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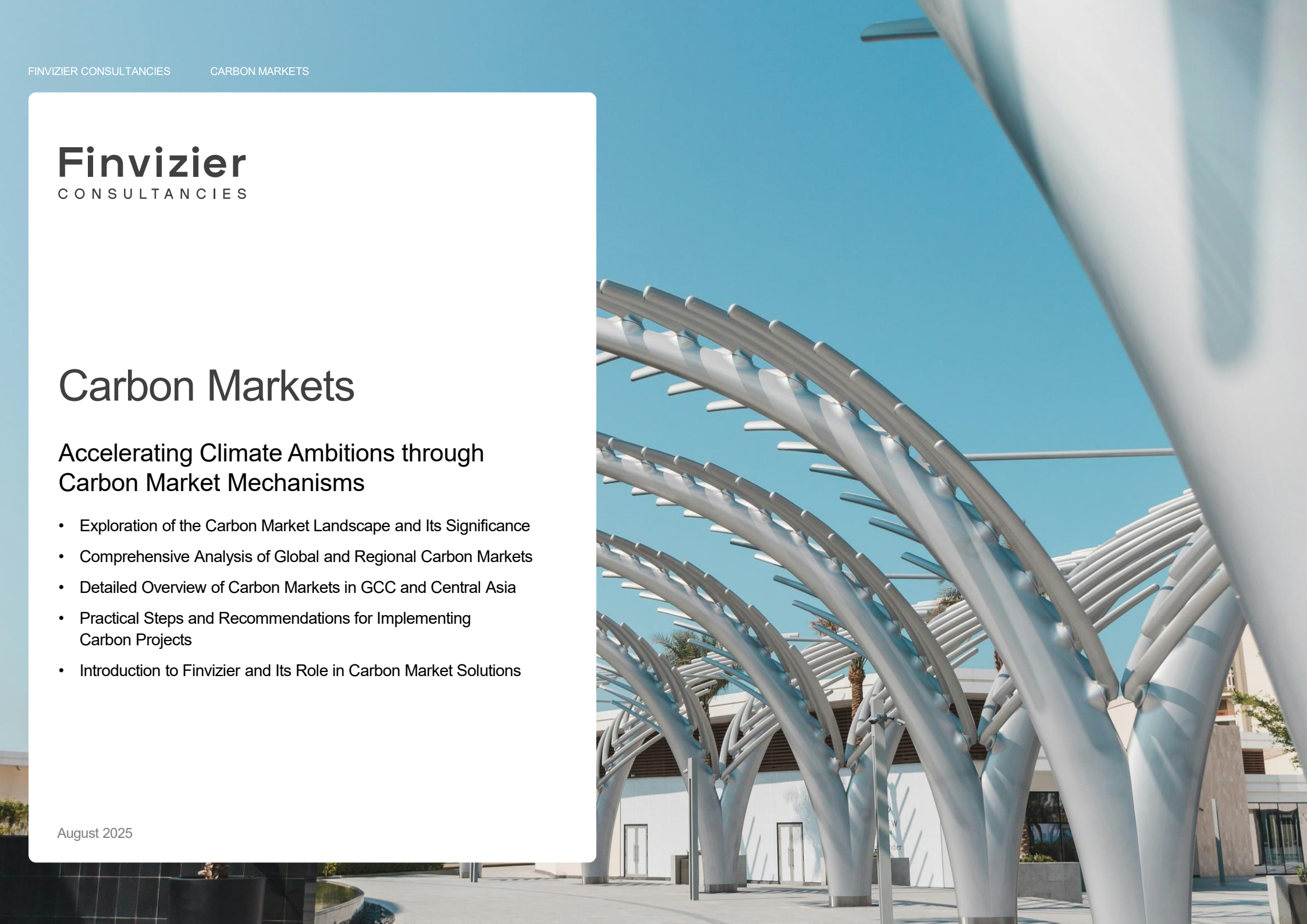
Carbon Markets

Accelerating Climate Ambitions through Carbon Market Mechanisms

- Exploration of the Carbon Market Landscape and Its Significance
- Comprehensive Analysis of Global and Regional Carbon Markets
- Detailed Overview of Carbon Markets in GCC and Central Asia
- Practical Steps and Recommendations for Implementing Carbon Projects
- Introduction to Finvizier and Its Role in Carbon Market Solutions

August 2025



Contents

Acronyms & Abbreviations

The following acronyms and abbreviations are used in this document:

A6.4ER	Article 6.4 Emission Reductions
ACR	American Carbon Registry
ACX	AirCarbon Exchange
ADGM	Abu Dhabi Global Market
AED	United Arab Emirates Dirham
AIFC	Astana International Financial Centre
BAU	Business as usual
CAR	Climate Action Reserve
CBAM	Carbon Border Adjustment Mechanism
CCM	Compliance Carbon Market
CDM	Clean Development Mechanism
CO_2e	Carbon dioxide equivalent
COP29	The 29th Conference of the Parties
CORSIA	Carbon Offsetting and Reduction Scheme for International Aviation
DFM	Dubai Financial Market
ERPA	Emission Reduction Purchase Agreement
ETS	Emissions Trading System
EU-ETS	European Union Emissions Trading System
FAB	First Abu Dhabi Bank
FII	Future Investment Initiative
FSRA	Financial Services Regulatory Authority
GBAO	Gorno-Badakhshan Autonomous Oblast
GCC	Gulf Cooperation Council
GCOM	Greenhouse Gas Crediting & Offsetting Mechanism
GDP	Gross Domestic Product
GHG	Greenhouse gases
GIZ	German Agency for International Cooperation
ICAO	International Civil Aviation Organization
iCRAFT	Integrated Climate Resilient Adaptation Frameworks and Tools
IPCC	The Intergovernmental Panel on Climate Change
ITMO	Internationally Transferred Mitigation Outcomes
MENA	Middle East and North Africa
MOCCAE	Ministry of Climate Change and Environment of UAE
MRV	Measurement, Reporting, and Verification
MW	MegaWatt
NDC	Nationally Determined Contributions
NRCC	National Registry of Carbon Credits
OBPS	Output-Based Pricing System
PIF	Public Investment Fund
REDD+	Reducing Emissions From Deforestation And Forest Degradation In Developing Countries
RVCMC	Regional Voluntary Carbon Market Company
SAR	Saudi Arabian Riyal
SBCE	Sistema Brasileiro de Comércio de Emissões de Gases de Efeito Estufa
TCAF	Transformative Carbon Asset Facility
UAE	United Arab Emirates
UICCA	UAE Independent Climate Change Accelerators
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNFCCC	The United Nations Framework Convention on Climate Change
VCM	Voluntary Carbon Markets
VCS	Verified Carbon Standard

Key Takeaways

Carbon markets are gaining momentum in both Central Asia and Gulf Cooperation Council countries, with growing interest in leveraging market-based tools to meet climate targets.

TWO MARKET TYPES: COMPLIANCE AND VOLUNTARY CARBON MARKETS

Carbon markets operate under two distinct mechanisms

01. CCM are driven by mandatory regulation, such as Emissions Trading Systems (ETS).
02. VCM enable entities to offset emissions beyond regulatory requirements, often tied to net-zero commitments.

MARKET SCALE AND COVERAGE

01. According to the World Bank (2025), carbon market initiatives under compliance mechanisms now cover approximately 28% of global GHG emissions, and for the first time, global carbon market revenues exceeded $102.2 billion in 2024. As of late 2025, global carbon prices ranged from under $1 to over $159 per ton of CO_2e.
02. In the VCM, the total reported transaction value reached $535 million in 2024.

PARIS AGREEMENT ARTICLE 6 SHAPES THE AGENDA

01. International cooperation under Article 6 of the Paris Agreement is key to regional carbon strategies, enabling access to global finance and credit trading.
02. As of 2024, 43 bilateral agreements were signed under Article 6.2, highlighting strong momentum for joint climate action, while no agreements have yet been finalized under Article 6.4, though the mechanism is under active development.

CARBON MARKETS OUTLOOK BY COUNTRY

01. Kazakhstan leads Central Asia with an operational ETS.
02. UAE leads the Gulf region in developing a national compliance framework.
03. VCMs are expanding across Central Asia and the Gulf, with countries like Saudi Arabia and Qatar launching or scaling national platforms.

Source: Finvizier Consultancies

Executive Summary of World Bank State and Trends Report 2025

01. CARBON PRICING ADOPTION ACCELERATES IN MIDDLE-INCOME ECONOMIES

Momentum continues globally: 80 carbon pricing instruments are now operational. Brazil, India, and Türkiye made notable strides toward emissions trading schemes (ETS), while Colombia and Indonesia expanded their systems. Most new frameworks are rate-based ETS models.

02. CARBON PRICING NOW COVERS A LARGER SHARE OF EMISSIONS AND GDP

Nearly two-thirds of global GDP is now under either a carbon tax or ETS. Power and industrial sectors lead coverage; agriculture remains largely unpriced.

03. CARBON PRICING REVENUE EXCEEDS $100B, BUT PRICES VARY

Revenues declined slightly from 2023 due to falling ETS prices (notably in the EU and UK) but remained over three times higher than a decade ago.

04. COMPLIANCE-DRIVEN CREDIT RETIREMENTS SURGED IN 2024

Retirements nearly tripled as firms moved to meet long-term obligations under systems like California and Québec. Voluntary buyers increasingly favor nature-based and clean cooking project credits, reflecting shifting climate and co-benefit priorities.

05. SIGNIFICANT SURPLUS OF UNRETIRED CARBON CREDITS PERSISTS

The volume of unretired credits rose to nearly 1 billion tons — mainly older credits issued before 2022 from forestry and renewable energy projects. Government crediting mechanisms (e.g., Australia, Kazakhstan) remain a minor share of total supply.

06. CREDIT PRICES DIVERGE ACROSS CATEGORIES AND USE CASES

While average prices softened, nature-based removal credits and credits rated by proprietary agencies command premiums. Credits eligible for compliance markets are valued more highly than those traded in voluntary markets, signaling increasing segmentation.

Source: World Bank, State and Trends of Carbon Pricing 2025

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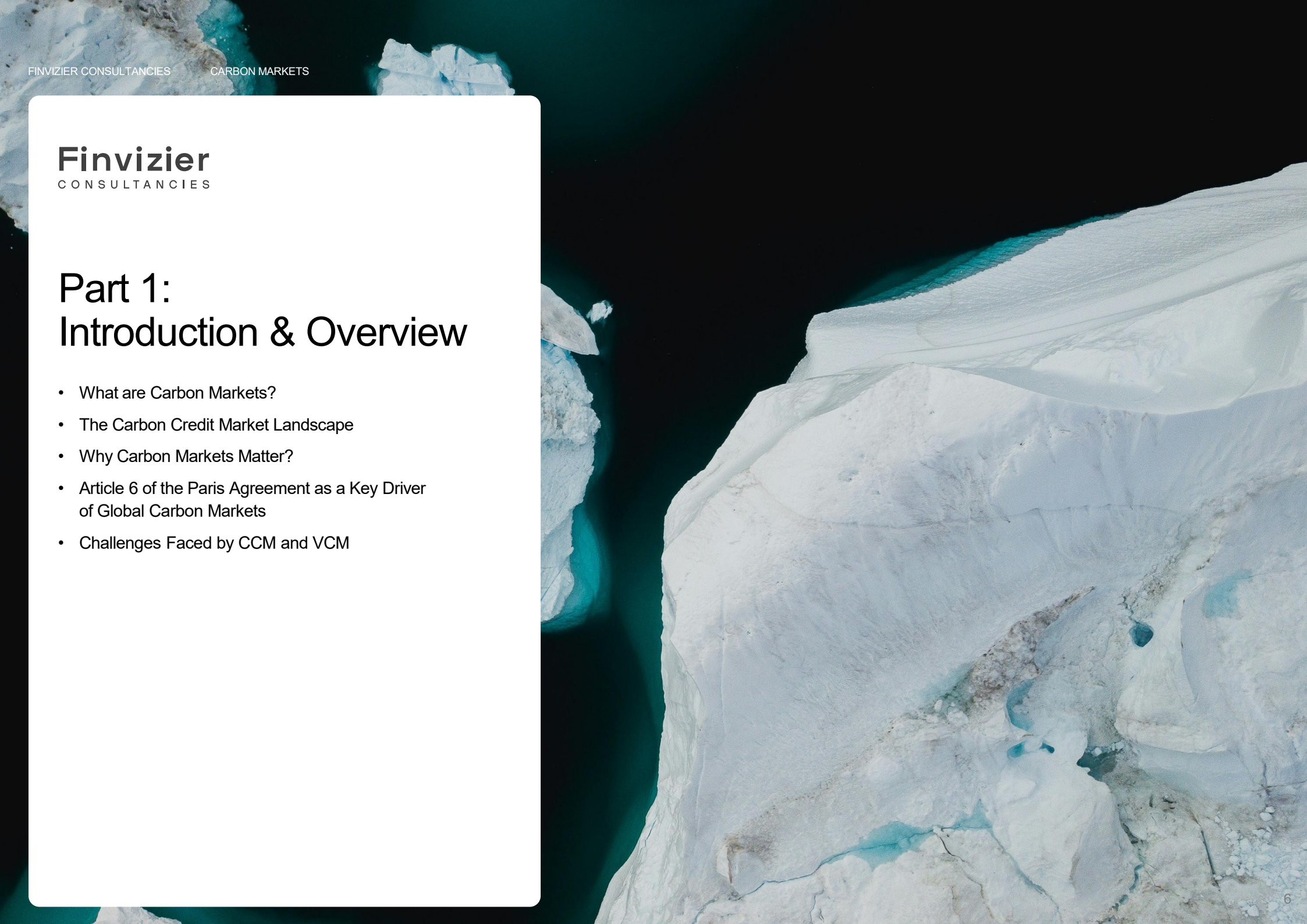
Part 1:
Introduction & Overview

- What are Carbon Markets?
- The Carbon Credit Market Landscape
- Why Carbon Markets Matter?
- Article 6 of the Paris Agreement as a Key Driver of Global Carbon Markets
- Challenges Faced by CCM and VCM



What are Carbon Markets?

Carbon markets are **carbon pricing mechanisms** that align the costs of consuming carbon-intensive fuels or using carbon-intensive processes with the social costs of those activities (*World Bank*).

Their goal is to help achieve climate targets and implement climate actions in a cost-effective way.

Types of Carbon Markets:

Compliance Carbon Markets (CCM)

01 DEFINITION:

CCM are established by regulatory policies at national, regional, or international levels, requiring entities to comply with legally binding emission reduction targets.

02 MECHANISMS:

- **ETS**
  In an ETS, the government places a limit on the amount of GHG emissions from covered entities and requires entities to surrender tradable units for their emissions. ETS designs vary, including cap-and-trade and rate-based systems.
- **Carbon Taxes**
  Through a carbon tax a government levies a fee on covered entities for their GHG emissions, providing a financial incentive to reduce emissions.
- **Credit-based and Benchmarking Approaches**
  including Output-Based Pricing Systems (OBPS) and other flexible, hybrid mechanisms (75+ total in place globally).

03 EXAMPLE

- EU Emissions Trading System (EU ETS)
- Colombia's carbon tax
- China's national ETS
- Canada's Output-Based Pricing System (OBPS)

04 ACTION

In 2024, over 60 countries implemented compliance carbon pricing mechanisms to support their Nationally Determined Contributions (NDCs) under the Paris Agreement. The EU ETS covers over 40% of the EU's GHG emissions. Colombia's carbon tax applies to 31.6% of national emissions.

Voluntary Carbon Markets (VCM)

01 DEFINITION:

VCM is the sum total of all carbon credits originating from voluntary carbon standards and being used by a group of voluntary credit buyers composed of companies, institutions, and individuals who wish to offset some or all of their annual emissions.

02 MECHANISMS:

- **International crediting mechanism**
  Mechanisms managed or administered by an international organization, including those established with authority of national governments, such as UN agencies.
- **Independent crediting mechanism**
  Mechanisms administered by a nongovernmental organization.
- **Governmental crediting mechanism**
  Mechanisms administered by one or more governments.

03 EXAMPLE

- Verra Registry
- Gold Standard Registry
- Climate Action Reserve (CAR)

04 ACTION

In 2024, 182 million tons of carbon credits were retired under the ten largest voluntary carbon standards, including Verra (VCS), Gold Standard, ACR, CAR, ART, Cercarbono, and others.

Source: World Bank, UNEP, UNDP, Ecosystem Marketplace 2025, Finvizier Consultancies

The Carbon Credit Market Landscape: Overview

The Carbon Market is the overall system for trading all carbon-related instruments, including emission allowances, carbon offsets, and carbon credits. It includes both compliance markets (such as ETS) and voluntary markets.

The Carbon Credit Market is a specific segment within this broader system, focused exclusively on trading carbon credits - certificates that represent the right to emit a defined amount of greenhouse gases.

Carbon credit markets trade **"carbon credits"**, which are units that represent an emission reduction, avoidance, or removal equivalent to 1 tCO_2e, generated through voluntarily implemented mitigation activities.

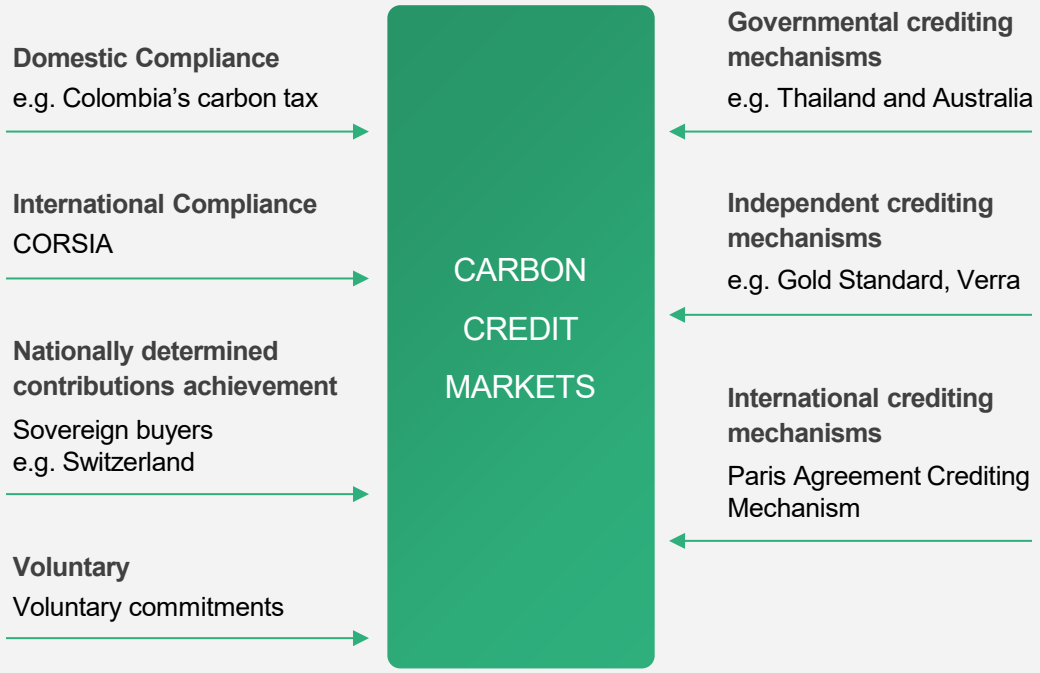
EXAMPLES OF CARBON CREDITS GENERATION

- **Emission Reductions**
  1. Capturing methane from landfills
  2. Replacing fossil fuels with solar or wind energy
- **Emission Avoidance**
  1. Preventing deforestation (e.g. REDD+ projects)
  2. Conserving carbon-rich ecosystems
- **Carbon Removals**
  1. Sequestering CO_2 through afforestation
  2. Direct air capture and storage

PURPOSE

To incentivize and finance climate-positive actions by allowing credits to be traded and used to offset emissions.

Sources of demand and supply in global carbon credit markets (World Bank)



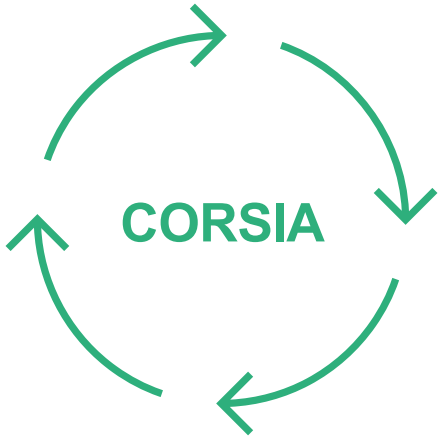
Source: World Bank, Finvizier Consultancies

The Carbon Credit Market Landscape: CORSIA

01. What is CORSIA?

The Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), established by the International Civil Aviation Organization (ICAO) in 2016, represents the first global sectoral carbon crediting mechanism.

Designed to address emissions from international flights - excluded from the Paris Agreement - CORSIA aims to achieve "carbon-neutral growth" from 2020 onward by requiring airlines to offset excess emissions above 2019 levels using carbon credits.



02. Key Strengths of CORSIA

Global Sectoral Coverage
Covers international aviation with participation from 126+ countries and coverage of ~85% of international aviation emissions by 2027.

Flexible Market-Based Design
Allows airlines to use CORSIA Eligible Emissions Units (EEUs) sourced from ICAO-approved programs, balancing ambition with cost-efficiency.

Environmental Safeguards
Credits must ensure additionality, permanence, and corresponding adjustments to avoid double-counting and low-quality offsets.

Incentives for Innovation
Provides credits for Sustainable Aviation Fuels (SAF) and carbon-removal projects, stimulating decarbonization technologies across the value chain.

04. Core Challenges

While CORSIA is a pioneering model, it faces critical challenges that could limit its effectiveness:

01. supply bottlenecks supply bottlenecks - including limited availability of high-integrity carbon credits and delays in host-country authorizations for corresponding adjustments.
02. political fragmentation.
03. environmental credibility gaps.

03. Implementation Structure

CORSIA operates under a three-phase market-based approach combining regulatory mandates with credit flexibility:

Pilot Phase (2021–2023) – Voluntary participation to establish the 2019 emissions baseline.

First Phase (2024–2026) – Voluntary, with offsetting required for emissions above 85% of 2019 levels.

Second Phase (2027–2035) – Mandatory for most countries (except least developed and small island nations).

In 2024, the CORSIA Central Registry recorded participation from 670 international airline operators across 131 countries, reflecting strong global engagement. A total of 56 independent verification bodies were accredited in 34 countries to ensure the accuracy and credibility of reported emissions. This demonstrates a high level of compliance, transparency, and institutional maturity within the CORSIA framework.

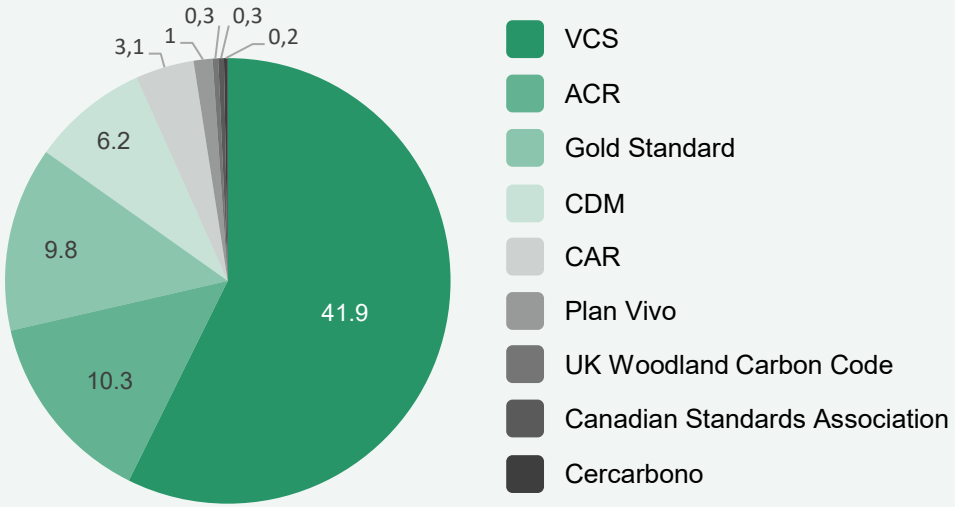
In parallel, major carbon crediting programs such as Verra and Gold Standard have introduced insurance-backed mechanisms to mitigate the risk of double counting and expand the eligibility of units for CORSIA. These innovations allow carbon credits to qualify either through corresponding adjustments under Article 6 or via approved insurance schemes, enhancing both environmental integrity and access to carbon markets.

Source: CORSIA (ICAO), Verra

The Carbon Credit Market Landscape: Key International VCM Standards and Mechanisms

1. At the global level, the verification of voluntary carbon projects is carried out through several internationally recognized standards. The two largest – **Gold Standard** and **Verified Carbon Standard (VCS)** – together account for approximately **85% of the market**.
2. Other widely used standards include **CDM, ACR, CAR, Plan Vivo etc**.
3. While these standards are largely similar in structure and purpose, they often differ in the **project types** they support or prioritize – **such as renewable energy, forestry, agriculture, or carbon removals.**

VCM Transaction Volumes by Project Standard, 2024



Coverage of project types by international mechanisms

	Agriculture	Carbon capture	Energy efficiency	Forests and land use	Fuel combustion	Uncontrolled emissions	Industrial gases	Industry	Other land use	Renewable energy	Transport	Waste
American Carbon Registry	+	+	+	+	+		+	+		+	+	+
Climate Action Reserve	+			+			+		+			+
Gold Standard	+		+	+	+	+				+		+
Verified Carbon Standard	+		+	+	+	+	+	+		+	+	+
Clean Development Mechanism		+	+	+	+	+	+	+		+	+	+
Joint Implementation Mechanism	+		+	+	+	+	+	+		+		+

Source: World Bank, Ecosystem Marketplace 2025, Finvizier Consultancies

Why Carbon Markets Matter?

The Importance of Carbon Markets for Countries

01. ACHIEVING CLIMATE TARGETS (E.G., NDCS):

Carbon markets help countries meet their climate commitments under **the Paris Agreement** by allowing them to buy or sell carbon credits to offset domestic emissions.

02. MOBILIZING CLIMATE FINANCE:

By issuing and selling carbon credits, countries – especially developing ones – can attract private investment for renewable energy, reforestation, and climate-resilient infrastructure.

03. TECHNOLOGY TRANSFER & CAPACITY BUILDING:

Participation in international markets often brings access to cleaner technologies, **MRV systems**, and institutional strengthening.

04. REGIONAL & GLOBAL INTEGRATION:

Carbon markets link countries to global climate finance flows and enhance cooperation via mechanisms like **Article 6 of the Paris Agreement.**
In 2023, **143 of 154 countries** indicated plans to use carbon markets under Article 6 to support climate action.

The Importance of Carbon Markets for Corporates

01. COST-EFFECTIVE EMISSIONS REDUCTION:

Carbon markets allow companies to offset emissions they can't eliminate internally – buying verified credits is often cheaper than immediate internal abatement.

02. REGULATORY PREPAREDNESS:

Participation in voluntary markets helps companies prepare for future regulations (e.g., **carbon taxes, CBAM**) and manage transition risks.

03. ESG AND INVESTOR EXPECTATIONS:

Demonstrating climate responsibility through carbon offsetting enhances a company's **ESG profile**, improves access to sustainable finance, and meets stakeholder expectations.

04. NEW REVENUE STREAMS:

For companies that reduce emissions beyond compliance, selling excess credits provides an additional source of income.

05. ALIGNMENT WITH INTERNATIONAL REPORTING STANDARDS:

The upcoming **GRI 102**: Climate Change 2025 standard (effective from 2027) introduces new disclosure requirements on carbon credits (indicator 102-10), replacing GRI 305. Companies will be expected to report not only emissions data, but also their use of carbon credits, climate strategies etc.

Source: UNEP, UNDP, Finvizier Consultancies

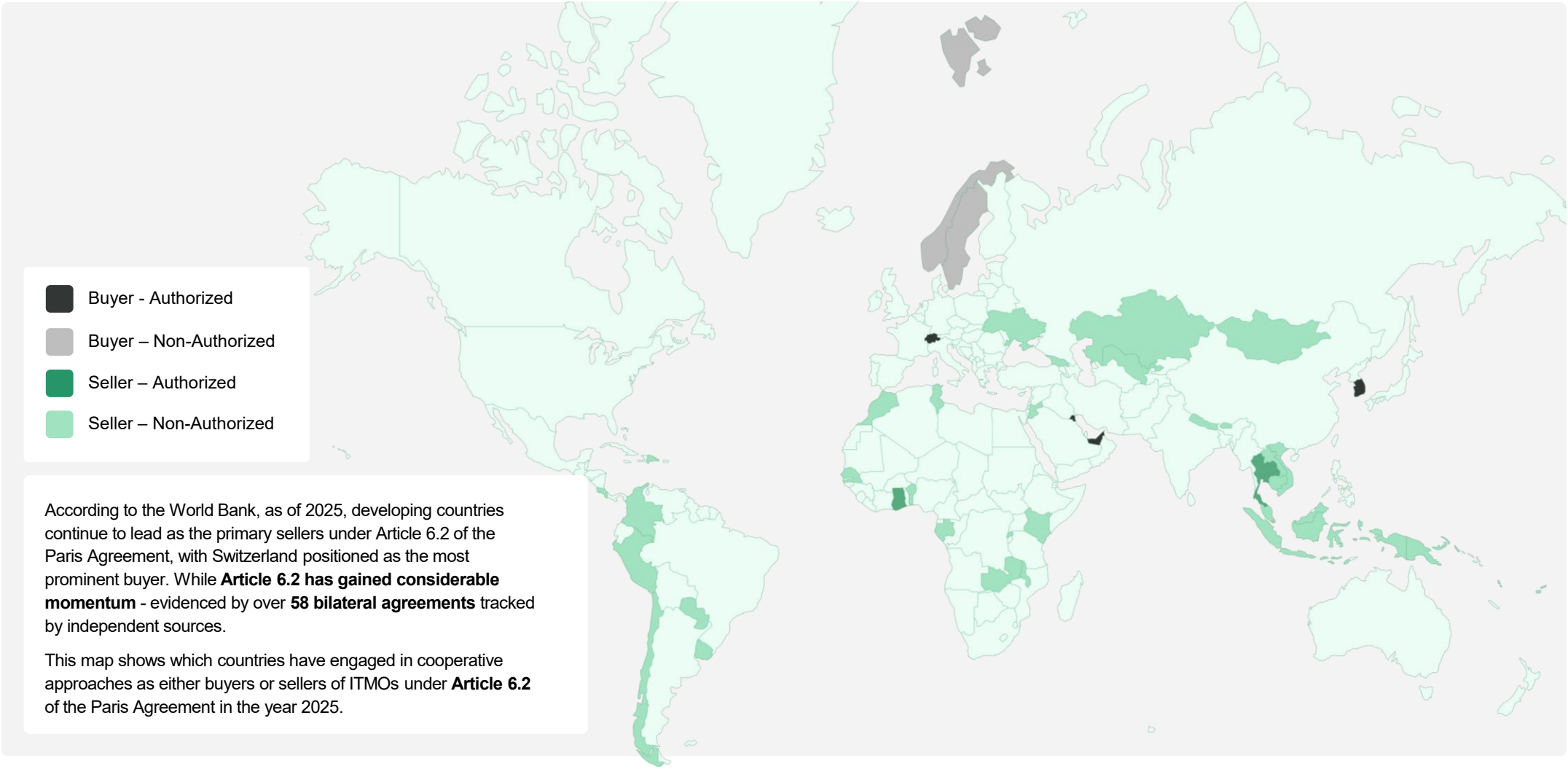
Article 6 of the Paris Agreement as a Key Driver of Global Carbon Markets

The Paris Agreement's Article 6 introduces mechanisms for international cooperation to achieve climate goals. Articles 6.2 and 6.4 are foundational in building global carbon markets - offering flexibility through bilateral trading (6.2) and structure via a centralized crediting mechanism (6.4).

Aspect	Article 6.2	Article 6.4
Type of mechanism	Provides a flexible framework for countries or authorized entities to transfer emission reductions (ITMOs) through direct cooperation.	Establishes a centralized UN-supervised carbon crediting mechanism known as the Paris Agreement Crediting Mechanism (PACM).
Operation	Enables countries to create bilateral or multilateral agreements for emissions trading with flexibility.	Operates as a multilateral market mechanism, replacing the Kyoto Protocol's Clean Development Mechanism (CDM).
Supervision and governance	Participation is voluntary; countries manage their own systems with guidance on transparency and reporting.	Operated under the authority of a UNFCCC supervisory body to ensure consistency, transparency, and environmental integrity.
Credits issued	ITMOs can be transferred and used towards Nationally Determined Contributions (NDCs); no centralized issuance of credits.	Issues Article 6.4 Emission Reductions (A6.4ERs), which can be authorized for use as ITMOs or remain as Mitigation Contribution Units (MCUs).
Environmental integrity	Requires transparent reporting and mandatory adjustments to avoid double counting and maintain credibility.	Strong safeguards and standardized methodologies for monitoring, reporting, and verification to ensure integrity.
Scope and flexibility	More flexible, allowing various types of cooperative approaches, including market and non-market mechanisms.	More structured, focused on crediting emission reductions from specific projects or activities.
Relationship to cdm	Not a direct successor but can incorporate credits from other programs if authorized.	Direct successor to the Kyoto Protocol's CDM, with improved rules and standards.
Purpose	Designed to encourage international cooperation, boost ambition, and support low-carbon development through flexible trading.	To promote mitigation of GHG emissions while fostering sustainable development, incentivizing participation by public and private entities.
Status (as of 2025)	Operational and expanding. Over **58** bilateral agreements reported globally; active ITMO transfers underway.	Not yet active. Mechanism architecture is in place, but **no** Article 6.4 credits (A6.4ERs) have been issued or transacted to date.

Sources: Paris Agreement Article 6.2, Article 6.4

Article 6 of the Paris Agreement: Participation Approaches



According to the World Bank, as of 2025, developing countries continue to lead as the primary sellers under Article 6.2 of the Paris Agreement, with Switzerland positioned as the most prominent buyer. While **Article 6.2 has gained considerable momentum** - evidenced by over **58 bilateral agreements** tracked by independent sources.

This map shows which countries have engaged in cooperative approaches as either buyers or sellers of ITMOs under **Article 6.2** of the Paris Agreement in the year 2025.

Article 6.4 of the Paris Agreement – Project Registration Status (as of July 2025). A total of 1,041 Prior Consideration Notifications have been submitted under Article 6.4 of the Paris Agreement, comprising 824 project activities and 217 programmes of activities.

The majority of submissions originate from South Asia, Southeast Asia, and Sub-Saharan Africa, with a strong focus on renewable energy and household-level interventions. Notably, no submissions have been made by GCC or Central Asian countries to date.

Sources: World Bank

Challenges Faced by CCM and VCM

While carbon markets are essential tools for driving climate action, both CCM and VCM systems face significant challenges that threaten their effectiveness, credibility, and scalability.

CCM Specific Challenges

01. REGULATORY FRAGMENTATION

Over 70 carbon market initiatives globally with inconsistent rules, impeding market linkage.

02. MARKET OVERSUPPLY

The EU ETS has seen a steep carbon price drop since January 2024, falling from around €84 to as low as €52 per tonne – still higher than the sub-€20 levels of 2010-2020. To address past oversupply, the EU introduced Backloading (2014-2016), delaying the auction of 900 million allowances, and created the Market Stability Reserve, active since 2019, to automatically balance supply and demand in the carbon market.

03. POLITICAL UNCERTAINTY

As of March 2022, only 33 countries and the European Union have legally binding net-zero targets, highlighting weak political commitment and uncertainty in long-term climate policy.

Source: World Bank Group, Climate Action Tracker, Finvizier Consultancies

VCM Specific Challenges

01. LACK OF STANDARDIZATION

Over 170+ methodologies exist across registries like Verra, Gold Standard, creating complexity for buyers.

02. GREENWASHING CONCERNS

Major companies such as Nestlé and Gucci have resisted buying voluntary carbon credits over reputational risks. A 2023 report by the Guardian revealed that over 90% of rainforest offset credits by one major provider had questionable climate impact.

03. POLITICAL UNCERTAINTY

As governments begin to regulate voluntary carbon markets, questions are emerging regarding their future structure and how they will coexist with compliance frameworks.

Source: ClimateSeed, Guardian, Guardian 2, Finvizier Consultancies

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Part 2: Global Carbon Market Overview

- Global Carbon Market Instruments: Coverage Overview
- Global Carbon Market: Price disparities
- Global Carbon Market Revenue
- Global Carbon Market: 2024 Update on Expansion and Reform Worldwide

Global Carbon Market Instruments: Coverage Overview

According to the World Bank, carbon market instruments collectively cover approximately **28%** of global greenhouse gas emissions - equivalent to nearly **15 gigatons of CO_2e.** As of 2025, carbon pricing instruments are operational in 99 jurisdictions (55 national and 44 subnational), comprising 113 systems globally: 43 carbon taxes, 37 ETSs, and 33 governmental crediting mechanisms.

Country Classification by Carbon Pricing Approach:

01. SINGLE INSTRUMENT COUNTRIES:

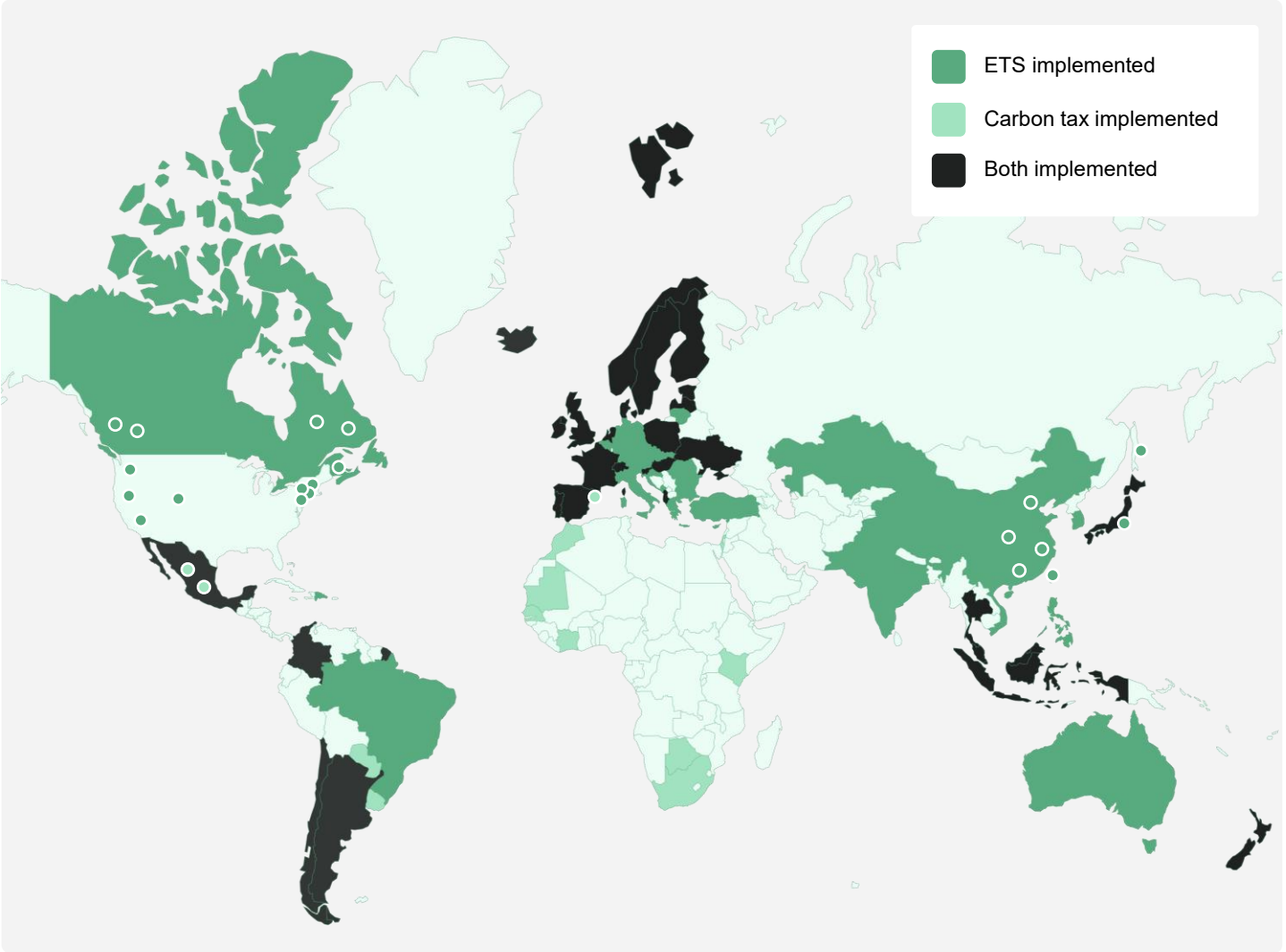
Countries applying only one pricing mechanism - such as China, South Korea, and Kazakhstan (ETS only) or South Africa and Israel (carbon tax only).

02. DUAL INSTRUMENT COUNTRIES:

Countries operating both ETS and carbon tax systems - such as Germany (EU ETS + national ETS), Canada (federal fuel charge + OBPS), and Japan (carbon tax + subnational ETSs in Tokyo and Saitama).

03. VOLUNTARY MARKET PARTICIPANTS:

Countries currently without compliance pricing but actively participating in voluntary carbon markets - such as the UAE, Saudi Arabia, Qatar, India, Brazil, and Kenya - and preparing for future regulation.



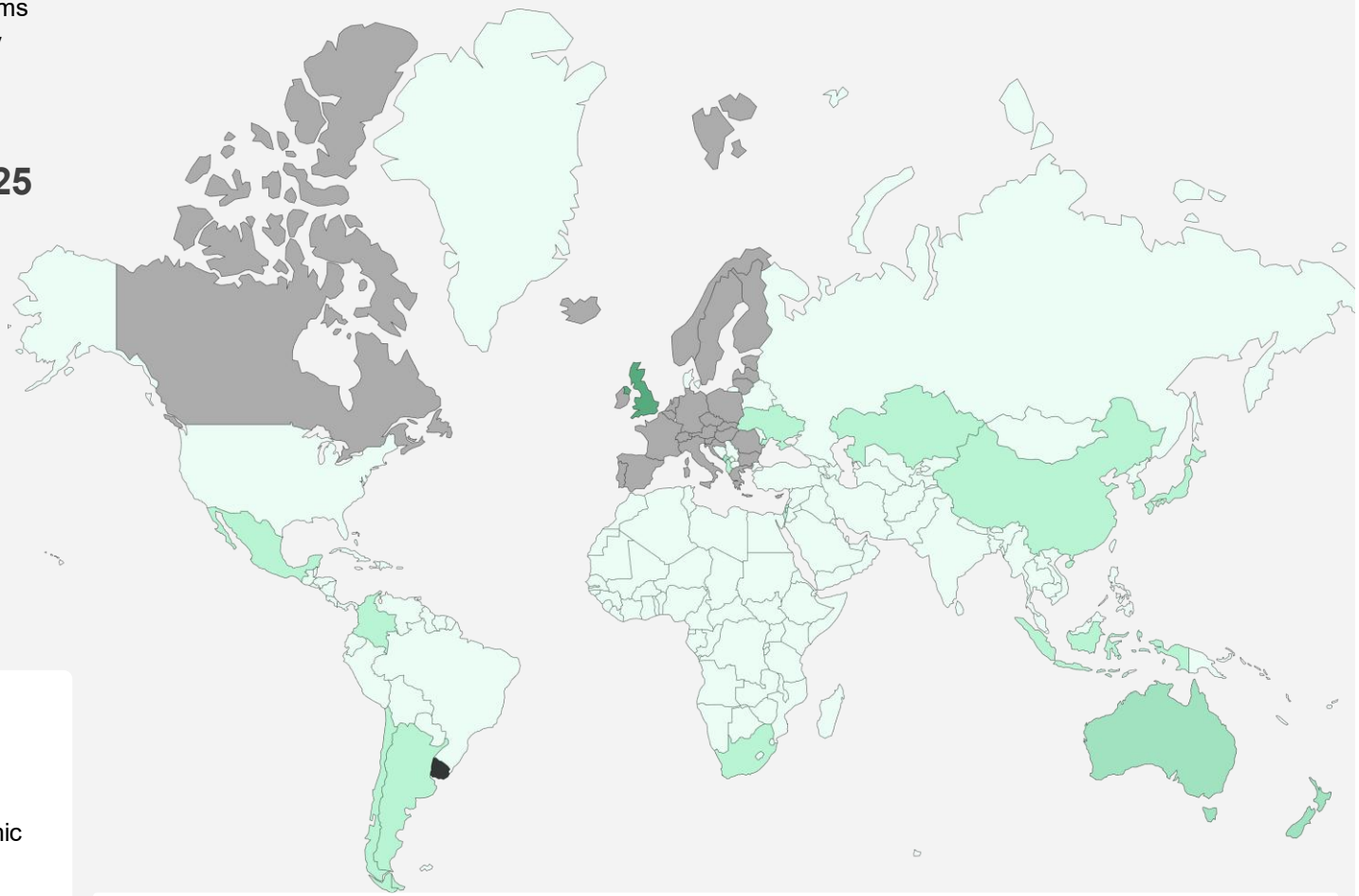
Source: World Bank

Global Carbon Market: Price Disparities

This map exclusively reflects direct carbon market mechanisms such as emissions trading systems and carbon taxes - set by governments, and does not capture indirect policy measures or internal carbon pricing used voluntarily by corporations.

Price of carbon around the world, 2025

Heat map shows the level of the main price set by emissions trading systems or Carbon taxes in each jurisdiction (US$/tCO2e), subject to any filters applied.



As of 2025, carbon prices varied widely - from under $1 per ton of CO_2e in some jurisdictions to $159 per ton in Uruguay and over $140 in Sweden.

This disparity reflects differences in policy ambition, economic capacity, and market maturity.

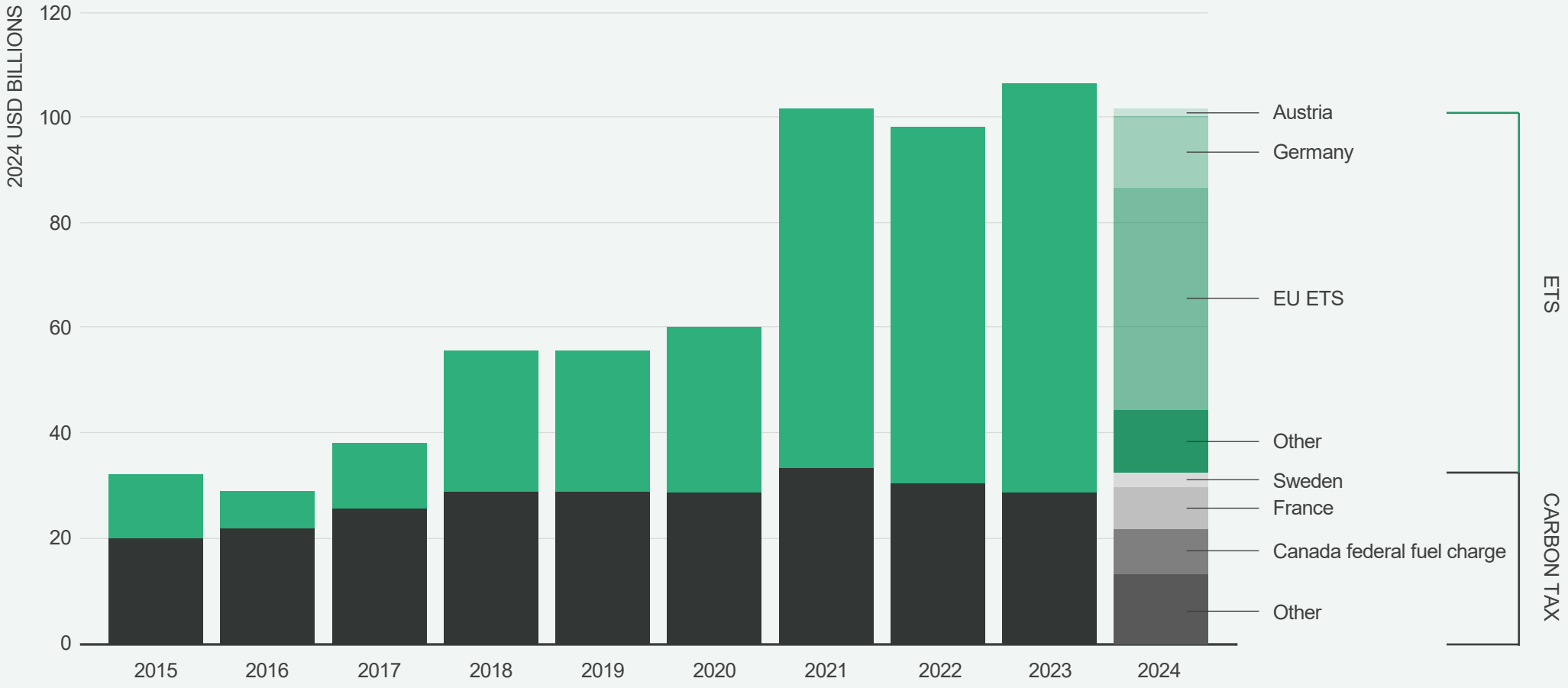
For developing countries, it underscores the urgent need for both technical and financial support to promote harmonization and enable equitable access to carbon markets.

Sources: World Bank

Global Carbon Market Revenue

In 2023, global carbon market revenues surpassed USD 100 billion for the first time, reaching USD 104 billion - a 4% real increase over 2022. Although revenues declined slightly to USD 102 billion in 2024, they remain historically high.

Total revenues from ETSs and carbon taxes, 2015-2024



Evolution of global revenues over time

Source: World Bank

Global Carbon Market: 2024 and 2025 Update on Worldwide Expansion and Reform

During 2024 and 2025, several jurisdictions announced or updated carbon market mechanisms as part of broader efforts to enhance climate policy and align with international standards.

Singapore

CARBON TAX:

In 2024 and 2025 Singapore increased its carbon tax from S$5 to S$25 per ton of CO_2-equivalent emissions.

SCOPE:

This tax applies to facilities emitting at least 25,000 tons annually.

According to Singapore's climate roadmap, carbon prices will continue to escalate progressively, reaching to S$45 in 2026 -2027, and reach S$50 - 80 by 2030.

Türkiye

ETS:

In 2025, Türkiye passed a law to launch a national Emissions Trading System (ETS), similar to the EU model. From 2027, companies will need emission permits, tradable on the EXIST exchange, with some allowances allocated for free.

SCOPE:

The pilot will cover facilities emitting over 500,000 tons of CO_2e, focusing on cement and metallurgy. The ETS aims to mitigate CBAM risks and drive national decarbonization.

China

ETS:

By the end of 2024, China expanded its national Emissions Trading System (ETS) to include 3 additional high-emitting sectors.

SCOPE:

Steel, cement, aluminium sectors.

This expansion has boosted the ETS coverage from roughly 40% to nearly 60% of the country's total greenhouse gas emissions.

Brazil

ETS:

In 2024, Brazil approved the SBCE (Sistema Brasileiro de Comércio de Emissões de Gases de Efeito Estufa), a national ETS. The SBCE will be rolled out in five phases over 5–6 years.

SCOPE:

Brazilian ETS will use a two-tier approach: facilities emitting over 10,000 tCO_2e must report their emissions, while those over 25,000 tCO_2e must also reconcile emissions with quotas.

South Korea

ETS reform:

In late 2025, Korea will introduce consignment trading via Korea Exchange (KRX), allowing companies to sell surplus allowances through brokers.
In 2026, KRX will launch carbon futures tied to Korean Allowance Units (KAUs), aiming to boost liquidity and provide price hedging tools.

SCOPE:

The Korea Emissions Trading System (K-ETS) covers ~70–74% of national emissions, including domestic aviation, maritime, power, transport, industry, buildings, and waste.

Source: Singapore- National Climate Change Secretariat, ICAP- Türkiye, ICAP- China, South Korea - ETS, Brazil adopts ETS- ICAP

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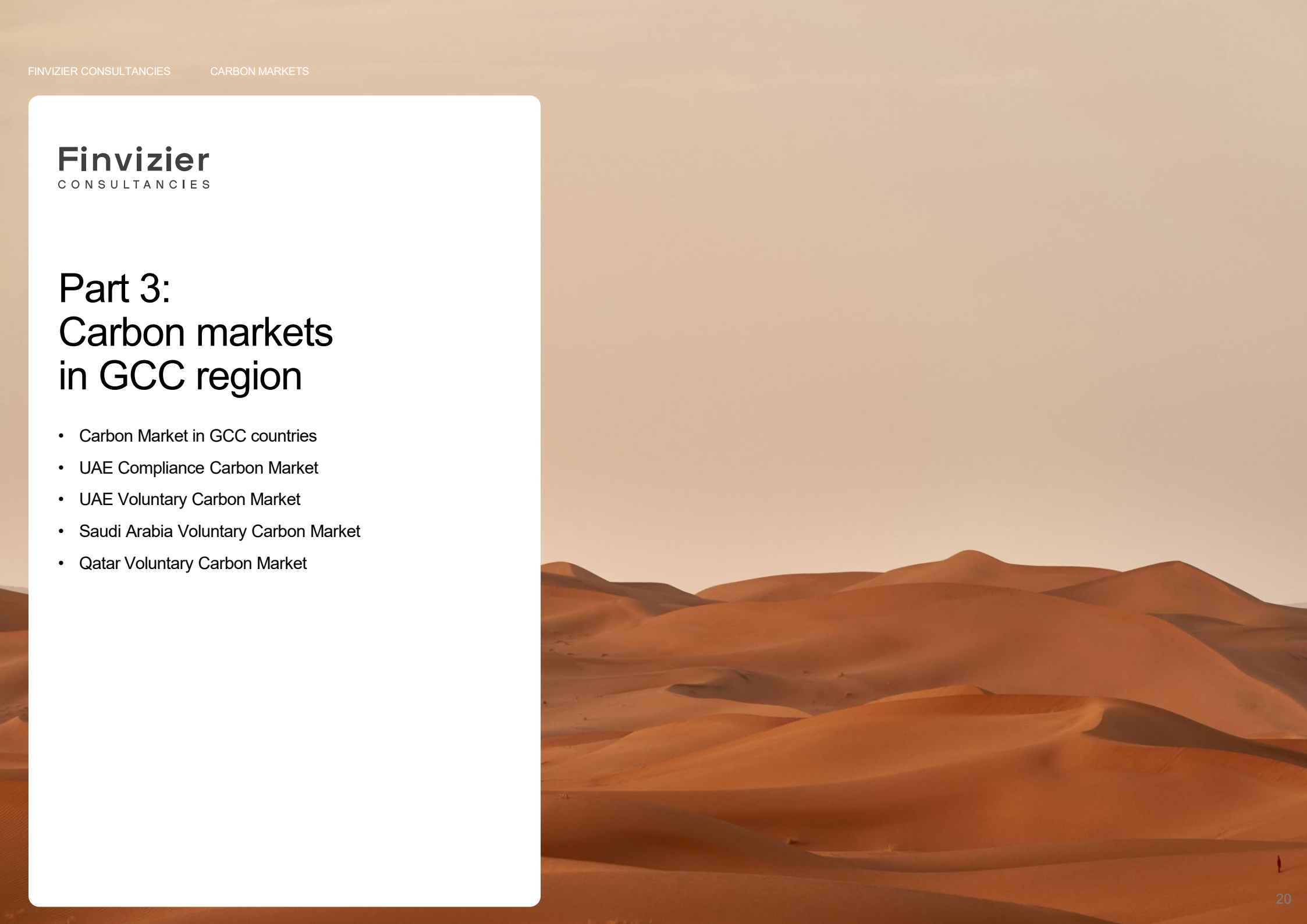
Part 3: Carbon markets in GCC region

- Carbon Market in GCC countries
- UAE Compliance Carbon Market
- UAE Voluntary Carbon Market
- Saudi Arabia Voluntary Carbon Market
- Qatar Voluntary Carbon Market



Carbon Markets in GCC: GHG Emissions and Climate Commitments Overview

Country	GHG emissions	NDC	Net zero
UAE	253 million CO2-eq.	reduce emissions by 47% from 2019 levels by 2035	2050
Saudi Arabia	775 million CO2-eq.	reduce 278 $MtCO_2eq$/year by 2030	2060
Qatar	122.25 million CO2-eq.	25% reduction by 2030, relative to BAU scenario	–
Bahrain	56.76 million CO2-eq.	–	2060
Oman	105.61 million CO2-eq.	reduction of 21% (7% unconditional and 14% conditional) by 2030	2050
Kuwait	149.05 million CO2-eq.	commits to reducing its emissions by 7.4% by 2035 compared to BAU*	2060

*BAU – Business as usual

Source: Climate Watch, Finvizier Consultancies

Carbon Markets in GCC countries

Gulf Cooperation Council countries are increasingly adopting carbon markets to align their fossil fuel-dependent economies with sustainable, low-carbon practices. Despite their potential, the region's **carbon markets are still in early stages,** facing challenges such as data transparency and institutional capacity.

Country	UAE	Saudi Arabia	Qatar	Oman	Kuwait	Bahrain
Carbon Market Type	CCM (early stage) VCM	VCM	VCM	VCM	VCM	VCM
Key Initiatives	UAE established National Register for Carbon Credits initiative; established first regulated carbon credit trading exchange and clearing house in the world under Abu Dhabi Global Market (ADGM); Dubai Financial Market (DFM) developed pilot program for trading carbon credits. The UAE Carbon Alliance was launched to mobilize over USD 450 million for high-quality carbon credits and strengthen regional carbon markets.	In 2022, the Public Investment Fund (PIF) and Saudi Tadawul Group launched the Regional Voluntary Carbon Market Company (RVCMC), a platform designed to facilitate the trading of high-quality voluntary carbon credits across the MENA region.	Hosting the Global Carbon Council (GCC) since 2016, a recognized global voluntary carbon crediting program.	In 2023, Oman established a national Green Alliance and a general policy framework for carbon markets.	Kuwait Finance House supported the launch of Kuwait's first carbon offset platform in 2021 – focused on tree planting and green initiatives.	In 2023, sovereign wealth fund Mumtalakat launched the "Safa" voluntary carbon offsetting platform.
Estimated VCM revenue	$146.4 million	$124.6 million	Data unavailable	$500 million	Data unavailable	Data unavailable

Sources: Middle East Council on Global Affairs, Finvizier Consultancies

UAE Compliance Carbon Market

As of now, the UAE is the only GCC country that has officially launched a CCM.
In 2024, the UAE established a legal framework for regulating the carbon market through Cabinet Resolution No. 67, effective 28 December 2024.

The Resolution introduced the National Registry of Carbon Credits (NRCC) to enable measurement, reporting, verification, and trading of GHG emissions and carbon credits across various sectors, including financial and non-financial free zones.

Compliance Actions Required from Companies under the Resolution

ACTION 1

DETERMINE APPLICABILITY

1. Assess organization's Scope 1 and Scope 2 GHG emissions.
2. **Mandatory** registration applies if emissions are **≥ 0.5 million tCO_2e per year.**
3. Entities with emissions **< 0.5 million tCO_2e** may register **voluntarily.**

ACTION 2

REGISTER IN THE NRCC

1. If the organization is within scope of the Resolution or wants to voluntarily participate, it should **register at the NRCC.**
2. Provide corporate, operational, and emissions-related data as part of the registration process.

ACTION 3

ESTABLISH MRV SYSTEM

1. Implement a **Monitoring, Reporting, and Verification (MRV)** system for emissions and carbon credit activities.
2. Ensure alignment with international protocols (**e.g., GHG Protocol, ISO 14065, IPCC Guidelines**).

ACTION 4

SUBMIT ANNUAL EMISSIONS REPORT

1. Prepare and submit **an annual GHG emissions report** verified by a qualified third party.
2. The report must be submitted to **Ministry of Climate Change and Environment (MOCCAE)** by the specified deadline each year.

ACTION 5

DISCLOSE AND REGISTER CARBON CREDIT ACTIVITIES

1. Declare any issuance, purchase, sale, or use of carbon credits within or outside the UAE.
2. All credits must be recorded in the NRCC, even if they originate from international registries **(e.g., Verra).**

ACTION 6

TRADE THROUGH APPROVED PLATFORMS

Conduct carbon credit transactions only through platforms **licensed by the Securities and Commodities Authority** and approved by MOCCAE.

ACTION 7

ENSURE ONGOING COMPLIANCE AND AVOID PENALTIES

1. Ensure timely reporting and accurate disclosures.
2. **Non-compliance penalties** include fines up to AED 1 million (increased to AED 2 million for repeated violations), and potential suspension or cancellation of business licenses.

Source: Cabinet Resolution No. (67), Finvizier Consultancies

UAE Voluntary Carbon Market: Initiatives Overview

The United Arab Emirates has taken decisive steps to establish itself as a regional leader in voluntary carbon markets. Two flagship initiatives - the Dubai Financial Market (DFM) Pilot Program and the Abu Dhabi Global Market (ADGM) - AirCarbon Exchange (ACX) Partnership - reflect the country's commitment to building credible, market-based mechanisms that align with its Net Zero by 2050 Strategy.

Dubai Financial Market (DFM) Pilot Program

During COP28 in December 2023, the DFM launched a pilot program for trading carbon credits.

TRADING ACTIVITY:

The pilot allowed institutional investors to trade carbon credits from December 4 to December 8, 2023, with the offsetting period ending on January 10, 2024.

- 32 trades were executed during the pilot phase, with a total volume of 10,656 carbon credits traded.
- 10,209 carbon credits were retired, signifying their use to offset emissions.
- $38,078.52 USD in total trade value.

The pilot project garnered participation from more than **24 UAE companies**.

Among the participants were Dubai Electricity and Water Authority (DEWA), Emirates NBD, DP World, and Dubai Municipality.

The success of the pilot underscores Dubai's potential to scale voluntary carbon markets. DFM's collaboration with verification partners, brokers, and corporate participants highlights its commitment to fostering a sustainable financial ecosystem.

Abu Dhabi Global Market (ADGM) and AirCarbon Exchange (ACX) Partnership

ADGM and ACX announced their partnership to establish the world's first fully carbon trading exchange and clearing house on March 29, 2022.

INAUGURAL TRADE :

In October 2023, the first carbon credits trade on the fully regulated exchange was executed between First Abu Dhabi Bank (FAB) and Helix Climate, marking a significant milestone in the platform's operations.

in October 2024, ACX **announced the wind-down** of its Abu Dhabi Global Market. The decision was made to centralize clearing functions in Singapore, improving operational efficiency and responsiveness to market demand.

Despite the closure of its regulated exchange and clearing operations in ADGM, **ACX** has maintained its technology center and regional marketing team in Abu Dhabi.

Source: Dubai Financial Market, ADGM x ACX, ACX

UAE Voluntary Carbon Market: Trading Platforms Comparative Analysis

Feature	Dubai Financial Market	ADGM-AirCarbon Exchange
Location	Dubai	Abu Dhabi
Regulatory Oversight	Securities and Commodities Authority (SCA)	ADGM Financial Services Regulatory Authority (FSRA)
Launch Date	December 5, 2023, during COP28	2022
Objective	To establish a regulated marketplace for carbon credit trading that supports the UAE's net-zero by 2050 strategy and enhances transparency, integrity, and investor access in the voluntary carbon market.	To provide a globally connected digital infrastructure for efficient, transparent, and scalable carbon credit trading, leveraging blockchain and regulated market frameworks.
Trading Structure	Transactions were conducted with the participation of 6 brokers registered on the DFM platform: Al Ramz Capital, Arqaam Securities, BHM Capital, EFG Hermes, Emirates NBD Securities and FAB Securities.	Operates as a hybrid digital exchange with centralized order architecture and blockchain technology for transaction execution.
Trading Hours	Sunday-Thursday, 10:00-14:00 (UAE time)	24/7 trading
Trading Period	From December 5 to December 11, 2023, with a compensation period ending January 10, 2024.	Continuous trading without a specific pilot period; operates continuously.
Settlement Cycle	Post-trading cycle T+2	T+0 (instant settlements)
Trading Infrastructure	Traditional exchange platform	Blockchain-based settlements
Minimum Trading Unit	1 credit (1 ton of CO2)	1 credit (1 ton of CO2)
Trading Products	Spot trading within the pilot	Spot trading, futures and tokenized carbon credits

Source: Dubai Financial Market, ADGM x ACX

UAE Voluntary Carbon Market: Carbon Alliance

The UAE Carbon Alliance is an initiative comprising businesses working collaboratively to develop and enhance the carbon market ecosystem within the United Arab Emirates (UAE).

As well as UICCA as the secretariat, the Alliance comprises several influential founding members, including:

- AirCarbon Exchange (ACX)
- First Abu Dhabi Bank (FAB)
- Mubadala Investment Company
- Abu Dhabi National Energy Company (TAQA)
- Abu Dhabi Future Energy Company (Masdar)

Source: UAE Carbon Alliance

The Carbon Alliance (hereinafter referred to as the ”alliance"), launched by the UAE Independent Climate Change Accelerators (UICCA) in June 2023, supports the UAE’s transition to a green economy in line with the UAE Net Zero by 2050 Strategic Initiative.

PURPOSE

It aims to support decarbonization efforts by fostering cooperation between public and private sectors, developing standards for carbon financing, and increasing education about carbon markets.

KEY VOLUNTARY INITIATIVES:

Education and capacity building

The alliance priorities raising awareness and enhancing understanding across various sectors about the importance and effectiveness of carbon markets.

Facilitating corporate emissions reduction initiatives

Enabling UAE companies to reduce their carbon footprint by facilitating access to high-integrity carbon credits and offsetting solutions aligned with international best practices.

Investing in African Climate Action

In September 2023, the alliance announced plans to purchase $450 million worth of African carbon credits by 2030. This major commitment is designed to support high-quality climate projects across the continent - like reforestation, clean energy, and land restoration - while helping UAE-based companies offset their emissions.

Saudi Arabia Voluntary Carbon Market: RVCMC

The Regional Voluntary Carbon Market Company (RVCMC) is a Saudi Arabian carbon trading initiative, jointly established by the Public Investment Fund (PIF) and Tadawul Group in October 2022.

OVERVIEW:

- October 2021: Saudi Arabia announced its commitment to achieve net-zero greenhouse gas emissions by 2060.
- 2022: Regional Voluntary Carbon Market Company was established as a strategic pillar of the national effort to expand voluntary carbon market infrastructure.
- Initial capital: **SAR 500 million (~$133 million).**

MARKET PARTICIPANTS:

Major Corporations:
Saudi Aramco (significant carbon credit buyer), SABIC (petrochemicals), Saudi Electricity Company, ACWA Power etc.

Financial Institutions:
Saudi National Bank, Al Rajhi Bank, Riyad Bank, SABB etc.

MISSION AND PURPOSE:

- RVCMC's mission is to develop a credible voluntary carbon market that facilitates the trading of high-quality carbon credits, thereby supporting businesses and industries in their transition to net-zero emissions.
- Aims to become a largest global voluntary carbon market by 2030.
- Supports Saudi Arabia’s Vision 2030 and Net Zero by 2060 targets.

STRUCTURE

- Saudi Exchange (Tadawul): Provides trading infrastructure.
- Public Investment Fund: Major investor in carbon market infrastructure.
- **PIF** holds an 80% stake, while the **Saudi Tadawul Group** holds 20%.

REGULATORY FRAMEWORK:

- Saudi Carbon Registry: Records ownership and transactions.
- Verification Standards: Aligned with international standards (**Verra, Gold Standard, Puro.earth**).

Source: RVCMC, VCM

Saudi Arabia Voluntary Carbon Market: Key Details of RVCMC's Voluntary Carbon Credit Auctions

Feature	1st Auction	2nd Auction	3rd Auction
Date	October 25, 2022	June 14, 2023	November 12, 2024
Location	Riyadh, Saudi Arabia (FII)	Nairobi, Kenya	Baku, Azerbaijan (COP29)
Credits Sold	1.4 million tonnes CO_2e	2.2 million tonnes CO_2e	2.5 million tonnes CO_2e
Buyers (Companies)	**15 regional firms incl.** Aramco, Ma'aden, Olayan Financing Company, ENOWA (NEOM subsidiary), ACWA Power Co., Gulf International Bank (GIB), SABIC, Saudi National Bank (SNB), Saudi Motorsport Co., Yanbu Cement Co.	**16 firms incl.** Aramco, SEC, ENOWA, SABIC, Ma'aden, stc, SNB, Yanbu Cement Co., GIB, Olayan Financing Co., Abdul Latif Jameel etc.	**23 Saudi and international companies incl.** Alpha Star, Aramco Trading Co., Eastern Province Cement Co., Energroup Ltd., flynas, Golf Saudi, ITFC, Luberef, Ma'aden etc.
Project Standards	Verra, Gold Standard	Verra, Gold Standard	Verra, Gold Standard, Puro.earth
Credit Type	Nature-based & renewable energy offsets	Renewable energy, forestry, and methane capture	Afforestation, renewable energy, biochar, clean cookstoves
Project Regions	Global South (specific countries not disclosed)	Asia, Africa, Latin America	Bangladesh, Brazil, Ethiopia, Malaysia, Pakistan, Vietnam
Notable Projects	High-integrity nature-based projects	Clean energy + avoided deforestation	Biochar in Brazil, improved cookstoves in Africa, reforestation
Price per tCO_2e (estimate)	Not disclosed	SAR23.50 ($6.26)	SAR37.50 ($10)
Platform Used	Private auction process	Private auction process	Public auction + launch of exchange platform (vcm.sa)
Verification & MRV	Third-party certified, focus on high environmental integrity	As above	Enhanced MRV with digital monitoring tools

Source: RVCMC, VCM Exchange Platform

Saudi Arabia Voluntary Carbon Market: Greenhouse Gas Crediting & Offsetting Mechanism

GCOM - An inclusive mechanism designed to incentivize the deployment of emission reduction and removal activities at scale to support Saudi Arabia's climate-related national strategies, policies, and programs.

OVERVIEW:

GCOM (Greenhouse Gas Crediting & Offsetting Mechanism) is Saudi Arabia's national voluntary carbon market system.

Launched in early 2024, it enables entities to purchase carbon credits from certified emission reduction or removal projects, supporting the Kingdom's climate strategy.

Under GCOM, companies exceeding their permitted emissions can offset the excess by purchasing certified credits from projects that voluntarily reduce or remove greenhouse gas emissions.

CORE OBJECTIVES OF GCOM:

- **Enable Scalable Climate Finance**
  Mobilize capital across sectors to support eligible emission reduction and removal projects, accelerating climate-aligned investments at scale.
- **Support National Emission Targets**
  Contribute to meeting Saudi Arabia's emission reduction and/or removal goals in alignment with Vision 2030 and the 2060 net-zero target, using the most cost-effective approach.
- **Strengthen Institutional Coordination**
  Enhance cross-sectoral cooperation among public and private entities in pursuit of shared climate commitments.
- **Deliver Systemic Co-Benefits**
  Drive broader environmental, social, and economic value beyond direct emissions outcomes - contributing to inclusive and sustainable development.

MECHANISM STRUCTURE:

- **Voluntary Framework:**
  The GCOM system is a greenhouse gas credit scheme that allows companies to offset their emissions by buying credits from projects that voluntarily cut or remove greenhouse gas emissions.
- **Market Access:**
  It will be open to the public and private sectors and foreign companies' subsidiaries.
- **Credit Trading:**
  Under the mechanism, companies can purchase credits from projects that demonstrate verifiable greenhouse gas emission reductions or removals.

SECTORAL COVERAGE:

GCOM supports projects across a wide range of sectors, including:

- Energy efficiency & renewable energy
- Industrial processes
- Transportation & fuel switching
- AFOLU (Agriculture, Forestry, Land Use)
- Carbon Capture & Storage (CCS)
- Livestock management
- Waste management

Source: GCOM

Qatar Voluntary Carbon Market: Global Carbon Council

Global Carbon Council (GCC) was established in 2016 as the first voluntary carbon offsetting program in the Middle East and North Africa (MENA) region, with headquarters in Doha. The GCC facilitates the development and certification of projects that reduce or remove greenhouse gas emissions, issuing carbon credits that can be traded in both voluntary and compliance markets (e.g., CORSIA in aviation).

PRIMARY PURPOSE:

- Serve as a platform for carbon offset and project certification.
- Promote sustainable development, especially in Global South countries and the MENA region.
- Certify projects that reduce or remove GHGs.
- Provide a transparent registry of carbon units that prevents double counting.
- Issue **carbon credits** for both voluntary and compliance markets (e.g., CORSIA in aviation).
- Expand MENA countries' access to international climate markets.

STRATEGIC INITIATIVES:

- In 2025, GCC launched a transformative upgrade - GCC 2.0 - introducing a next-generation carbon platform powered by S&P Global Commodity Insights. The new infrastructure features a fully digitized registry, streamlined project processing, and enhanced user experience, enabling full alignment with international best practices.
- GCC is developing a dedicated methodology (GCCNM002) for hydrogen projects by late 2025, enabling carbon finance for green hydrogen production and accelerating sectoral decarbonization.
- in July 2025, GCC activated a Paris Agreement–aligned registry with native support for Internationally Transferred Mitigation Outcomes (ITMOs) under Article 6.2. This development positions Qatar as a sovereign-grade service provider for international carbon trading.

ORGANISATIONAL STRUCTURE:

- Advisory Board
- Steering Committee
- Operations Team
- Independent Verifiers
- Mandatory procedures for consultations with local and global stakeholders

GCC'S PROJECT PORTFOLIO:

- **Registered Projects:**
  150+ across 15+ countries, focusing on renewable energy, energy efficiency, waste-to-energy, and methane abatement.
- **Carbon Credits Issued:**
  More than **8.64 million** credits have been issued, representing verified and additional GHG emission reductions (equivalent to 8.64 million tonnes of CO_2e).

Source: GCC

Outlook for Carbon Market in GCC

PROJECTED VCM GROWTH:

Saudi Arabia:

Through RVCMC, over 3.6 million carbon credits auctioned as of 2023; VCM volume expected to exceed 10M credits/year by 2030.

UAE:

With initiatives like the UAE Carbon Alliance, demand is projected to grow steadily; $450M pledged for African credit purchases by 2030.

Oman:

Estimated that mangrove restoration alone could generate $150 million worth of credits by 2030.

Qatar:

The Global Carbon Council (GCC) has over 150 registered projects and is advancing Article 6.2 infrastructure with digital MRV systems to ensure transparency and credibility.

NEW NATIONAL REGULATIONS:

Saudi Arabia:

Launching a national compliance carbon market pilot (2025–2027), modeled after the EU ETS.

UAE:

In 2025, the UAE enacted its Federal Net Zero 2050 Law, providing the legal foundation for nationwide decarbonization. Active policy discussions are focused on introducing a carbon pricing mechanism and establishing a national compliance carbon market.

Oman:

Oman is drafting legislation for a national Emissions Trading System (ETS) as part of its Net Zero 2050 roadmap.

Source: Strategies MENA Region, Finvizier Consultancies

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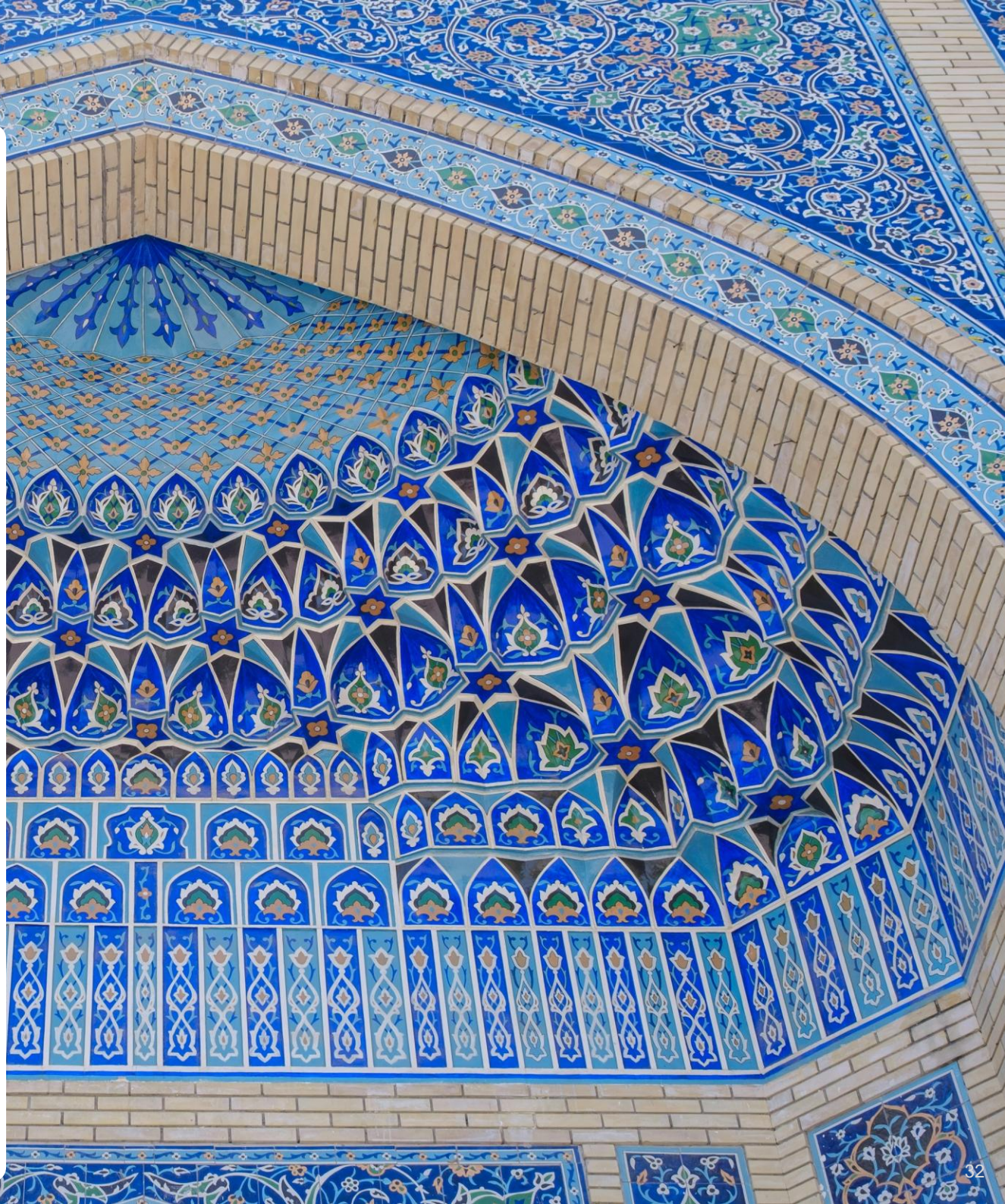
CONSULTANCIES

Part 4: Carbon markets in Central Asia

- Carbon Markets in Central Asia
- Kazakhstan Compliance Carbon Market
- Kazakhstan Voluntary Carbon Market
- Uzbekistan Compliance Carbon Market
- Uzbekistan Voluntary Carbon Market



Carbon Markets in Central Asia: GHG Emissions and Climate Commitments Overview

Country	GHG emissions	NDC by 2030	Net zero
Kazakhstan	338,1 million CO2-eq.	15% (uncond.), 25% (cond.) compared to 1990	2060
Uzbekistan	187.5 million CO2-eq.	35% compared to 2010 levels	–
Kyrgyzstan	16.1 million CO2-eq.	15.97% (uncond.), 43.62% (cond.) compared to BAU	–
Tajikistan	18.19 million CO2-eq.	30-40% (uncond.), 40-50% (cond.) compared to 1990	–
Turkmenistan	215 million CO2-eq.	20% (uncond.) reduction compared to 2010 levels	–

*BAU – Business as usual

Source: Climate Watch, Finvizier Consultancies

Carbon Markets in Central Asia

Carbon markets in Central Asia are emerging as important tools for climate action and sustainable development. While still in early stages, the region is showing increasing interest in both compliance and voluntary mechanisms.

Country	Kazakhstan	Uzbekistan	Kyrgyzstan	Tajikistan	Turkmenistan
Carbon Market Type	CCM VCM	VCM	VCM	VCM	VCM
Key Initiatives	Only country in Central Asia with an operational compliance carbon market (ETS) since 2013. ETS covers major sectors (energy, industry, mining) and around 47% of national GHG emissions.	Implements the iCRAFT program with World Bank support; first results delivered 500,000 tCO_2 reductions in exchange for $7.5M. The project will aim to reduce emissions by 60 million tons of CO_2. Around 2.5 million tons will be purchased under the project, while the remaining reductions will be available for sale on international carbon markets. Total project financing will amount to $46.25 million.	The Government of Kyrgyzstan, in partnership with GIZ, launched a grassland carbon project through voluntary carbon markets, to support its NDCs and climate-vulnerable agriculture sector. It is expected to generate $1.2 million annually, totaling $24 million.	Pamir Energy's GBAO hydropower project was a key voluntary carbon market initiative in Tajikistan. It was registered under the Verified Carbon Standard (VCS), generated clean electricity to replace diesel-powered systems in remote communities, and produced verified emission reductions sold as carbon credits.	A key voluntary carbon market initiative in Turkmenistan is the planned construction of a 100 MW solar power plantnear Ashgabat by Masdar (UAE). While not yet registered under Verra or Gold Standard, the project has strong potential to generate voluntary carbon credits, positioning Turkmenistan for future participation in international carbon markets.
Estimated VCM potential	42.6 million carbon credits	128 million carbon credits	143 million carbon credits	0.86 million carbon credits	1.84 million carbon credits
VCM Credit Issuance under International Certification Standards	5 projects registered (Gold Standard and Verra), all in pending status (no credits issued)	2 projects registered under Gold Standard, both pending issuance	No issuance	1 project issued under Verra (Pamir Hydro) – credits issued	1 project issued under Verra (Hydro 12 MW) – credits issued

Source: AIFC Report, Carbon Credit Markets, Global Climate Action Partnership, Finvizier Consultancies

Kazakhstan Compliance Carbon Market: Regulatory Framework

Compliance Carbon Market in Kazakhstan was launched in 2013, **becoming the first in Central Asia** and a pioneer among emerging market countries. Its key objective is to reduce greenhouse gas emissions through the establishment of quotas and the creation of economic incentives for their reduction.

Key legislative acts:

Environmental Code of the Republic of Kazakhstan (dated January 2, 2021 No. 400-VI)

1. Chapter 20: State regulation of GHG emissions and removals.
2. Main regulatory instruments:
   - Carbon budget - determines the allowable amount of emissions in the country for a certain period.
   - Carbon quota - allocates emission volumes for quota installations.
   - Administration of plant operators - control of actual emissions and their compliance with the established limits.

The Rules for the sale of carbon units (dated June 29, 2021 No. 221)

1. Determine the procedure for trading in carbon units in the territory of the Republic of Kazakhstan.
2. Regulate operations with carbon units, including primary and secondary markets.

The Rules for the formation and maintenance of the state register of carbon units (dated July 14, 2021 No. 251)

1. Establishes the procedure for accounting of quotas and carbon units.
2. The state registry of carbon units is formed and maintained by the operator of the carbon units trading system.

The Rules for the Approval of Carbon Offset and the Provision of Offset Units (dated November 5, 2021 No.455)

1. Regulate projects to reduce emissions and increase their absorption in various sectors of the economy (carbon offsets).
2. Establish an application process that includes the submission of project documentation, calculation of expected emission reductions and a monitoring plan.
3. Require applicants to regularly report actual emission reductions in accordance with the monitoring plan.

National Carbon Plan (dated July 11, 2022 No. 525)

1. Sets the total amount of carbon credits to be allocated to the regulated sectors.
2. Provides for a gradual reduction in the available volume of allowances under Kazakhstan's climate commitments.

Source: Legal information system of Regulatory Legal Acts of the Republic of Kazakhstan

Kazakhstan Compliance Carbon Market: ETS Overview

Kazakhstan's ETS is a classic “cap-and-trade” system that is exclusively designed to deal with CO_2 emissions. The Kazakhstan ETS operates on the basis of environmental and regulatory legislation.

Operating Principles of the Emissions Trading System in Kazakhstan

The government sets emission targets for companies with annual emissions of more than 20,000 tons of CO_2.

Companies that exceed their targets are required to purchase additional allowances from those that reduce their emissions below the limits.

Quotas are traded on the Caspy Commodity, Modern Trading Solutions exchanges, as well as through direct transactions.

The ETS currently covers the power, oil and gas, mining, metallurgical and chemical sectors, as well as the manufacturing industry in terms of cement, lime, gypsum and brick production.

Since its initial launch in 2013, Kazakhstan's ETS has gone through 4 phases; starting in 2022, it is going through its fifth phase of development.

In March 2025, Kazakhstan's Ministry of Ecology and Natural Resources, in collaboration with Zhasyl Damu JSC and supported by a $4.8 million grant from the World Bank's Partnership for Market Implementation (PMI) Trust Fund, launched the Partnership for Market Implementation Project (PMI) to enhance the country’s ETS and promote green growth.

Source: KazEnergy National Energy Report, QazaqGreen, World Bank Group, Finvizier Consultancies

Kazakhstan Compliance Carbon Market: ETS Phases

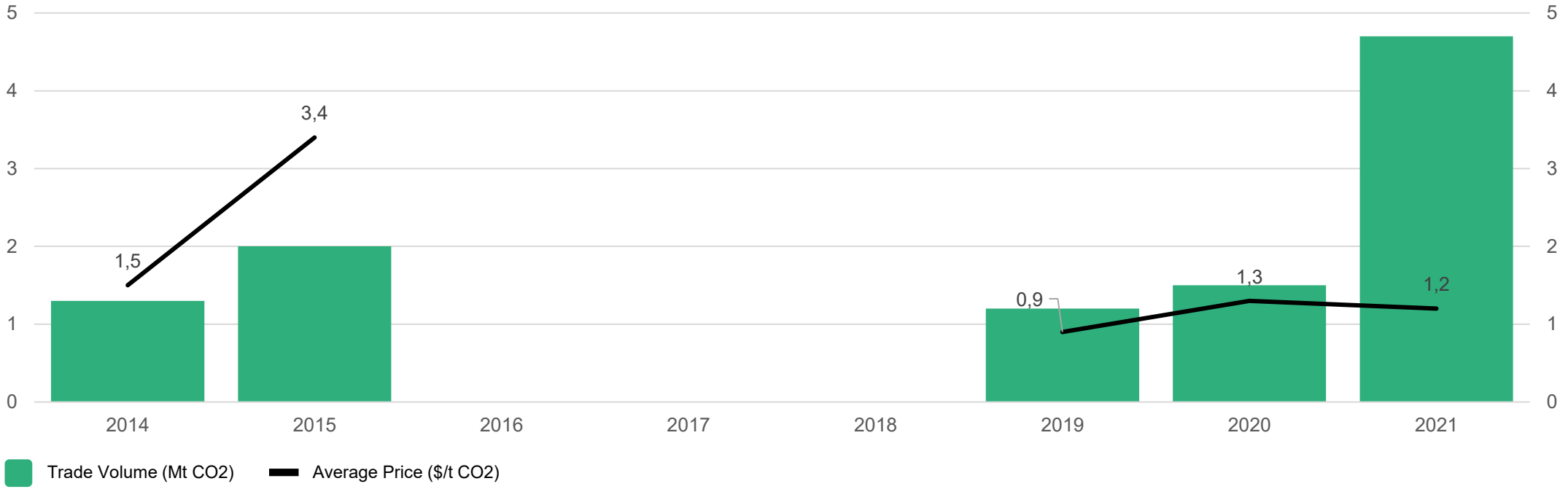
Years	2013 PHASE 1	2014-2015 PHASE 2	2018-2020* PHASE 3	2021 PHASE 4 (TRANSITIONAL)	2022-2025 PHASE 5 (ACTIVE)
Scope (economy sectors)	Power sector and centralised heating; Extractive industries and manufacturing: • oil and gas mining, • metallurgy, • chemical industry		Power sector and centralised heating; Extractive industries and manufacturing: • oil and gas mining, • metallurgy, • chemical industry, • production of building materials: cement, lime, gypsum, and brick		
Number of allowances, in million CO2-eq (excluding reserved amount)	147.2	307.7	485.9	169.2	650.1
Principle of allowance allocation	Historical Base year - 2010	Historical Baseline – average 2011–2012	Historical – 76 installations. Benchmarking – 149 installations	Benchmarking (baseline - 2017–2019)	Benchmarking
Quoted installation	Annual emissions exceeding 20,000 tons of CO_2(in regulated sectors of the economy)				

*At the end of 2017, Decree of the Government of the Republic of Kazakhstan No. 873 canceled the National Allocation Plan for 2016–2020 due to the low effectiveness of the ETS, leading to its reorganization and relaunch in 2018.

Source: KazEnergy National Energy Report, AIFC Report

Kazakhstan Compliance Carbon Market: ETS Functioning Elements

Secondary Market of Kazakhstan's Emissions Trading System



PRIMARY MARKET

1. Carbon allowances are sold at auctions organised by the ETS operator. Zhasyl Damu Joint Stock Company, 100% owned by the state, is the operator of the ETS market.
2. Auctions are held within the framework of the calendar approved by the operator and published in advance.

SECONDARY MARKET

1. The purchase and sale of carbon units between market actors is carried out directly or through a commodity exchange.

Source: KazEnergy National Energy Report

Kazakhstan Voluntary Carbon Market

Currently, Kazakhstan's voluntary carbon market remains underdeveloped compared to global and regional markets.
While several renewable energy projects are registered in VCM registries, no credits have been issued yet.

International Certification Efforts

Several **renewable energy projects** in Kazakhstan are **registered under** major **international standards:**

GOLD STANDARD:

- Energo Trust (Wind 50 MW) – 209,984 credits/year
- Borey Energo (Wind 100 MW) – 409,968 credits/year
- Shaulder Solar Plant (Solar 50 MW) – 102,217 credits/year

VERRA (VCS):

- Badamsha Wind Farm 1 & 2 (Wind 48 MW) – 232,137 and 172,580 credits/year

All projects are listed or registered, but issuance is still pending until 2027-2031, mainly due to historically low engagement.

Gold Standard | Verra

National-Level Initiative: Qazaq Green Certificate – Voluntary Carbon Certificate

In May 2023, the first Kazakhstani voluntary carbon certificate, the **Qazaq Green Certificate**, was announced. It was developed by the **Qazaq Green Renewable Energy Association** in collaboration with **Caspy Commodity Exchange JSC**.

MAIN PURPOSE:

To support carbon neutrality and promote green economy principles through the issuance of voluntary carbon credits in Kazakhstan.

HOW IT WORKS

Certified Unit:

A CQG (Certified Qazaq Green Unit) represents 1 tonne of CO_2-equivalent of verified GHG emission reductions or removals.

Registry:

An electronic Qazaq Green Certificate Registry is used to:

- Register emission reduction projects
- Issue, transfer, cancel, and retire CQG units

Qazaq Green Res Association
Caspy Commodity Exchange

Source: QazaqGreen, AIFC Report, Finvizier Consultancies

Uzbekistan Compliance Carbon Market: Regulatory Framework

Uzbekistan has finalized its legal and institutional architecture for a compliance carbon market:

Law of the Republic of Uzbekistan No. ZRU-1073 "Law on Limiting Greenhouse Gas Emissions" (Signed: July 7, 2025 - Effective: January 9, 2026)

- Establishes enforceable carbon market architecture under Article 6 of the Paris Agreement
- Defines carbon units (1 tCO_2e); mandates MRV and national registry
- Grants Ministry of Finance full authority over registry operations and market supervision
- Cabinet of Ministers sets national rules; Ministry of Ecology oversees reporting
- Authorizes private and public actors to develop mitigation projects
- Trading revenues earmarked for climate adaptation and green economy goals
- Public MRV disclosure becomes mandatory from 1 Jan 2027

Presidential Decree No. UP-110, “On Measures for Participation in the International Carbon Market” (Issued: July 7, 2025)

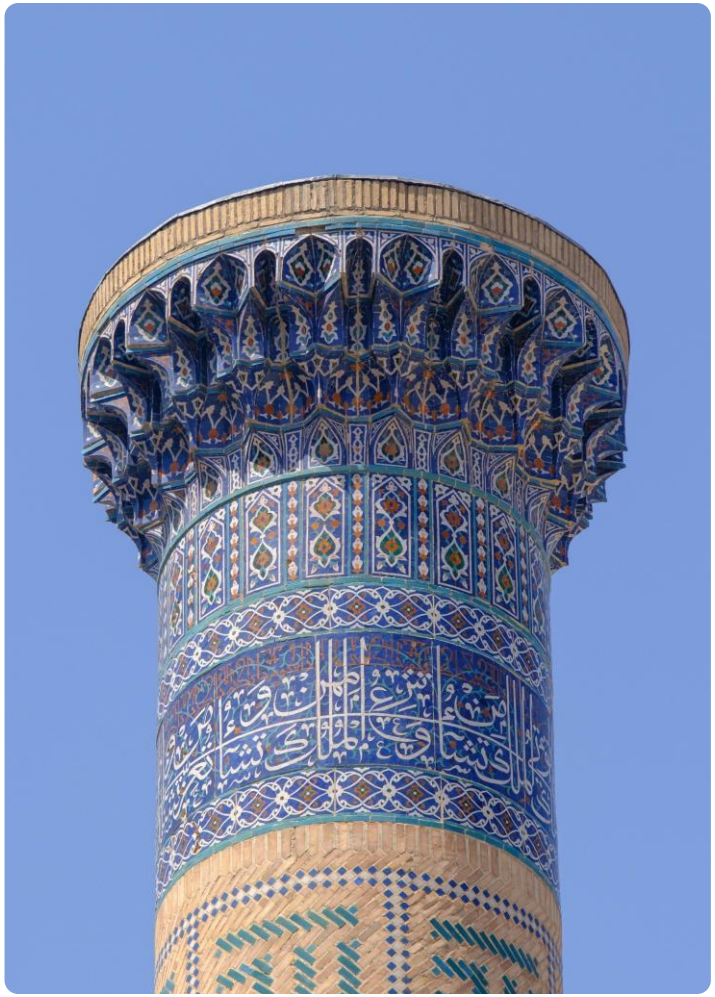
This decree enables Uzbekistan’s formal entry into the global carbon market under Article 6.2 of the Paris Agreement.

- **ITMO Implementation:** Establishes legal procedures for international trading of carbon units.
- **Market Regulation:** Governs both primary issuance and secondary market transactions.
- **Export Controls:** Reserves 20% of units for domestic use under Uzbekistan’s NDCs (80/20 Rule).

Mandatory National Register of Carbon Units from January 1, 2026

A centralized digital registry will underpin the transparency and credibility of carbon market operations:

- Establishes a digital platform for accounting carbon units and quotas.
- All project issuances, transfers, and retirements must be recorded.
- Operated by the Ministry of Economy and Finance with technical support from international financial institutions.



Source: Legal information system of Regulatory Legal Acts of the Republic of Kazakhstan

Uzbekistan Voluntary Carbon Market: iCRAFT Project

Uzbekistan's iCRAFT initiative, developed in partnership with the World Bank, is a pioneering policy-based program within the voluntary carbon market. It leverages international climate finance to advance energy subsidy reforms, drive emissions reductions, and enable a just, transparent low-carbon transition

Overview

The **iCRAFT** (Integrated Climate Resilient Adaptation Frameworks and Tools) Project is an initiative launched by the Republic of Uzbekistan in August 2023 through a Presidential Decree, developed in partnership with the World Bank.

iCRAFT is a first-of-its-kind World Bank project being implemented in Uzbekistan in partnership with the **Transformative Carbon Asset Facility (TCAF).**

The **World Bank's TCAF** supports developing countries in achieving their Paris Agreement objectives by purchasing verified emission reductions, incentivizing climate action, and promoting clean energy investments. TCAF's primary contributors include **Canada, Germany, Norway, Spain, Sweden, Switzerland, and the United Kingdom.**

Coordinated by **Uzbekistan's Ministry of Economy and Finance**, iCRAFT ensures alignment with national development priorities by managing financial flows and overseeing reforms.

How iCRAFT Works

Its goal is to help the country transition to a low-carbon, energy-efficient and sustainable economy by using innovative carbon financing mechanisms.

The project focuses on gradually removing fossil fuel subsidies that have historically kept energy prices artificially low. These subsidies historically discouraged energy efficiency and conservation, while placing fiscal strain on the energy sector.

IMPLEMENTATION PERIOD:
2023-2028

TCAF GRANT:
$46.25 million

At its core, the project links **energy subsidy reform** with **measurable climate outcomes**. By phasing out fossil fuel subsidies and gradually introducing cost-reflective tariffs, iCRAFT reduces excess energy consumption and promotes efficiency.

Uzbekistan tracks emission reductions through a robust MRV system, enabling the monetization of verified outcomes via climate finance or as ITMOs under Article 6.2 of the Paris Agreement.

Resources generated through iCRAFT project are purposefully directed toward achieving the following goals:

01. Social Protection:

Provides of targeted financial support to low-income and vulnerable households affected by rising electricity and gas tariffs.

02. Energy Efficiency and Renewable Energy Investments:

Supports deployment of energy-efficient technologies and expansion of renewable energy infrastructure. Provides affordable alternatives for households and businesses to adapt to rising energy prices.

03. Strengthening Institutions and Carbon Market Readiness:

Builds national capacity for carbon market participation through MRV systems, data infrastructure, and legal frameworks for international transactions.

EXPECTED OUTCOME:

Up to 60 million tons of CO_2 reduced by 2027, while building national capacity for long-term sustainable energy governance. A total of **2.5 million tons** of verified emission reductions will be purchased by TCAF under the iCRAFT framework.

Source: TCAF, iCRAFT Project

Uzbekistan Voluntary Carbon Market: iCRAFT Implementation Stages

The project follows a structured **five-phase** approach extending from 2023 through 2028, beginning with establishment of infrastructure and legal frameworks.

2023

PREPARATION PHASE

Establishment of project support units and initial monitoring, reporting, and verification (MRV) structures.

Formalization of legal agreements.

2023-2024

INITIAL IMPLEMENTATION

Launch and operational implementation of the first energy subsidy reduction reforms.

Beginning the development of a national emissions registry and reporting structures.

2025

INTERIM REVIEW AND EXPANSION

Assessment of progress and making adjustments if necessary, with possible addition of new elements to support ongoing energy reforms.

2025-2028

FULL-SCALE IMPLEMENTATION

Assessment of progress and making adjustments if necessary, with possible addition of new elements to support ongoing energy reforms.

Completion of subsidy reforms and implementation of comprehensive energy price adjustments.

Operational monitoring of energy consumption and greenhouse gas emission reductions under modified tariffs.

until December 31, 2028

COMPLETION AND CLOSURE

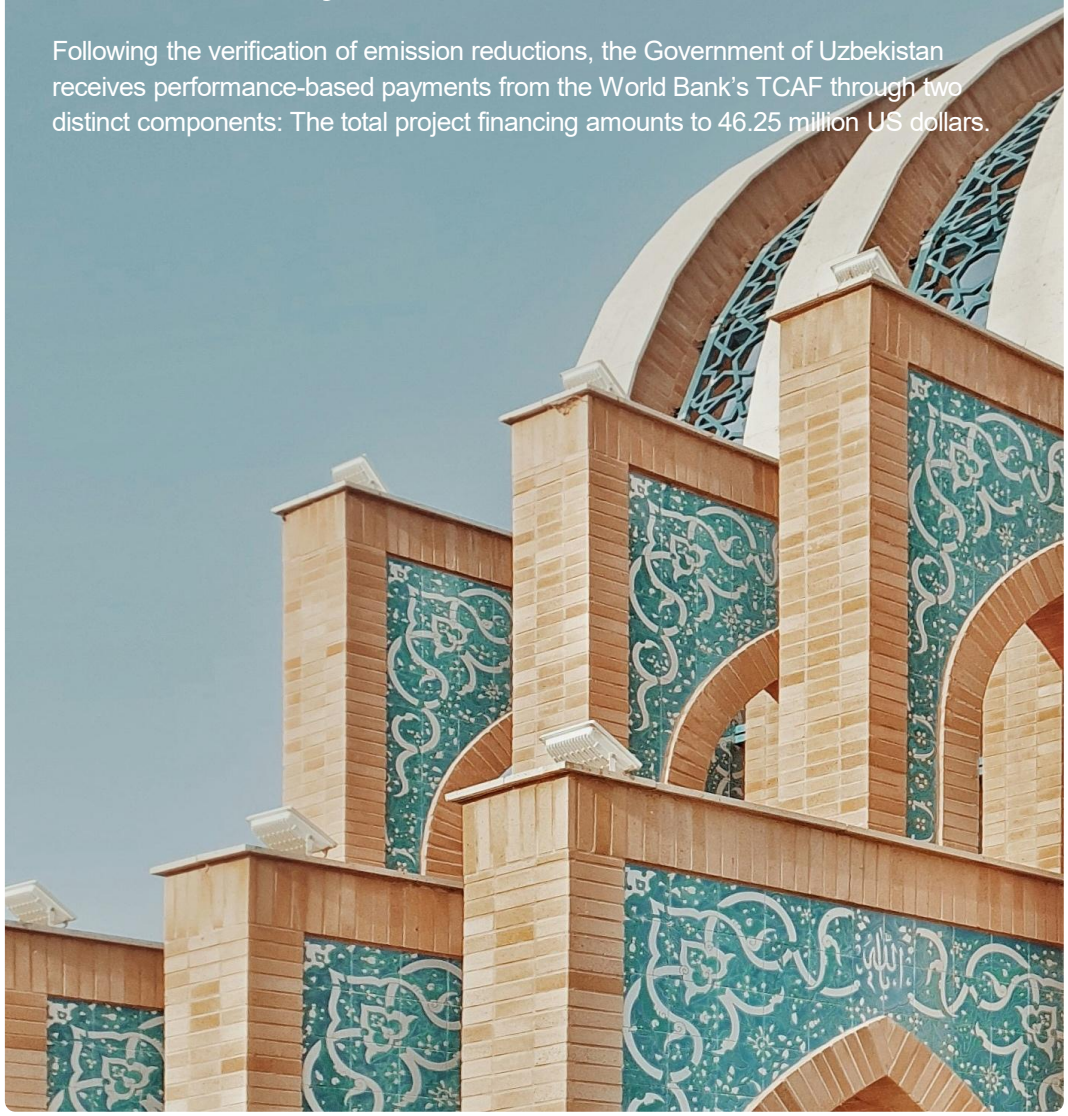
Ensuring sustainability of results, including permanent MRV and integration of outcomes into national policies for long-term effect.

Final payments from TCAF.

Source: iCRAFT Project

Uzbekistan Voluntary Carbon Market: iCRAFT Performance-Based Payments and Results

Following the verification of emission reductions, the Government of Uzbekistan receives performance-based payments from the World Bank's TCAF through two distinct components: The total project financing amounts to 46.25 million US dollars.



01.

In June 2024, Uzbekistan received its **first** results-based payment of $7.5 million under the iCRAFT project from the World Bank's Transformative Carbon Asset Facility (TCAF).

The grant was awarded for the independently verified reduction of 500,000 tons of greenhouse gas emissions, certified by the Spanish Association for Standardization and Certification (AENOR).

02.

In June 2025, Uzbekistan received a **second** grant tranche of USD 7.5 million. The disbursement was made through an Emission Reductions Purchase Agreement (ERPA) and compensates for 500,000 tons of verified GHG emission reductions achieved in 2023, out of a total of 6.328 million tons.

With the second disbursement, Uzbekistan has attracted a total of USD 15 million in grant funding under iCRAFT, reinforcing its sustainable development and low-carbon transition strategy.

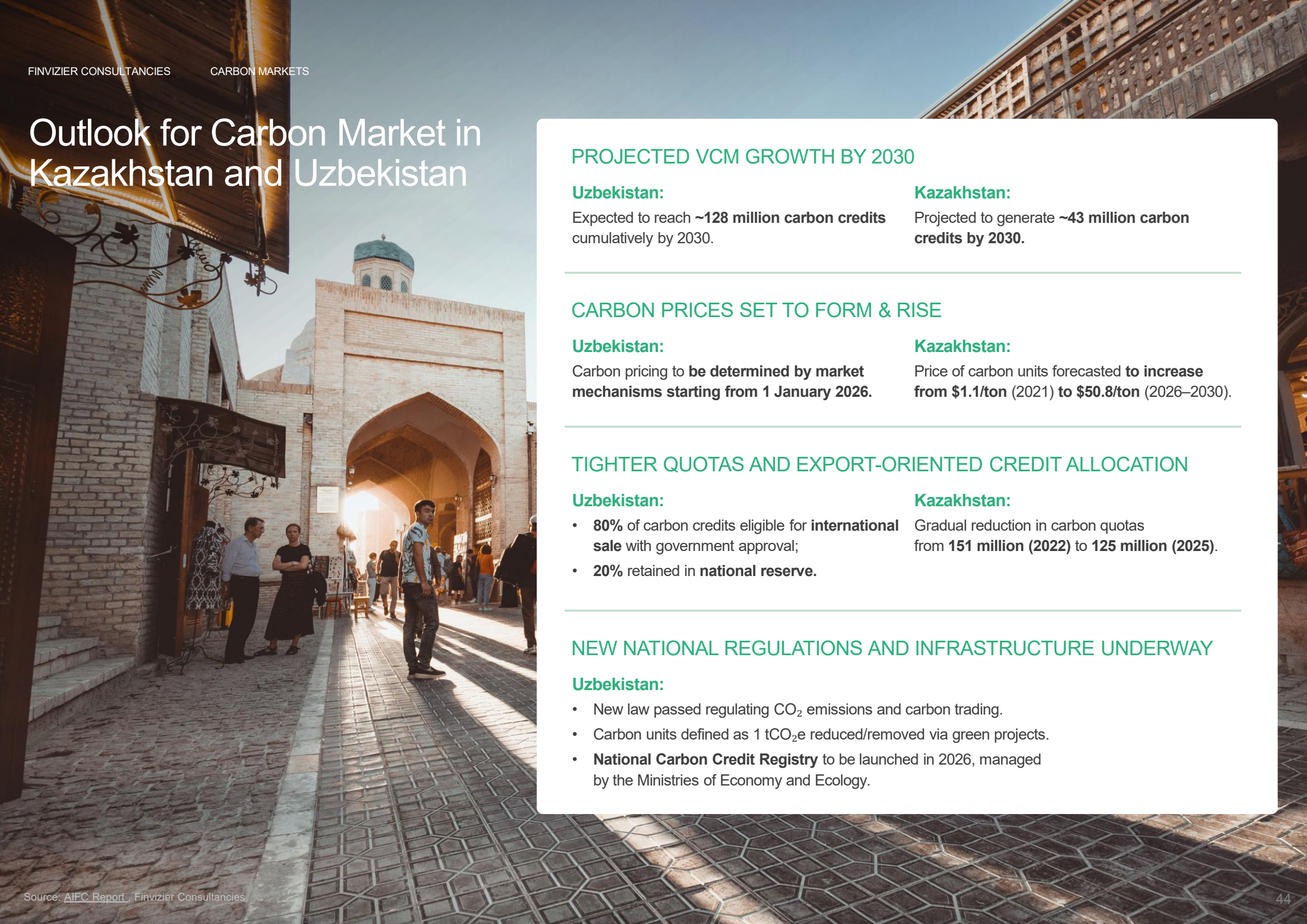
Expected Results:

Within the iCRAFT project, Uzbekistan aims to reduce emissions by 60 million tons of CO_2. Approximately **2.5 million tons** will be purchased within the project framework, while the remaining emission reductions will be available for sale on international carbon markets. This will be made possible through the deployment of institutional, regulatory, and digital systems—such as MRV, emissions registries, and policy frameworks—developed during project implementation.

Thus, the iCRAFT project represents a structured approach to carbon finance focused on reducing Uzbekistan's carbon footprint and creating fundamental systems for future low-carbon growth.

Source: iCRAFT Project, AENOR

Outlook for Carbon Market in Kazakhstan and Uzbekistan



PROJECTED VCM GROWTH BY 2030

Uzbekistan:

Expected to reach **~128 million carbon credits** cumulatively by 2030.

Kazakhstan:

Projected to generate **~43 million carbon credits by 2030.**

CARBON PRICES SET TO FORM & RISE

Uzbekistan:

Carbon pricing to **be determined by market mechanisms starting from 1 January 2026.**

Kazakhstan:

Price of carbon units forecasted **to increase from $1.1/ton** (2021) **to $50.8/ton** (2026–2030).

TIGHTER QUOTAS AND EXPORT-ORIENTED CREDIT ALLOCATION

Uzbekistan:

- **80%** of carbon credits eligible for **international sale** with government approval;
- **20%** retained in **national reserve.**

Kazakhstan:

Gradual reduction in carbon quotas from **151 million (2022)** to **125 million (2025)**.

NEW NATIONAL REGULATIONS AND INFRASTRUCTURE UNDERWAY

Uzbekistan:

- New law passed regulating CO_2 emissions and carbon trading.
- Carbon units defined as 1 tCO_2e reduced/removed via green projects.
- **National Carbon Credit Registry** to be launched in 2026, managed by the Ministries of Economy and Ecology.

Source: AIFC Report , Finvizier Consultancies

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Part 5: Practical Steps for Companies to Implement Carbon Projects

Carbon Project Implementation: Key Steps

STEP 1

Development of the Project Concept and Idea

Development of project activities such as a modernization plan for the energy system, installation of CO_2 capture units, or afforestation.

STEP 2

Development of Carbon Project Documentation

Development of the carbon project description, selection of the baseline, justification of additionality, and conducting quantitative assessment.

STEP 3

Validation of Carbon Project Documentation

The process of checking the developed documentation for compliance with legislation and the chosen methodology.

STEP 4

Preparation of Implementation Report and Its Verification

Preparation of a monitoring report based on actual project performance and subsequent third-party verification to confirm the accuracy and integrity of reported emission reductions in accordance with the chosen methodology.

STEP 5

Issuance of Carbon Units

Carbon units are issued by the registry operator after the developer submits an application.

STEP 6

Carbon credit utilization and monetization

Various monetization scenarios exist — for example, retiring the units to offset the company's own GHG emissions or selling them to other companies.

Source: Finvizier Consultancies

Carbon Project Implementation: Core Principles for Carbon Projects

Key Principles for Carbon Project Eligibility

01. PERMANENCE

- Carbon reductions or removals must be long-lasting. Projects should ensure stored carbon is not re-emitted (e.g., afforestation must mitigate risks like wildfires or logging).
- Permanence is often expressed in years (e.g., 10–100 years).

02. ADDITIONALITY

- Emissions reductions must occur only because of the carbon credit funding.
- If a project would have happened anyway – due to regulation or other funding – it lacks additionality.

03. NO DOUBLE-COUNTING

- Carbon credits must be counted once, by one entity.
- Proper registries and tracking systems prevent multiple claims over the same emission reductions.

04. NO LEAKAGE

- Projects must avoid causing emissions to increase elsewhere.
- For instance, protecting one forest must not shift deforestation to another unprotected area.

05. VERIFIABLE

- Emissions claims must be measurable, transparent, and independently verifiable by third parties using recognized methodologies and monitoring systems.

Source: ICVCM, Finvizier Consultancies

Carbon Project Implementation Cases in Central Asia

CASE STUDY:

Shaulder Photovoltaic Power Plant (Kazakhstan)

The project involves the construction of a 50 MW solar photovoltaic plant in the Turkestan region, aiming to displace fossil fuel-based electricity and reduce GHG emissions.

PROJECT TYPE:

Renewable Energy (Solar Photovoltaic)

STANDARD:

Gold Standard

PROJECT DEVELOPER:

ENI Plenitude SPA Società Benefit (Italy)

CREDITING PERIOD:

2022–2027 (Pending)

STEP 1

Development of the Project Concept and Idea

At the initial stage, the project defines activities to reduce GHG emissions, such as energy system modernization, CO_2 capture, or afforestation. For the Shaulder Solar Power Plant, the focus was on renewable energy deployment to replace fossil fuel-based electricity.

STEP 2

Development of Carbon Project Documentation

Detailed documentation was prepared following the Gold Standard methodology ACM0002, including baseline calculations, emission reduction estimates **(85,328 tCO_2/year)**, and expected electricity generation **(91,427 MWh/year).**

STEP 3

Validation of Carbon Project Documentation

The project was validated by an independent Validation and Verification Body **(Earthood Services Private Limited)** to confirm compliance with Gold Standard requirements and methodologies.

STEP 4

Preparation of Implementation Report and Its Verification

The project features a robust MRV system. It monitors net electricity exported to the grid and calculates GHG reductions using a predefined emission factor (0.9333 tCO_2/MWh). Metering and monthly reconciliations are conducted jointly with the grid operator, KEGOC.

STEP 5

Issuance of Carbon Units

As of April 2025, carbon credits (VERs) have not yet been issued for the Shaulder Solar Power Plant.

Verified Emission Reductions (VERs) are issued after successful third-party verification. The project uses the Gold Standard Impact Registry for credit issuance, making credits available to the voluntary carbon market.

STEP 6

Carbon Credit Utilization and Monetization

No credits have been issued yet, so retirements or sales have not occurred as of April 2025.

However, the project is intended to generate verified carbon credits for future use or sale in the voluntary market to support climate goals.

Source: Gold Standard, Finvizier Consultancies

Carbon Project Implementation Cases in Saudi Arabia

CASE STUDY:

Sudair Solar Photovoltaic Project (Saudi Arabia)

The project involves the construction of a 2,000 MW grid-connected solar photovoltaic plant in Sudair, aiming to displace fossil fuel-based electricity and reduce GHG emissions by approximately 3.26 million tCO_2e annually.

PROJECT TYPE:

Renewable Energy (Solar Photovoltaic)

STANDARD:

Verra

PROJECT DEVELOPER:

ACWA Power

CREDITING PERIOD:

2022–2031

CARBON ASSET MANAGER:

South Pole Carbon Asset Management

STEP 1

Development of the Project Concept and Idea

The project concept was designed to cut GHG emissions through large-scale renewable deployment. For the Sudair Solar Power Plant, the idea focused on a 2,000 MW grid-connected solar facility to replace fossil fuel-based electricity and deliver significant emission reductions.

STEP 2

Development of Carbon Project Documentation

Comprehensive planning and design documentation were developed, including:

- Environmental and social impact assessments.
- Project boundary, baseline scenario, additionality, and emission reduction calculations.
- Based on Verra's VCS Methodology ACM0002 (v19) for renewable grid-connected electricity.

STEP 3

Validation of Carbon Project Documentation

The project's documentation underwent rigorous validation processes to ensure accuracy and adherence to environmental and technical standards.

While specific details on the validation entities are not publicly disclosed, such processes typically involve third-party verification to confirm the project's projected outcomes and compliance with regulatory requirements.

STEP 4

Preparation of Implementation Report and Its Verification

Key parameters include:

- Net electricity generation;
- Monthly reporting;
- Third-party Quality Assurance /Quality Control verification.

STEP 5

Issuance of Carbon Units

The issuance of Verified Carbon Units (VCUs) is subject to successful third-party verification by an accredited Validation and Verification Body (VVB), in accordance with Verra's standards.

STEP 6

Carbon Credit Utilization and Monetization

Carbon credits have not been issued yet, so retirements or sales have not occurred as of April 2025.

Source: Gold Standard, Finvizier Consultancies

General Recommendations for Companies

START MEASURING & REPORTING NOW

Establish robust GHG accounting (Scope 1, 2, and where relevant, Scope 3) to prepare for future regulatory and investor expectations.

INTEGRATE CARBON PRICING INTO RISK MANAGEMENT

Anticipate carbon cost exposure and incorporate internal carbon pricing into decision-making and capex planning.

ENGAGE EARLY IN VOLUNTARY CARBON MARKETS

Invest in credible carbon credit projects or procure verified offsets to meet interim net-zero goals and enhance brand positioning.

BUILD CAPACITY INTERNALLY

Train teams on emissions tracking, credit procurement, and carbon finance. Explore partnerships with developers or platforms.

Source: Finvizier Consultancies

Determined Steps for Companies: Carbon Project Implementation Services We Offer

Development of Carbon Project Documentation Support

1. Analysis of existing methodologies for the assessment and preparation of carbon projects; selection of the most appropriate methodology.
2. Selection and justification of the project's baseline scenario in accordance with methodology requirements.
3. Conducting a projected quantitative assessment of greenhouse gas emissions and/or removals in accordance with:
   - Baseline scenario (emissions in the absence of project activities), and
   - Project scenario (emissions resulting from project implementation).
4. Development of a data collection plan to confirm increased carbon sequestration (i.e., project monitoring and operation plan).

Validation of Carbon Project Documentation Support

1. Support during the search and selection of a validator for validating the project documentation.
2. Support throughout the validation process as the documentation developer, including:
   - Interaction with the validator on methodological issues.
   - Providing comments and clarifications on methodological assumptions and calculations.
   - Implementing revisions from the validator into the documentation and calculations.

Preparation of Implementation Report and Its Verification Support

1. Preparation of a carbon project implementation report containing actual data on emission reductions or removals resulting from project activities, including calculations based on monitoring data.
2. Support during the search and selection of a verifier.
3. Support during the report verification process, including:
   - Interaction with the verifier on methodological issues.
   - Providing comments and clarifications on methodological assumptions and calculations.
   - Incorporating verifier's comments into the final report.

Carbon Credit Issuance and Monetization Support

1. Facilitating interaction with carbon credit registries and supporting the application process for unit issuance.
2. Advising on monetization strategies, including credit retirement for internal GHG offsetting or sale to external buyers.
3. Engaging with carbon credit buyers, exchanges, and brokers to optimize market positioning.
4. Developing tailored strategies for the efficient use or sale of carbon units aligned with sustainability goals and compliance requirements.

Source: Finvizier Consultancies

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Part 6: About Us

- Overview of Finvizier: who we are
- Overview of Finvizier's services: what we do
- Contact us

OVERVIEW OF FINVIZIER: WHO WE ARE

Finvizier Consultancies, a Dubai-based boutique firm, combines expertise from global consulting, finance, and banking to help clients achieve financial and sustainability goals in a dynamic world.

Our USPs:

1. Application of international ESG and Credit rating expertise
2. Methodological and sectoral expertise
3. Established relationships with rating agencies
4. Accurate calculation of rating potential
5. Professional certificates

Our memberships and partners:

United Nations | World ESG Summit | United Nations Global Compact

Team experience from leading companies:

FROM BIG-4 CONSULTING FIRMS:

Deloitte | EY | PWC | KPMG

TO TOP NICHE BOUTIQUES FROM EMEA MARKET:

Top IB banks | Top investment funds

With minimal competition and a unique range of services, Finvizier is set to capitalize on an untapped and growing market.

Our Team Experience

- Sovereigns and local governments
- Corporates
- Financial institutions

30+

projects in ESG and Climate consulting, including successful experience in obtaining premier ESG ratings in the region

170+

projects in rating consulting (including financial modeling projects)

Overview of Finvizier's ESG Advisory services

ESG Diagnostics & Recommendations

- ESG best practices analysis
- Benchmark analysis (peer / product comparison)
- Analysis of ESG requirements and standards, including IFRS S1 & S2
- ESG risks assessment
- ESG gap analysis
- Development of recommendations and roadmap for sustainability disclosure improvement and defining list of policies to develop

Sustainability Strategy Development

- Comprehensive analysis of the company's internal strategy and the external environment driving the sustainability program, including the company's industry and geographic context, analysis of stakeholder and peer expectations
- Development of quantitative and qualitative strategic sustainability targets and KPIs in different time horizons
- Development of recommendations for targets and KPIs implementation into the management and employee incentive programs
- Development of recommendations regarding practical tools and measures to achieve key strategic sustainability targets

Climate Consulting

- GHG emissions & carbon footprint assessment
- Climate risks assessment & scenario analysis
- Decarbonization & climate change strategy development
- Climate-related disclosure recommendations
- Carbon project implementation services including:
  1. Support with development of carbon project documentation,
  2. Preparation of implementation report and its verification,
  3. Validation of carbon project documentation,
  4. Carbon credit issuance and monetization.

ESG Rating Consulting

- Prioritization of ESG ratings most relevant for the client
- ESG rating strategy development for working with the chosen ESG RA
- Preliminary ESG rating assessment in accordance with the ESG RA's methodology
- Benchmarking and peer group analysis based on ESG RA's methodology
- Development of recommendations for ESG rating improvement
- Assistance in preparing information packages for ESG RA, including questionnaire, Q&As and ESG rating presentation

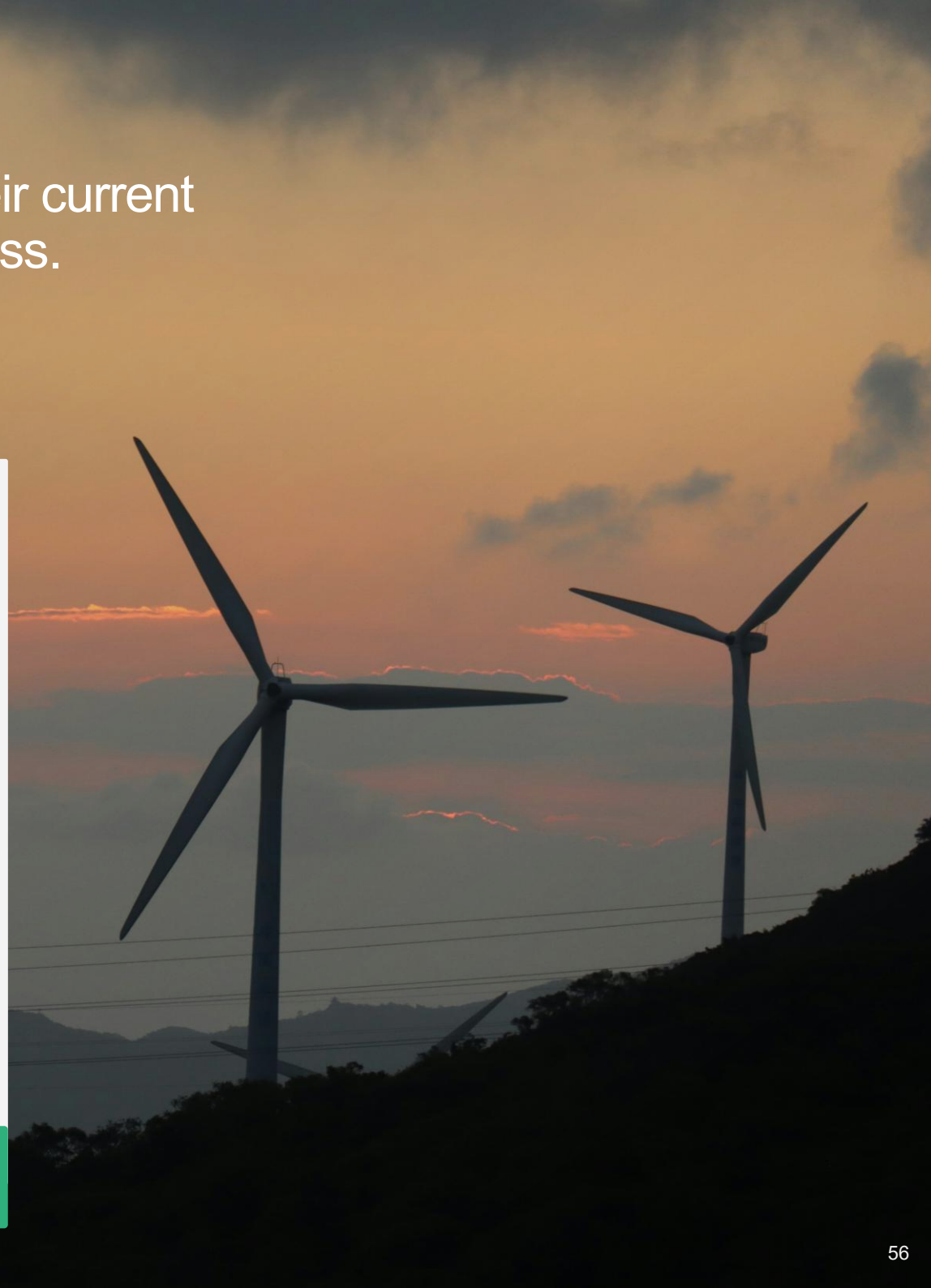
Sustainable Finance External Review Support

- Assistance in the selection of (1) projects, (2) Sustainable Finance instrument type and (3) external reviewer in accordance with international standards, market expectations and client's resources
- Methodological and document support for obtaining external review (Sustainable Finance Framework development)
- Monitoring of compliance with selected ESG principles throughout the duration of the project / instrument

Corporate Governance Advisory

- Corporate governance diagnostics for tailored development of Board Effectiveness Assessment System
- Development of Board Assessment and Evaluation Policy and expert guidance on its implementation
- Facilitation of thorough performance evaluations providing samples for self-assessment questionnaires and interviews
- Development of recommendations and action plan to drive ongoing improvement in Board performance
- Providing Sustainability and Climate Related Trainings for the Board of Directors and Management Team

With Finvizier, clients gain clarity on their current position and a roadmap to future success.



Our role as ESG/Credit Rating Consultant includes, but not limited to:

Our work approach includes a deep analysis of company at every step

01. COMMUNICATIONS

1. Building relationships
2. Communications coordination
3. Maximizing the results at first stages of work

02. TECHNICAL ASSISTANCE

1. Technical analysis
2. Preparation of information packages
3. Identifications

03. METHODOLOGICAL ASSISTANCE

1. Evaluation of current metrics
2. Adjusting conditions in line with methodology
3. Analyzing the impact

04. ANALYTICAL SUPPORT

1. Developing rating strategy
2. Modelling scenarios
3. Providing improvements recommendations

Results driven approach

Contact us

The research was developed by:
Alida Berlessova, Darya Gaeva, Kumissay Tlepova, Tseden Edgeev

Pavel Shamanov
HEAD OF BUSINESS DEVELOPMENT
Pavel.Shamanov@finvizier.com
Mob: +971 (0) 52 448 6190

Darya Gaeva
HEAD OF ESG ADVISORY
Darya.Gaeva@finvizier.com
Mob: +971 (0) 52 152 9048

Tseden Edgeev
MANAGER, ESG ADVISORY
Tseden.Edgeev@finvizier.com
Mob: +971 (0) 52 447 4819

Office 1607, Saba Tower 1, Cluster E, Jumeriah Lakes Towers, Dubai, UAE.
Tel: +971 (0) 45 41 52 00