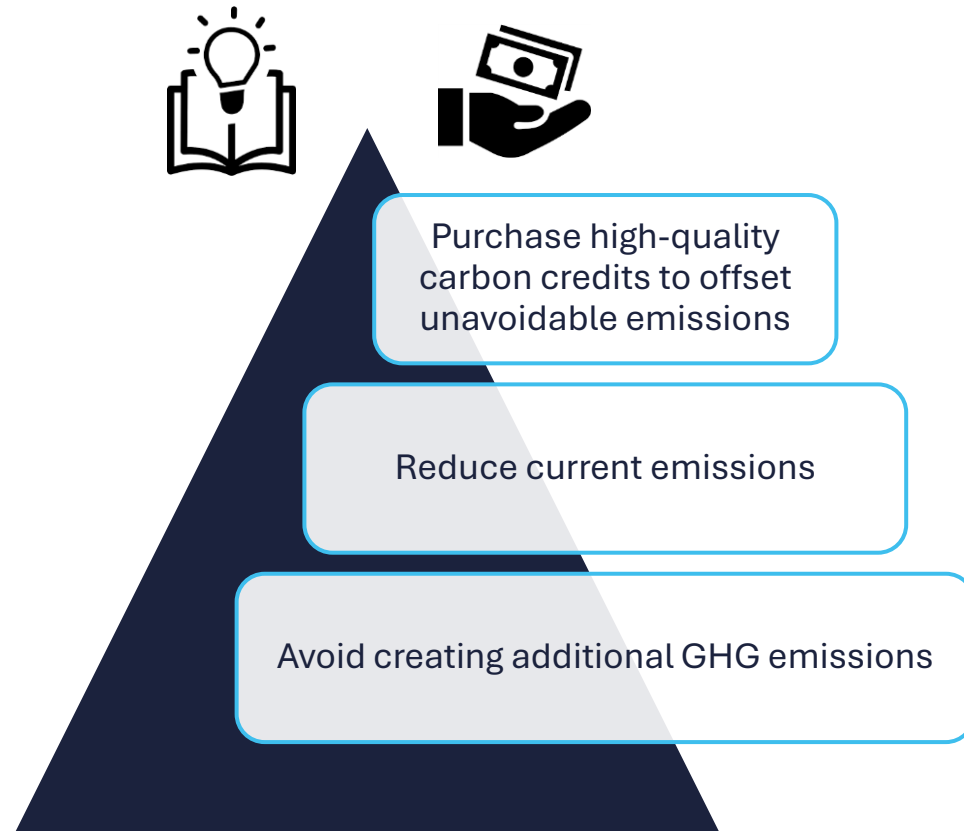


How many humans are in aeroplanes in the sky on average at any given moment?

How many humans are in aeroplanes in the sky on average at any given moment?

1 million – 3 million

Carbon mitigation hierarchy



Local compliance markets

Global voluntary markets

Argus Carbon: global carbon market coverage

Argus Carbon
Global carbon market prices, news and analysis
Issue 25-3 | Friday 9 May 2025

COMPLIANCE >>> GO TO

- Europe: EU ETS allowances rise further week on week 2
- Asia-Pacific: Election fails to support Australian prices 4
- Americas: RGGI allowances break rally, CCA's rise 6

VOLUNTARY >>> GO TO

- REDD+: Katingan prices soar 7
- Clean cookstoves: Demand for Article 6 credits 10
- ARR, IFM and Delta Blue Carbon: ARR trades 11

NEWS >>> GO TO

- EUA liquidity at EEX down 39pc on year in April
- Microsoft snaps up another 3mn IFM credits
- Carbon credit method may limit Australia's ACCU supply

IN FOCUS >>> GO TO

- Limited early EUA 2 liquidity

Carbon market prices and news are updated daily and published on Argus Direct Workspaces and Market Briefings. Prices can be delivered using API or FTP mechanisms. For more information contact support@argusmedia.com.

Key prices

Global emissions pricing, 8 May

Region	Market	Price (\$/t)
Europe	EU ETS Dec 2025	€70.33/t CO2e
	UK ETS Dec 2025	€51.34/t CO2e
	Global compliance carbon	\$/t
Americas	CCA 2025	\$28.230/t
	RGGI CO2 2025	\$22.03/t
	CCOG	\$13.02/t
	LatAm 2018 REDD+ CCB	\$2.79/t CO2e
US IFM 2018	\$9.95/t CO2e	
Asia-Pacific	ACCU generic spot	
	CEA year	
	India solar 2020	
	China ARR 2018	
Delta Blue Carbon 2018		

VCM (\$/tCO2e)

Description	Price	Change	Date
REDD+	3.95	0.00	08 May 25
clean	3.45	0.00	08 May 25
hydro	2.05	0.00	08 May 25
solar	0.65	0.00	08 May 25
wind	0.65	0.00	08 May 25
hydro	0.50	0.00	08 May 25
Envira	3.85	0.00	08 May 25
Rimba	6.10	0.05	08 May 25
2019	3.40	-0.25	08 May 25
IFM	0.30	0.00	08 May 25
IFM	1.70	-0.05	08 May 25

Voluntary Carbon Credits

1M 2M 3M 6M 1Y 5Y Custom

(USD/t CO2e)

Jan 25 Mar 25 May 25

- Voluntary carbon credit ARR v2020 Colombia
- Voluntary carbon credit REDD+ v2020 Latin America
- Voluntary carbon credit wind v2020 India
- Voluntary carbon credit IFM v2020 US
- Voluntary carbon credit Delta Blue Carbon v2020
- Voluntary carbon credit clean cookstove v2019+ Africa

US carbon (\$/t CO2e)

Description	Period	Price	Price High
CO2 CCOG California carbon offsets seller guaranteed	prompt	13.02	13.07
CO2 CCA prompt monthly index	prompt	26.950	
CO2 California Carbon allowances MTD VWA year 1	2025	27.790	
CO2 California Carbon			

European ETS (€/t CO2e)

1M 2M 3M 6M 1Y 5Y Custom

Sep 24 Jan 25 May 25

- EU ETS
- UK ETS

Asia-Pacific compliance carbon

Description	Units	Period	Price
China CEA	USD/t	2025	-
ACCU Generic	AUD/t CO2e	spot	35.00
ACCU Generic (No AD)	AUD/t CO2e	spot	35.00
APCC HIR	AUD/t	prompt	36.00

Asia-Pacific carbon

1M 2M 3M 6M 1Y 5Y Custom

Sep 24 Jan 25 May 25

- China CEA US\$/t
- ACCU Generic AS\$/t
- ACCU Generic (No AD) AS\$/t
- ACCU HIR AS\$/t
- Australian SMC AS\$/t

- Compliance and voluntary carbon price benchmarks
- European spark and dark spreads
- Market commentary and fundamentals analysis
- Industry, policy and project news
- Bespoke in-depth analysis

- Customisable real-time web portal
- Alerts and emails
- Price data feeds – API/FTP – Excel plugin
- Weekly PDF

Argus Carbon: global carbon market coverage

Europe

EU ETS allowances (EUAs)

UK ETS allowances (UKAs)

Dark and spark spreads

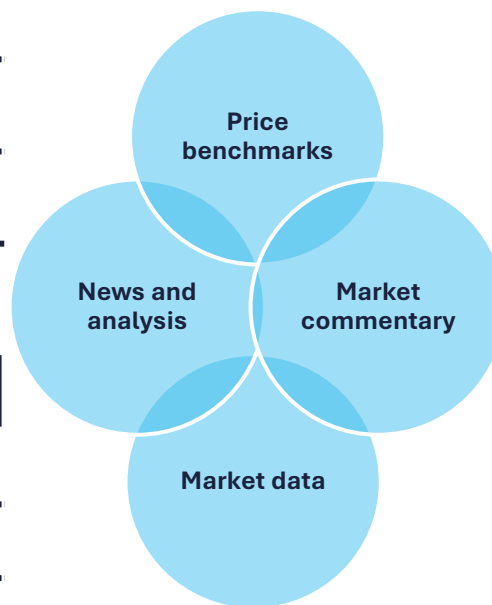
Voluntary carbon

REDD+ CCB

ARR – IFM – Delta Blue Carbon

Core Carbon Principles

Renewable Energy



Asia-Pacific

Australian carbon credit units (ACCUAs)

Safeguard mechanism credits (SMCs)

Chinese emissions allowances (CEAs)

Americas

California allowances and offsets

Washington allowances

Regional Greenhouse Gas Initiative (RGGI)

Alberta offsets

Thank you for listening

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Argus Carbon



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