

Africa's carbon markets moment: Advancing development, mobilising capital, and driving global climate action

DATE:
Day 3

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OVERVIEW:

Africa has a unique opportunity to lead a new era of carbon markets—not as fragmented, aid-driven projects, but as integrated, investable systems that deliver sustainable development, nature regeneration, and climate action. Despite vast potential, Africa captures only a small share of global carbon finance. Today, the landscape is shifting. African countries are taking ownership on how they use carbon markets, embedding integrity and transparency into market frameworks and ensuring carbon revenues are used strategically to advance national green growth priorities and strengthen livelihoods. This session will present a **landscape approach**—linking demand, supply, and enabling conditions—to build a high-integrity carbon market ecosystem that mobilises both international and domestic capital. On the **demand side**, it will explore drivers such as Article 6, CORSIA, and voluntary action to meet corporate climate commitments. On the **supply side**, it will address institutional and regulatory/policy readiness, project developer capacity, and project pipelines. As **enablers**, it will highlight financing structures, advances in MRV tools, and best practice benefit-sharing frameworks.

Framing carbon as a **development asset**, not just a climate commodity, the session will show how Africa can attract private and blended capital to accelerate its climate and economic goals. Building on momentum from the Africa Union's Africa's Gold Standard/Integrity principles and others, it will position Africa to lead globally—by delivering carbon markets that are inclusive, investable, and impactful.

OBJECTIVE

- Present a coordinated strategy to build high-integrity carbon markets that deliver development and attract private investment.
- Demonstrate African countries leadership in developing robust policy and regulatory frameworks.
- Align African priorities with global demand signals and policy changes, including Article 6, CORSIA, and voluntary action to meet corporate climate targets.
- Showcase financing models that mobilise international and local capital, including blended and carbon-linked instruments, to accelerate the scale-up, while strengthening local project developers and retaining economic value within Africa.
- Highlight mechanisms that embed equity and benefit-sharing ensuring communities, are not only beneficiaries, but active partners and decision-makers throughout the project cycle, maximizing their benefits and strengthening livelihoods.
- Generate actionable recommendations to inform the ACS2 Declaration and shape Africa's COP30 negotiating position on carbon finance.

EVENT DESCRIPTION

This high-level session will convene public, private, and community leaders to explore how Africa can shift from fragmented, small-scale carbon projects to a scalable, high-integrity ecosystem that delivers measurable outcomes for people, nature, and the economy.

Framed around a **landscape approach**, the session will unpack what is needed across three pillars:

- **Demand:** Harnessing emerging drivers such as Article 6 transactions, CORSIA, voluntary market commitments, and coordinated, country-led policy initiatives such as the Coalition to Grow Carbon Markets.
- **Supply:** Strengthening project developer capacity, building robust pipelines, and establishing institutional, regulatory, and infrastructure readiness—including MRV systems and national registries.
- **Enablers:** Unlocking capital through blended finance, carbon-linked instruments, and risk mitigation tools (e.g. insurance), while promoting inclusive benefit-sharing and community ownership models.

In line with the **African Union's call for high-integrity, transparent, and equitable carbon markets**, the session will emphasise the core principles required to embed fairness and tangible development co-benefits across the value chain—from credit design to revenue allocation. A spotlight will also be placed on a **continent-wide tracking platform** to assess country readiness, promote transparency, and improve coordination in the deployment of technical and financial support.

By positioning carbon not just as a climate tool but as a development asset, the session will demonstrate how Africa can lead in shaping global carbon markets—unlocking investment, creating jobs, restoring ecosystems, and advancing climate justice. Insights will directly inform the ACS2 Addis Declaration and Africa's COP30 strategy.

EXPECTED OUTCOMES

- A continental vision for high-integrity carbon markets that align climate action with inclusive development and long-term investment
- Policy and regulatory commitments to strengthen carbon market readiness, benefit-sharing frameworks, and national carbon market infrastructure
- Mobilisation pathways for international and domestic capital, through innovative financing structures, including blended and carbon-linked instruments while strengthening local project development.
- Replication of successful carbon project models on community benefit-sharing, biodiversity protection, and scalable nature-based solutions.
- Stronger public-private-community partnerships, fostering equitable access to carbon market benefits for Indigenous Peoples, women, and youth.