Session B1: Carbon & Nature Markets.

Unpacking 'Green' Finance Workshop

Institute for Advanced Legal Studies, London.

26th June 2026.

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Audience Q&A

The Slido app must be installed on every computer you're presenting from

slido

Activity: Calculate <u>your</u> carbon footprint.

- Go to https://footprint.wwf.org.uk/questionnaire

https://www.youtube.com/shorts/G1N644geS-Y

What do you consider to be key features of any market?

How is carbon/nature traded?

- By forcing polluters to pay for environmental and societal damage, you incentivize them to minimize the damage they are responsible for.

Credits: emissions reduction/biodiversity improving projects are judged against a business- as- usual “baseline”.

- If project outcomes perform ‘better’ this baseline, they are awarded “credits” that can be sold to governments, companies or individuals to **“offset”** their activities. **Voluntary markets rely on this.**

- The **retirement** of credits removes that specific right to pollute forever.

- **Cap and trade** is one policy approach that sets a strict limit on the total amount of damage in a jurisdiction. Permits are issued and can be traded within that jurisdiction to allow polluters to pollute within that set limit. Often called **compliance markets.**

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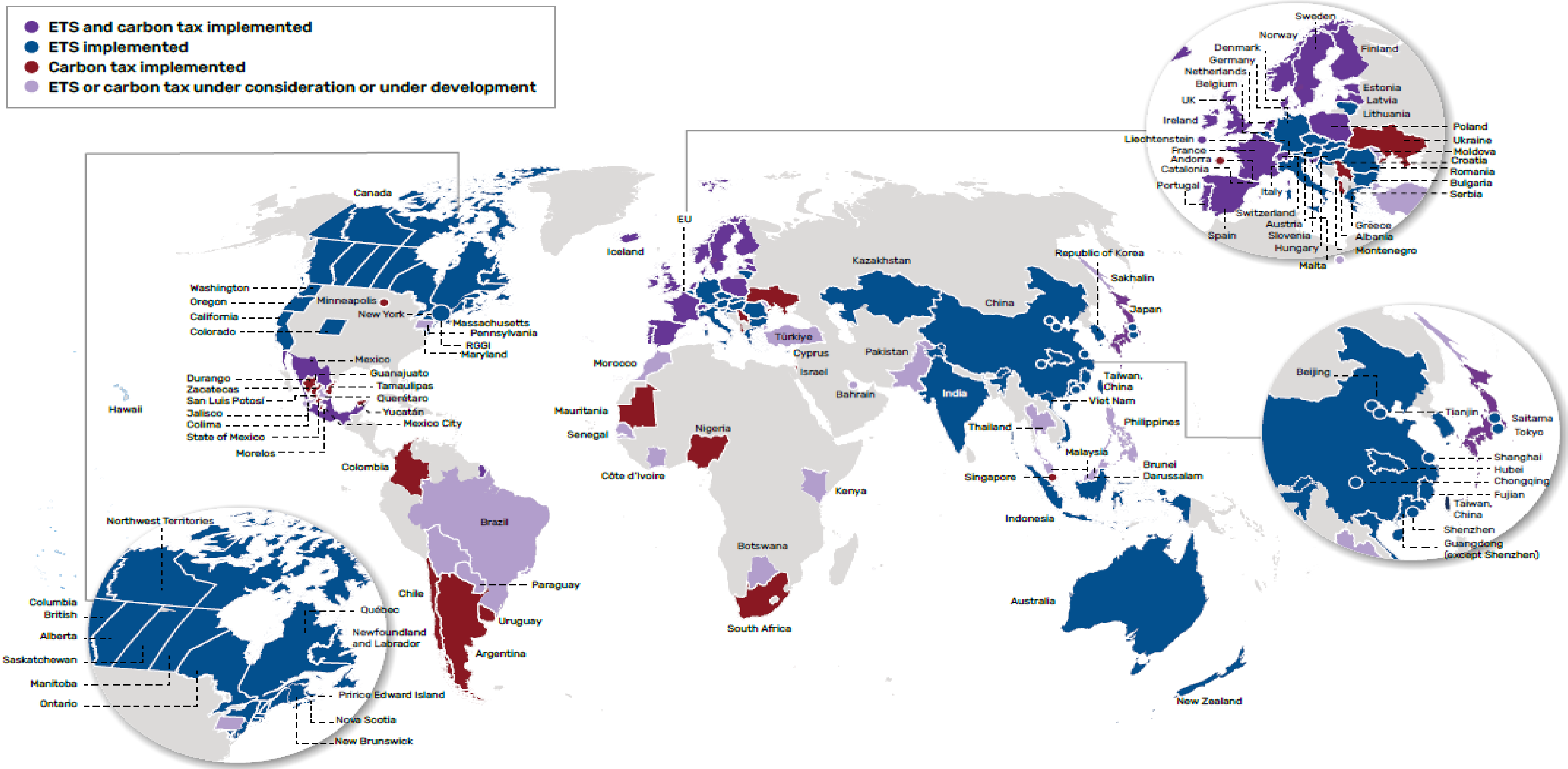
In 2026 what is the average carbon price across implemented instruments?

Map of ETSs and carbon taxes implemented, under consideration or under development



Activity: making markets and the actions of market participants.

1. In groups, choose <u>two</u> of the following actors:

- A farmer maintaining terrain that naturally absorbs carbon
- Investors in a carbon or nature exchange platform.
- A government body setting a carbon cap and issuing credits
- A carbon registry such as Woodland Carbon Code.
- A third –party auditor such as Verafavia.
- A carbon ratings agencies such as BeZero Carbon.
- A hedge fund buying and selling carbon allowances or credits.
- A pension fund buying carbon credits to manage its own portfolio.
- A global investment bank creating derivatives -such as futures, options, and swaps- on carbon allowances or offsets.

2. Discuss and take notes on what you think is the actor is doing, and what is its motivation for being involved in carbon markets.

3. Add your group's thoughts to the final slido poll.

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What is the actor, what are they doing and what is their motivation?