

Voluntary Carbon Market Operational Playbook

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Table of Contents

Executive summary	<u>3</u>
Introduction	<u>4</u>
Opportunities in a changing voluntary carbon market	<u>5</u>
How VCM value is created and priced	<u>13</u>
Key steps to monetizing carbon credits in VCMs	<u>18</u>

● Introduction

Executive summary

Voluntary carbon markets (VCMs) can create incremental, high-margin revenue and strategic positioning – but only where projects are additional, high-integrity, and aligned with core decarbonization plans. This operational guide will help you understand how to assess and pursue potential value.

Understanding VCMs

The VCM is in transition in 2026 after years of growth.

- > Following a ~300% CAGR in the VCM forward offtake purchases 2022-2025, spending on pre-purchased VCM credits is scaling back and changing.
- > High-integrity credits are still in demand and supply is scarce; project development and choices now will determine who participates as demand accelerates coming towards 2030.

Prices, markets, and expectations differ between removals vs. avoidance carbon credits.

- > Durable carbon dioxide removals currently command highest prices; avoidance faces lower pricing and more scrutiny.

Integrity screens for high-value credits are shaped by registries, brokers, and buyers.

- > Demand for high-value credits is concentrated among a few power buyers with strong impact on pricing and expectations; forward offtakes are rare for project developers.
- > Expectation of major shakeup in high-integrity, high-value VCM credits by 2030 as long-shot projects fail to deliver, leading to renewed boom in value for high-integrity projects that can deliver – interim impacts and changes in development and funding prior to this are becoming clearer over course of 2026.

Key planning points

- > **Scope and prioritize** where VCMs make sense; decide what to pursue vs. park.
- > Build baselines, LCA/CI, and MRV so **projects are verifiable, bankable, and ratings-ready.**
- > **Structure high-integrity offtakes and financing** aligned with benchmarks and risk appetite.
- > **Connect to reputable standards,** VVBs, MRV providers, developers, brokers, and anchor buyers.
- > **Support governance and communications** to greenwashing/reputational and regulatory/community risk.

VCMs as strategic value drivers

Strategic, not generic, revenue opportunity.

- > Use VCMs where carbon revenue clearly improves economics and supports decarbonization goals.
- > Treat VCMs as part of corporate value – premium, contracted credits and strong MRV¹ can lower cost of capital and support higher valuations.

Design for scrutiny from day one.

- > Use strict screens and ensure projects work under low-price/delay scenarios.
- > Utilize robust MRV, only use reputable standards/VVBs², document permanence and leakage planning, and ready for 3rd-party ratings.

Anchor value in real markets, not hype

- > Carbon credit value must be allocated carefully between products, credits, and regulation; sold credits cannot also underpin low-CI product claims – no double counting!
- > Validation, verification, registry fees, and ongoing MRV are material costs and should be factored into decision making; projects must make sense under low credit prices and/or delays.
- > Benchmark to compliance/tax credit prices; treat VCM revenue as last-mile upside, not the core case for the business.

● Introduction

This playbook helps companies understand and enter the VCM

The voluntary carbon market (VCM) has shifted from a niche tool to a strategic revenue lever but has undergone significant growth and changes over the past five years. This includes an ~80% fall in market spending in H1 2026 compared to H1 2025. This playbook will help companies to create an aligned approach to capture value.

Situation

- > Many companies, particularly in BECCS/CDR, low-CI fuels, biofuels, industrial process emissions, and waste-to-value, sit on potential VCM credit revenue opportunities.
- > The market is in transition, with credit buyer demand reducing and shifting, creating uncertainty for entrants.
- > Without understanding of the market shifts and expectations, individual companies risk economic loss or reputational damage in project development.

Questions to solve

- > Should my company pursue VCM credits? How should I screen for value?
- > What is the value of different credit types?
- > What are the steps, partners, costs, and timelines to monetize projects?
- > What separates high-value, high-integrity projects from ones with diminished or rejected value?

Scope and constraints

- > In scope: Voluntary carbon markets, with focus on high-value carbon dioxide removal credits.
- > Out of scope: Detailed compliance-market mechanics, project-specific financial modeling, sector-specific deep dives.
- > Design: Designed as an operational and practical screening and engagement tool, not a substitute for technical or commercial advisors.
- > Time: Reflects market conditions as of Q2 2026; expect material shifts as 2030 approaches – we plan for future updates.



1

Opportunities in a changing voluntary carbon market

● Opportunities in a changing voluntary carbon market

The VCM is at an inflection point, creating high-value opportunities

After almost \$8B in forward offtake VCM credits were purchased in 2025, dwarfing the \$1.4B spot market, spending has fallen sharply and is shifting in 2026. Supply of high-integrity credits is still constrained, and the projects that get built in the next 18–36 months will set pricing into an expected 2029–2030 VCM purchasing wave.

What has changed in 2026

Shift in power buyer demand: Microsoft –the dominant VCM forward offtaker – has reduced purchases and shifted from tech-based removals (e.g. bio-based carbon capture) to nature-based removals (e.g. soil carbon). **Frontier recently announced another \$915M planned to tech-based removals; evidence of continued demand.**

Forward contracted carbon dioxide removals (CDRs) are not being delivered: only 2.7% have been delivered.

Falling forward offtake value and price: Spending on CDRs was ~80% lower in H1 2026 than H1 2025, and average price was 50% lower – though forward offtakes still averaging higher than average spot market.

Why this matters

Power buyer concentration is breaking up: first mover project developers will help shape pricing for new entrants, as buyers/brokers must set standards and expectations for new categories of demand and new entrants.

High-integrity supply is still scarce: buyers/brokers still want high-integrity forward credits, but less focus on long-shot technologies. Companies able to deliver in 2029/2030 as firms must meet obligations are likely to see a spot market boom.

Carbon revenue can make projects investable: the right design to meet buyer needs can drastically improve economics.

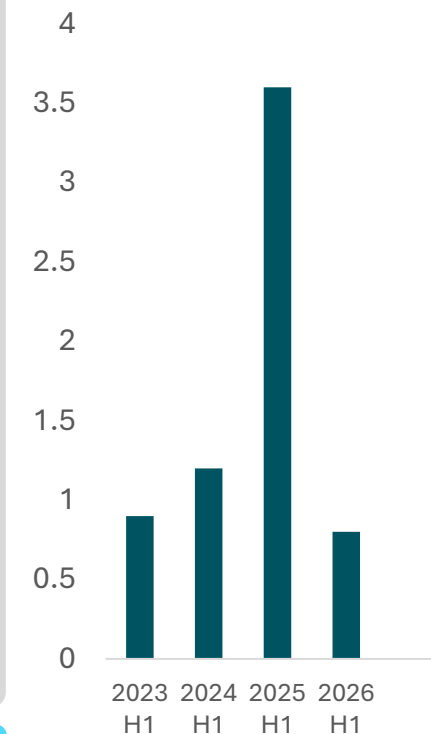
What this means for companies

Credible pathways to credits can compete: offering legitimate removal-based, high integrity credits will be valuable as long-shot projects fizzle out.

Short window to position for 2030: as 2030 nears and prices rise, competition for project development will increase and relationships between developers and buyers/brokers will solidify, creating higher barriers to entry. Projects that moved slowly missed the 2025 boom.

Moving quickly gets a seat at the table: buyers/brokers will want to retrench and set expectations for these new credits; being under development positions a company to shape these discussions.

Forward CDR purchases in H1
\$B total sales in H1 2023-2026



Preliminary value lower than 2023 – ~80% fall from H1 2025

Project development over the next 18-36 months will determine who participates in the 2030 spot market and can provide high-integrity forward credits post-2030. A credible path to acquiring these credits ahead of the next boom is the path to maximize value.

- Opportunities in a changing voluntary carbon market

VCMs turn decarbonization projects into recurring revenue

VCMs are used to secure carbon credits beyond regulatory requirements, and can turn decarbonization projects into verified, recurring revenue.

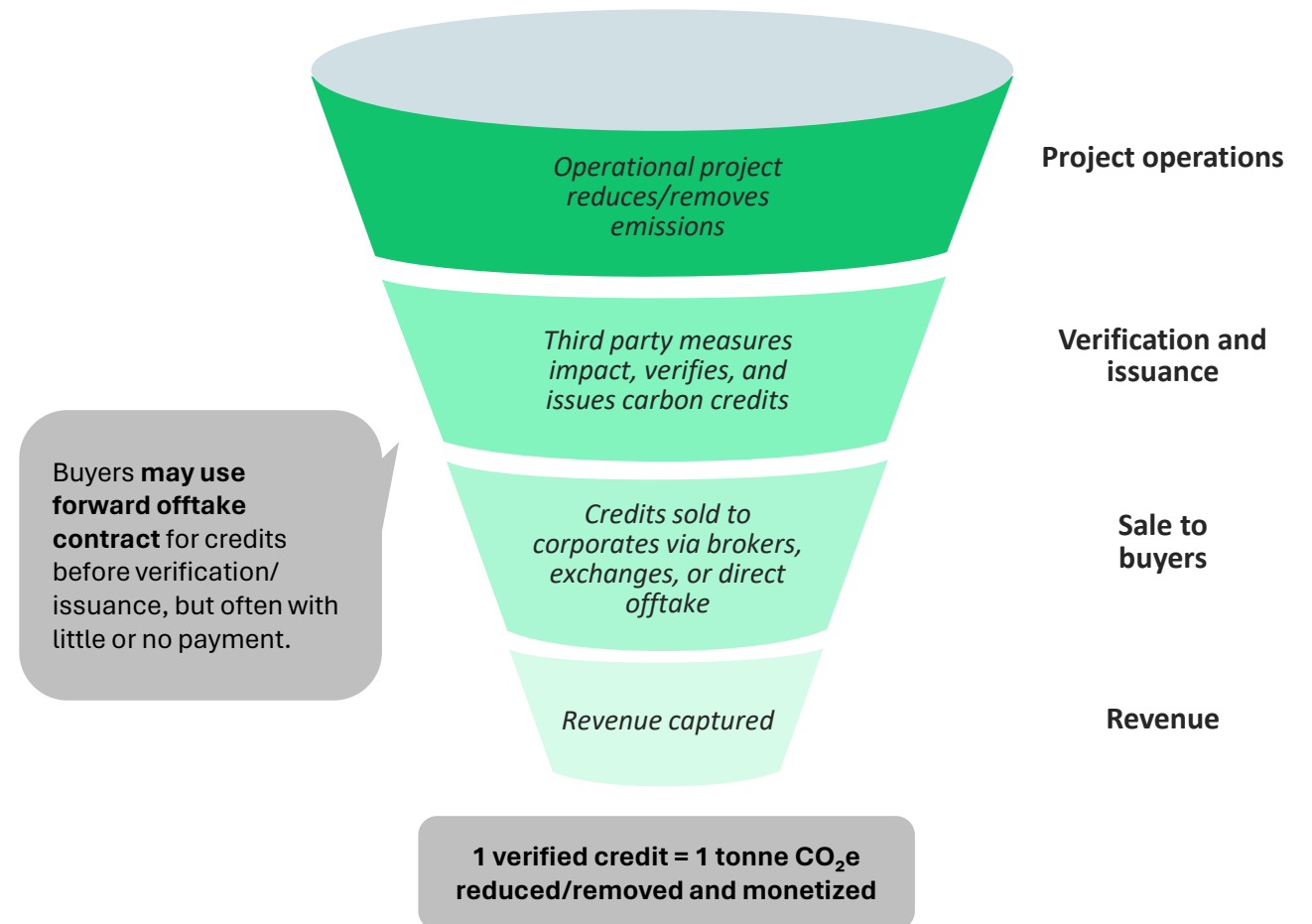
VCMs are platforms to buy and sell emissions credits.

- > Companies voluntarily buy and sell carbon credits to trade emissions reductions.
- > Distinct from government mandated compliance credit systems (e.g., cap-and-trade).
- > Participation is **driven by corporate climate goals and stakeholder expectations.**

How do they work?

- > Climate projects (tech-based solutions, nature-based solutions) generate emission avoidance or removals, which are turned into carbon credits.
- > Companies and investors **purchase and retire credits to match some of their emissions footprint** (often focused on Scope 3 emissions) – as well as potentially support specific project types or co-benefits.

From project to carbon credit revenue



● Opportunities in a changing voluntary carbon market

Carbon markets unlock six potential value streams

Monetizing carbon credits can unlock new value streams and strengthen positioning with customers and investors.

Compliance markets inform corporate strategy and provide clear price signals.



Anchor for economics

- › Compliance prices and tax credits can **underwrite project economics** with clearer and more concrete demand and price signals.



Location and sector strategy

- › Company and site design influence which revenue stacks are available and **can impact double counting and tax incentives**.
- › Understanding and preparing materials for compliance markets gives a better understanding of requirements and interactions for VCM sector.



Risk management

- › Companies need a **clear understanding of compliance rules** (and any rule changes) to double counting and potential reputational damage.

Voluntary carbon markets are a commercial catalyst for emerging technology.



Unlocking new revenue streams

- › New income streams through forward offtake agreements and/or recurring revenue from credit sales, **improving project bankability and reducing payback periods**.



Lowering cost of capital and supporting fundraising

- › Carbon revenue can **move marginal decarbonization projects into positive-NPV** territory, attracting capital from climate-focused institutions.



Real products, contracts, and relationships

- › Develop real products, sales, and relationships, which matters to banks, customers, and investors.
- › Strategic offtake partnerships with major corporates can **deepen long-term commercial relationships**.

- Opportunities in a changing voluntary carbon market

Compliance markets are higher volume and growing in price

Understanding compliance carbon markets is important as they shape demand, pricing, standards, and strategy for many VCM opportunities. Compliance markets have strict requirements and limitations and may not carry the same premiums.

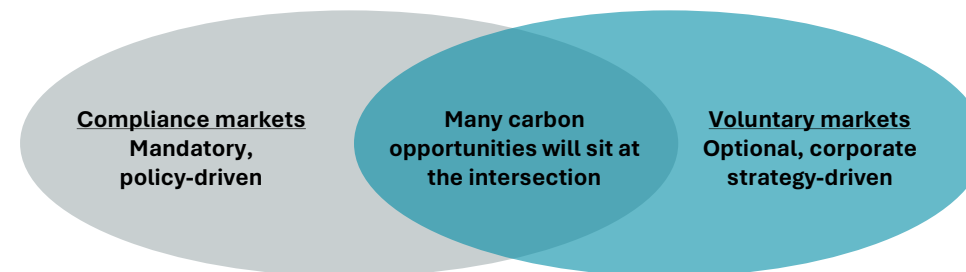
Compliance carbon markets are for companies to meet required reductions.

- > Regulated systems where **covered entities are legally required to hold allowances or credits** to permit their carbon emissions (e.g., European Union Emissions Trading System, California Cap-and-Trade).
- > Governments or regulators set a cap on total emissions and issue a limited number of allowances.
- > Covered entities must surrender allowances equal to their verified emissions each compliance period or face penalties.
- > Price is increasing as low-cost options are exhausted – some compliance market pricing is >\$100/tonne, rivaling high-integrity VCM – but with stricter restrictions and government-driven standards.

How do they work?

- > Allowances are allocated (free or auctioned) and then traded on exchanges or B2B; the carbon price emerges from this trading.
- > Regulators may allow a limited, strictly regulated quantity of credits from approved project types to be used in compliance markets.
- > Each year, **covered entities report emissions, undergo verification, and surrender allowances/offsets.**

How do compliance and voluntary markets interact?



Different drivers:

- > Compliance markets are policy-driven; participation is mandatory.
- > VCMs are corporate goal driven, used for beyond-compliance action.

Different units and standards:

- > Compliance markets use allowances and a small set of offset protocols.
- > VCMs use a wider range of credit types and standards with more variation in quality and price.

Points of overlap:

- > Over time, VCM and compliance markets expected to intersect more into one universal market.
- > Some project types (e.g., methane capture, low-CI fuels) may be eligible for both; compliance offsets in certain jurisdictions may be VCM credits elsewhere.
- > Compliance prices often act as a reference signal for what high-quality credits must earn to be investable by revealing what regulated entities are willing to pay per tonne.
- > Policy changes can shift projects from VCM into compliance (or restrict double counting), affecting supply and demand in both markets.

Prices are falling for most credit types except tech-based removals

Insights from developers, corporate buyers, platforms, and advisors show that pricing is shifting, and for many removal pathways, acceptable practices/feedstocks are still being determined.

Key takeaways from VCM ecosystem meetings

- > **Average prices for many avoidance-based credits are falling** as methodologies and MRV are questioned, though improved MRV is developing.
- > Pricing bands for removals are emerging but under pressure; **willingness to pay in VCM U.S. markets is softening** even as volume interest remains high.
- > **Among tech-based removals, prices still vary widely** depending on feedstock and type.
- > **NbS based removals are generally falling in price**

Practical insights for companies

- > **Engage the experts early** to better take advantage of inside knowledge and to assist with feasibility screens.
- > **Start with a fast feasibility screen** – additionality, data readiness, attribute ownership, and policy overlap must be clear before investing time/capex.
- > **Value depends on choices across ecosystem** of developers, registries, verifiers, brokers, and rating bodies.
- > **Quality screens increasingly set price** – ratings/integrity expectations are becoming buyer requirements.
- > **Plan for long lead times, documentation, and audits – account for costs and time** of MRV/verification, registry fees, broker spreads, buffers, and monitoring.
- > **Don't plan for revenue until the project is eligible** under methodology, verified, and credits purchased by buyer.

Design projects to avoid double counting and lost value

Double counting of credits for voluntary, compliance, and product marketing claims can lead to major reputational damage and value loss.

There are three ways double counting may occur:

- > **Double issuance:** more than one credit is issued per tonne of CO₂e removed.
- > **Double use:** one credit is used to against different targets/commitments.
- > **Double claiming:** one credit is claimed by more than one entity.

Practical insights for companies

1. Choose what you are selling

- > If you sell credits, cannot generally claim same carbon benefit in product or corporate carbon reduction claims.

2. Stack carefully, not twice

- > Map all revenue streams (tax credits, LCFS, VCM, RECs, etc.) and make sure the same metric tonne of carbon isn't doing multiple jobs.
- > If data is unclear, buyers will or deeply discount.

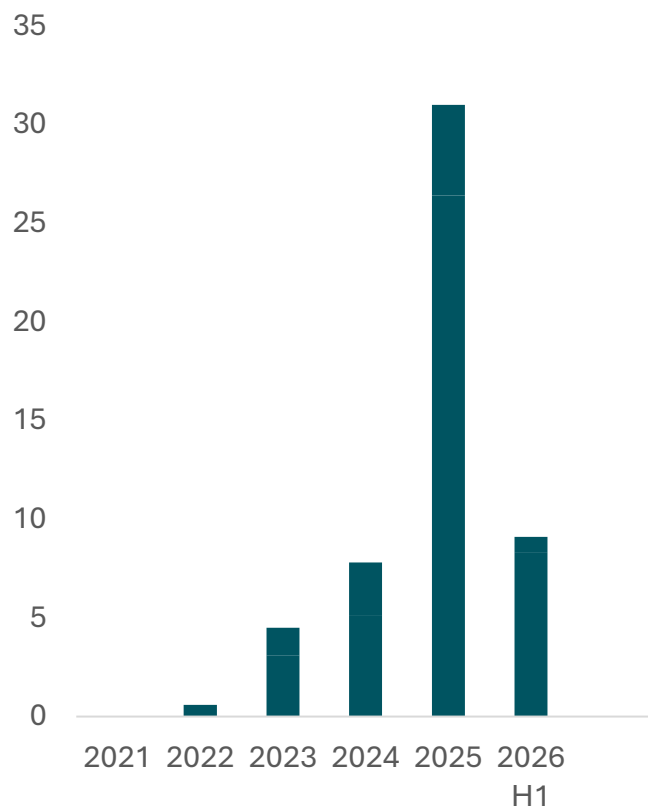
● Opportunities in a changing voluntary carbon market

VCM value has concentrated in forward offtakes

Forward offtake contracts for CDR have commanded higher prices as buyers prioritize obtaining “no regrets” high-integrity credits ahead of 2030 goals, but a changing landscape of brokers, buyers, and developers in 2026 is leading to a less predictable market.

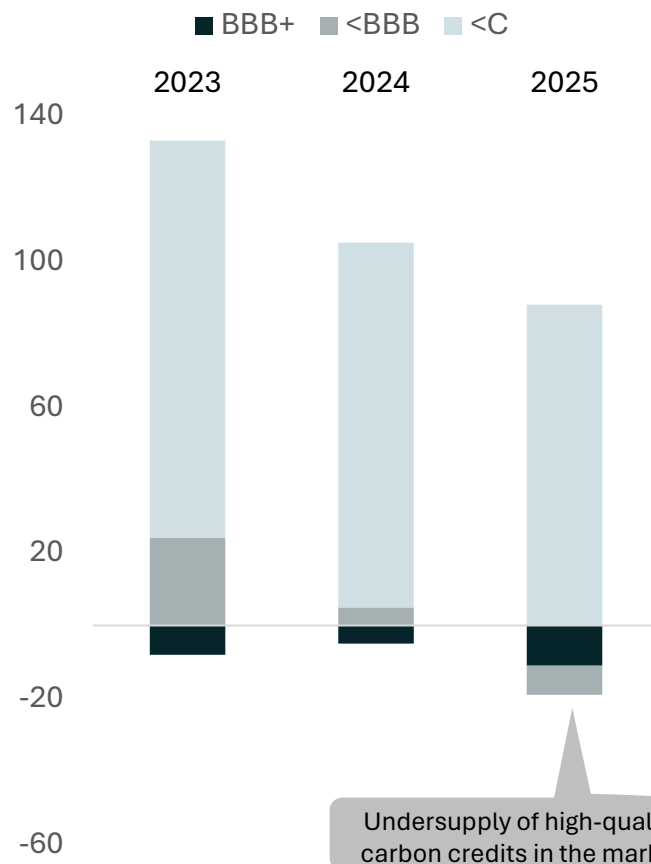
Forward offtake purchases of CDR VCM credits

Million tonnes CO2



Market inventory of credits

Number of credits available (issuances – retirements)



Key takeaways

- > Reputational risk and past scandals have **pushed buyers toward high-integrity credits.**
- > Companies use forward offtake contracts to get “no regrets” credits at higher prices, indicating that **most current VCM revenue is in forward offtakes.**
- > Design projects to meet the **integrity standards and risk appetite of small set of sophisticated buyers.**
 - > CDR pricing and demand have been dominated by a few power buyers
 - > For power buyers, project story and the prospect of backing innovative technology are important
- > **High offset prices are dependent on carbon revenue being demonstrably decisive** for project go/no-go; subsidies can complicate the additionality argument.
- > **Technology, permitting, and execution risk are real** – only 2.7% of forward-contracted CDR has been delivered to date.
- > **Potential for a spot market boom in 2029-30** as long-shot CDR projects are expected to under deliver. Alternatively, 2028/2029 could see high-priced forward offtakes for projects nearing completion.
- > **New brokers and verifiers are emerging for direct sales**, bypassing legacy groups (e.g., Isometric).
- > **Predictions for 2026 vary widely**, from \$1.7B to \$13B, but given current H1 2026 trends (80% lower spending than H1 2025) it is likely 2026 purchases will be closer to 2024 levels.

2

How VCM value is created and priced

● How VCM value is created and priced

The sale price of carbon credits varies by their perceived quality

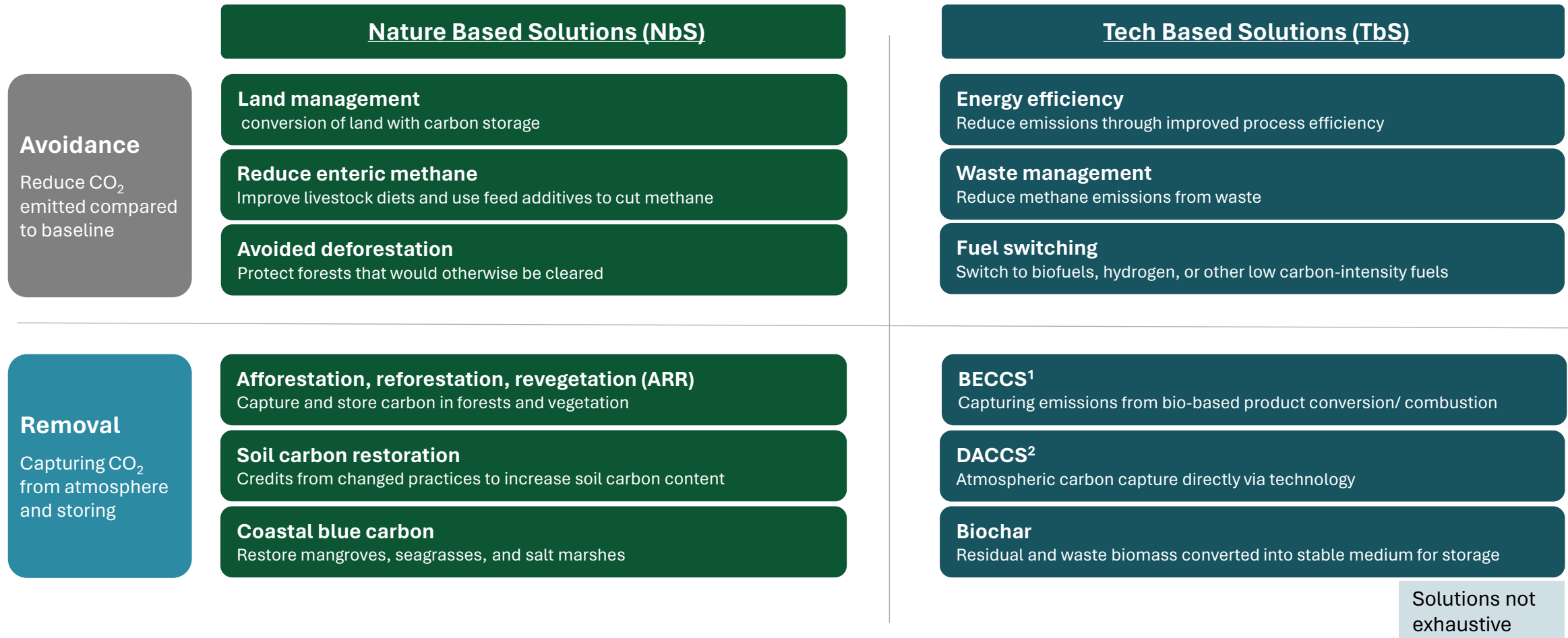
Four elements are generally used to assess value and assess any red flags in project design: additionality, permanence, MRV, and leakage.

Quality Driver	Definition	Key Questions	Red Flag (Low/No Value)
 Additionality	Credit causes climate benefit that wouldn't have occurred under business-as-usual.	Would the emissions ance or removal have happened without revenue from carbon credits?	Project/activities that were already profitable, mandated, or underway (e.g., a national park could not get credits, as it is already protected by regulation).
 Permanence	Carbon storage is low-risk and permanent.	How long does the carbon benefit last? How has the project developer planned for reversals?	Lack of reversal risk management: buffer pools, insurance, or replacement mechanisms.
 Measurement, reporting, verification	Real: Clearly defined, credible baseline Quantified: Measured using robust, conservative, and transparent MRV Independently verified: Audited by an accredited, third-party verifier	Is the climate impact real, quantified, and independently verified?	Baseline is questionable, non-standard methodology, third-party verifier has financial stake.
 Leakage	The carbon offsets are fully owned by the purchaser (e.g., a sustainable aviation fuel cannot claim reduced CI if someone bought the reduced carbon offsets) and have not caused emissions to rise elsewhere.	Does the activity reduce global emissions or just shift them elsewhere? Are they counted twice?	Projects that can be shown to cause emissions or carbon stock loss elsewhere (e.g., logging company preserves one forest, cuts down a different one), multiple counting of low-carbon benefits.

● How VCM value is created and priced

Removal credits have premium price, avoidance faces price pressure

Avoidance and removal are further broken down into nature-based and tech-based solutions, which impacts ultimate value.



Note: 1: Bio Energy Carbon Capture and Sequestration (BECCS); 2: Direct Air Carbon Capture and Sequestration (DACCS)

Source: BCG, updated with stakeholder interviews

● How VCM value is created and priced

Quality concerns increase demand and pricing for removal credits

Measured across the four main axes for quality in carbon credits, removal credits score better in additionality, permanence, MRV, and leakage risk. Some companies are willing to pay a premium for CDR credits that accusations of greenwashing.

	Avoidance credits ¹	
	Tech-based solutions	Nature-based solutions
Additionality	Low-Moderate	Low-Moderate
Permanence	Moderate	Low
MRV	High	Low
Leakage Risk	Low-Moderate	High
Common Pricing	Low-Moderate	Low-Moderate

Avoidance carbon credits may be worth pursuing at high volumes provided they are easy to measure/verify. Some specific tech avoidance solutions such as refrigerant lifecycle management (refrigerant destruction/transition) have gained increased popularity and value as they are highly measurable.

Removal credits ¹	
Tech-based solutions	Nature-based solutions
High	Moderate
High	Low
High	Moderate
Low	Moderate
High	Moderate

Removal carbon credits are worth investigation where operationally possible due to higher value.

Note: 1. Represents average assessment of market from expert interviews, but specific project types can be higher or lower. Should not be considered universal. For example, refrigerant lifecycle management is currently considered high additionality, and therefore commands price premiums.
Source: BCG updated with stakeholder interviews and BNEF interviews

● How VCM value is created and priced

Buyers evaluate quality and price of credits with set expectations

Use this to screen projects early, anticipate issues or cost reductions, and position credits for premium demand. Matching key expectations can help underwrite feasibility and net economics.

	Expectation	Price importance	Description
Required	Methodology	> Required – no credits will be purchased if not on approved methodology / standard.	> Defines what counts for your credit – approved methodology, registry issuance, and third-party verification are the minimum bar for buyer eligibility. > Watch outs: double counting/claiming, regulatory overlap, whether standard aligns with current integrity expectations (e.g. CCP/ICVCM where relevant).
	Transparency	> Cannot sell as high-integrity without transparency – close to required.	> Buyers expect robust, transparent MRV – no black box due to concerns over credit reversals or reputational damage. Methods and data must be explainable, auditable, and repeatable. > Watch outs: opaque baselines or counterfactuals, black box models, inconsistency across documents, lack of access to underlying data.
Escalating importance to buyers	Project type	> Price up if aligned with buyer’s preferences (e.g. Microsoft, Frontier, Google like BECCS).	> Main driver of perceived quality – removal generally favored over avoidance, but can vary as buyers look to hedge their portfolios and look at new opportunities. > Watch outs: removals are favored due to perception as higher quality and tend to clear most corporate screens.
	Story	> Can improve value and open doors to power buyers if story fits their goals.	> “Why this credit” premium – storytelling is critical to driving interest of major buyers (e.g. biodiversity/ community benefits can support higher willingness to pay). > Using innovative techs can increase value; 2026 seems to be shifting away from long-shots. > Some projects inside a company’s value chain generate EACs rather than offsets. > Watch outs: co-benefits should be credible and evidenced; over-claiming.
	Vintage	> Old vintages are less attractive. While few buyers discuss it openly, it is a major consideration	> “Newer is safer” – buyers discount older vintages due to evolving standards. > Watch outs: vintage = year the emissions avoidance/removal occurred (not issuance).
	Location	> Preference for projects that are close to home for marketing, but not a deal breaker.	> Can add preference, rarely a veto – can help marketing and stakeholder acceptance. > Watch outs: jurisdictional risk (land tenure, enforcement), and attribute allocation.

3

Key steps to monetizing carbon credits in VCMs

● Key steps to monetizing carbon credits in VCMs

Six steps separate a planned credit from retirement

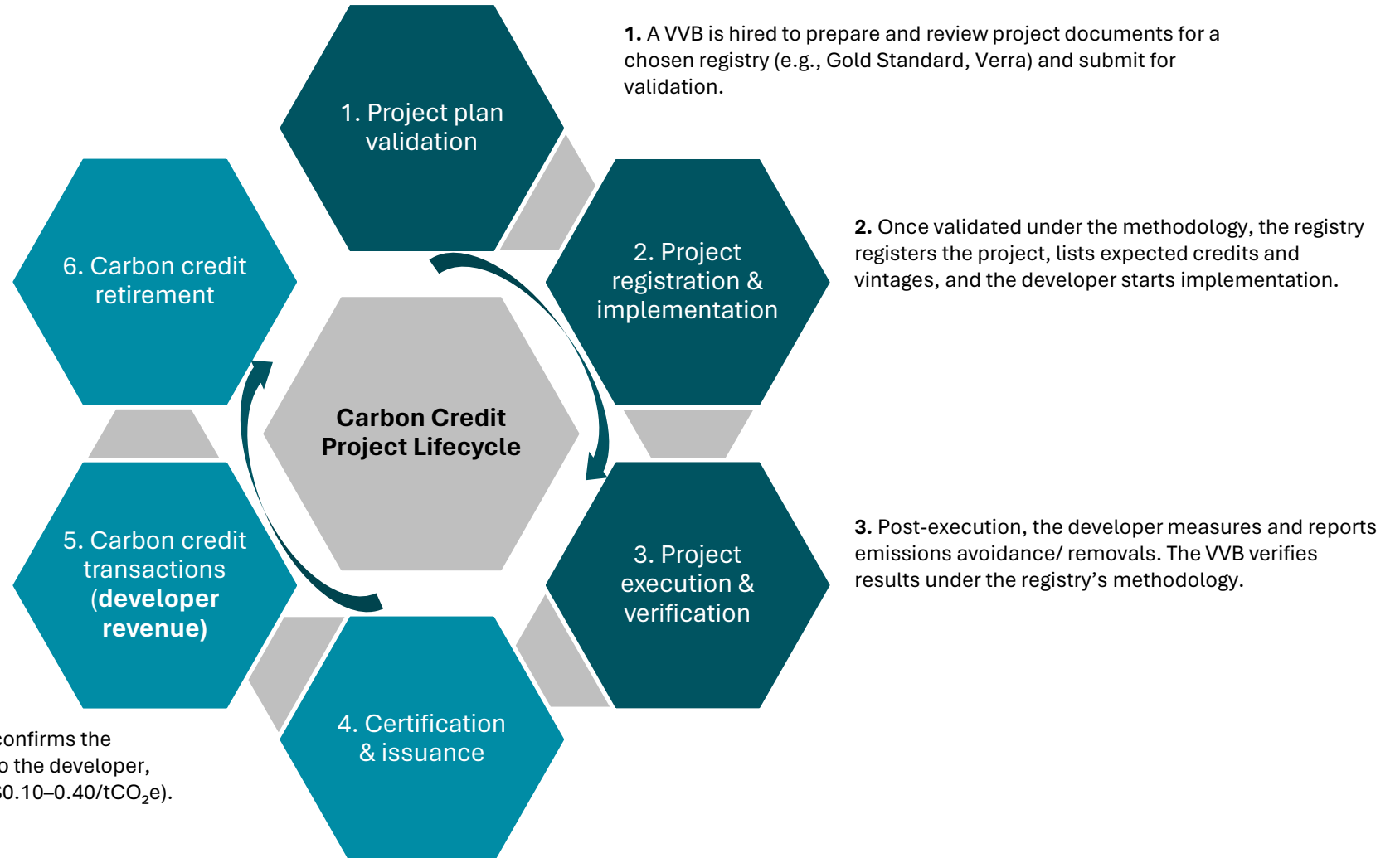
There are six major steps between a carbon credit being planned and it being retired – three are handled by the project developer, three by their registry.

- Steps 1-3: Determined by developer
- Steps 4-6: In registry control

6. After purchase, the buyer owns the credits until they are “retired,” at which point they are removed from the registry, and the buyer claims the reductions against their own footprint.

5. Issued credits can be sold via the registry platform, brokers, or exchanges. Some buyers may also have pre-purchased credits through forward offtake contracts.

4. The registry reviews the VVB materials, confirms the project meets criteria, and issues credits to the developer, charging a per-ton issuance fee (typically \$0.10–0.40/tCO₂e).



● Key steps to monetizing carbon credits in VCMs

Learn key lessons to maximize VCM credit value

How to create value by engaging with the voluntary carbon market.



Not every decarbonization project should become a VCM credit project.

- > Many opportunities are better treated as low-CI products and/or compliance/tax credit plays, not voluntary credits.
- > Early “no-go” decisions are a positive outcome; start with a quick VCM feasibility screen (additionality, economics, data/sustainability readiness) before committing capex or external fees.



Governance, community, and claims can make or break a VCM project.

- > Reputational and stakeholder risks sit with financial and technical risk in every serious buyer’s pre-screening process.
- > Treat community and sustainability safeguards as core design parameters, not “nice to haves,” and build a real governance framework before making claims or negotiating agreements.



Economics, timing, and execution risk matter as much as price.

- > VCMs should not “save” a weak project; use conservative economics at low prices, volumes, and longer timelines.
- > Treat validation, verification, registry fees, and MRV as material capex/opex items, and stress-test projects for delays, cost overruns, and technology under-performance before committing.



Partner and buyer selection shape integrity, value, and flexibility.

- > Choose standards, VVBs, MRV providers, and co-developers that understand your sector and match your integrity expectations – ensure they support transparency claims.
- > Engage anchor/potential buyers early to align on quality expectations, volumes, and offtake structure, so projects are built for real demand rather than a hypothetical average market.



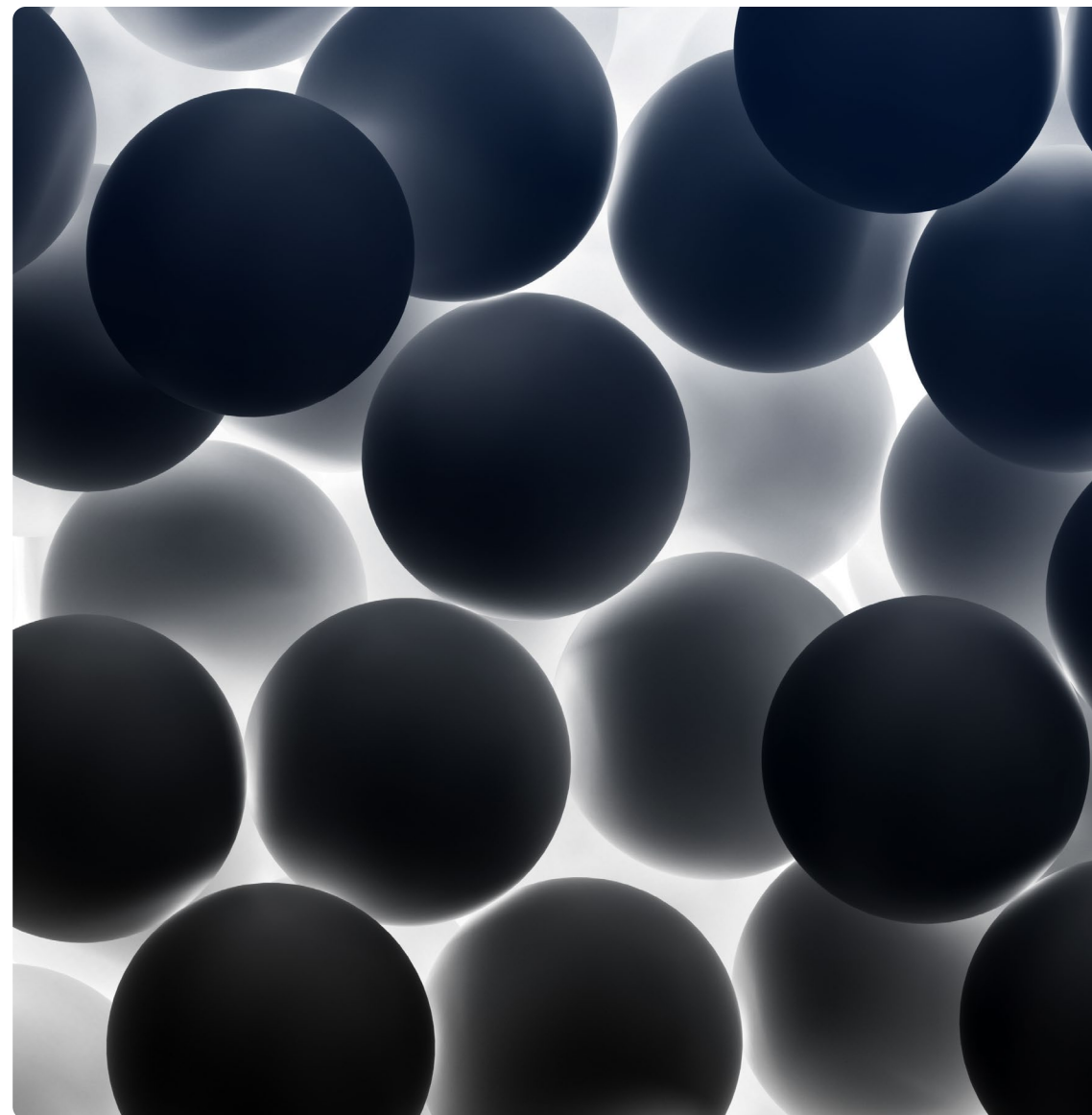
● Key steps to monetizing carbon credits in VCMs

Use a VCM project readiness checklist

Before committing significant time or capex, this checklist provides a quick screen.

Connect with industry experts early to ensure up-to-date changes and information are incorporated in your planning.

- ✓ **Strategic fit:** We have clear objectives (revenue vs. claims vs. strategic positioning) and have Board-level support.
- ✓ **Eligibility:** No obvious double counting or policy conflicts; project can pass additionality tests.
- ✓ **Data and MRV:** We can realistically collect the data the methodology requires at the needed frequency and quality.
- ✓ **Partners:** We have identified suitable technical, carbon, MRV, and verification partners and understand their incentives.
- ✓ **Economics:** We have at least three carbon-price/volume scenarios and know whether the project still makes sense in the downside case.
- ✓ **Governance:** Roles, responsibilities, and escalation paths are clear; we have a basic documentation and claims policy.



An evolving demand-side ecosystem creates new entry points for sellers

Carbon markets are maturing, with a growing ecosystem of intermediaries and service providers supporting transactions.

Anticipating demand-side shifts is integral for sell-side planning.

- > Buyer procurement strategies are shifting as carbon markets mature. For companies looking to monetize carbon credits, adapting to these shifts may offer a strategic entry point into the market.
 - > End-to-end solutions for carbon market buyers are growing – procurement specialists are playing a larger role by combining advisory and execution to reduce risk and cost of entry for buyers by coordinating demand.
- > As more jurisdictions introduce carbon pricing mechanisms like CBAM, ETS, and CORSIA, understanding trends in how buyers are engaging with carbon markets can be advantageous for companies building carbon credit monetization strategies.
- > Buyers and sellers are relying more on hybrid broker-advisor models for a one-step path to carbon credits, which makes engaging with them advantageous.



Portfolio spotlight

CFP Energy is a leading specialist in carbon and environmental markets, helping organizations navigate regulatory complexity, market volatility, and the energy transition with a strong track record across key compliance carbon markets.

With clients of all sizes from a variety of sectors, CFP diversifies sources of financing for projects, which reduces risk for project developers and allows for more flexible procurement approaches that can better adapt to a buyers' strategic priorities.

CFP enables clients to navigate complex regulations, manage purchases, and reduce exposure to market volatility, all of which are key to driving growth in carbon market participation.



Spot purchases

Buy and retire credits for immediate needs.



Forward agreements

Secure future supply at agreed volumes and prices.



Portfolio approach

Blend project types to balance cost and impact.



Strategic partnerships

Co-develop or pre-finance projects to access long-term, high-integrity credits.

>2.5_{BN}

carbon credits transacted since inception in compliance and voluntary markets



Four considerations drive partner choice to increase bankability

Use this guidance when scoping VCM projects and selecting external providers to connect with credible partners across project development, MRV, verification, and offtake.

Partner types and when to use them

Turnkey project developers / co-developers

- > **When to use:** Limited internal capacity; first-of-a-kind CDR or complex nature-based projects where structuring, permitting, and financing are unfamiliar – any developer relationships will be connected to other project partners.
- > **What they do:** Take lead on methodology selection, project design, MRV design, registration, and usually arrange offtake; may invest their own capital.
- > **Trade-offs:** Less control over economics and claims; revenue-sharing or JV structures; need clear alignment on integrity and risk allocation.

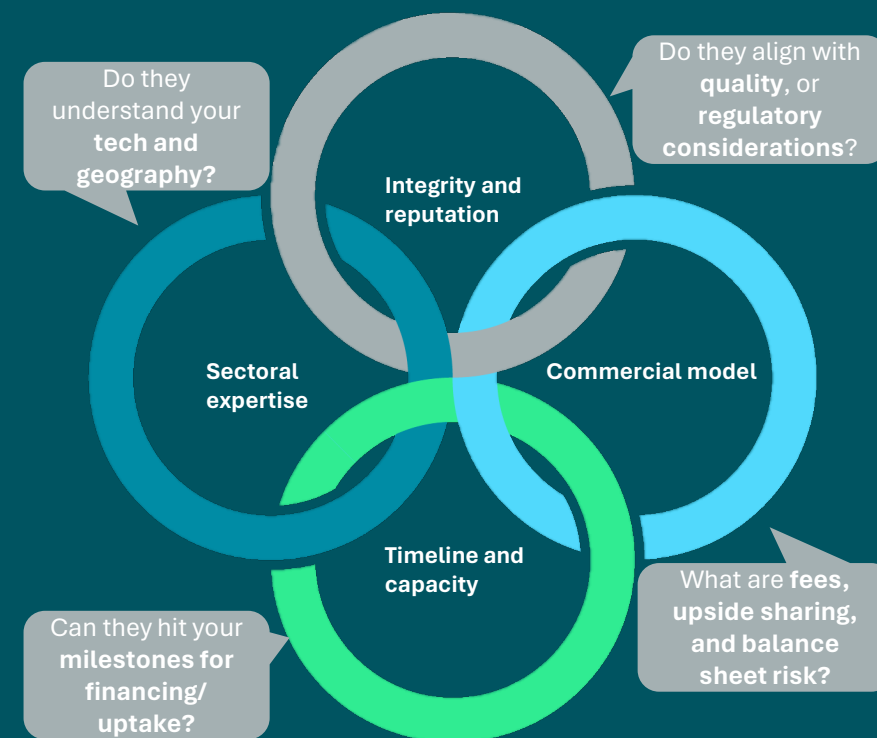
Technical and engineering consultants (process / storage / forestry)

- > **When to use:** You are the primary developer and need technical depth (e.g., BECCS engineering, DAC process design, forest inventory, soil sampling plans).
- > **What they do:** Feasibility studies, design of capture/storage or land-use interventions, cost and performance modelling.
- > **Trade-offs:** Strong engineering but may not understand full VCM commercial picture; coordinate with carbon specialists.

Carbon market methodology specialists

- > **When to use:** To interpret standards, methodologies, additionality tests, and to structure projects for bankable carbon revenue.
- > **What they do:** Methodology selection or development, baselines, additionality arguments, leakage/permanence analysis, crediting scenarios.
- > **Trade-offs:** Fees can look high but are often small relative to total carbon revenue; quality here heavily influences project bankability.

Key considerations in provider selection



Measurement and verification specialists are not all equivalent

Take advantage of resources and experience outside groups can offer when scoping VCM projects – select the external providers matched to your goals and project needs.

Partner types and when to use them

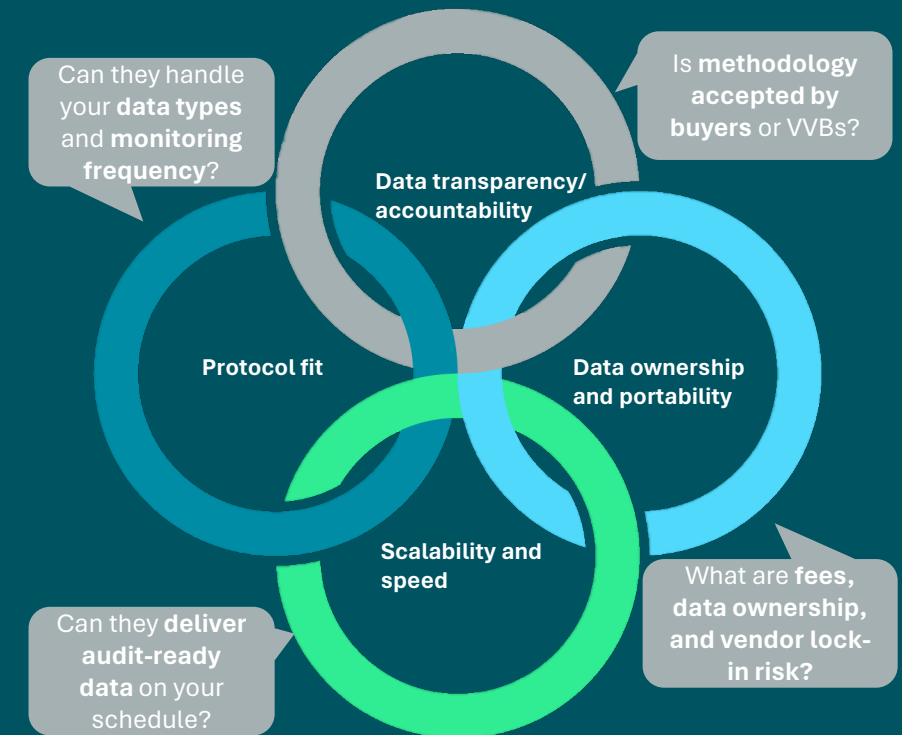
Verifiers and registries

- > **When to use:** All VCM projects. Registry and accredited Verification/Validation Bodies (VVBs) are non-negotiable gatekeepers.
- > **What they do:** Check the project against methodology/standard and issue credits.
- > **Trade-offs:** Limited flexibility on process or timing; choose VVBs with relevant sector experience and clear capacity.

MRV / digital MRV providers

- > **When to use:** Projects with large datasets, dispersed assets, or frequent reporting (e.g., cookstoves, metered industrial projects, nature-based).
- > **What they do:** Design and run monitoring systems, platforms for data ingestion and calculation, audit trails.
- > **Trade-offs:** Beware vendor lock-in; ensure transparency of algorithms and exportability of raw data and calculations.

Key considerations in provider selection

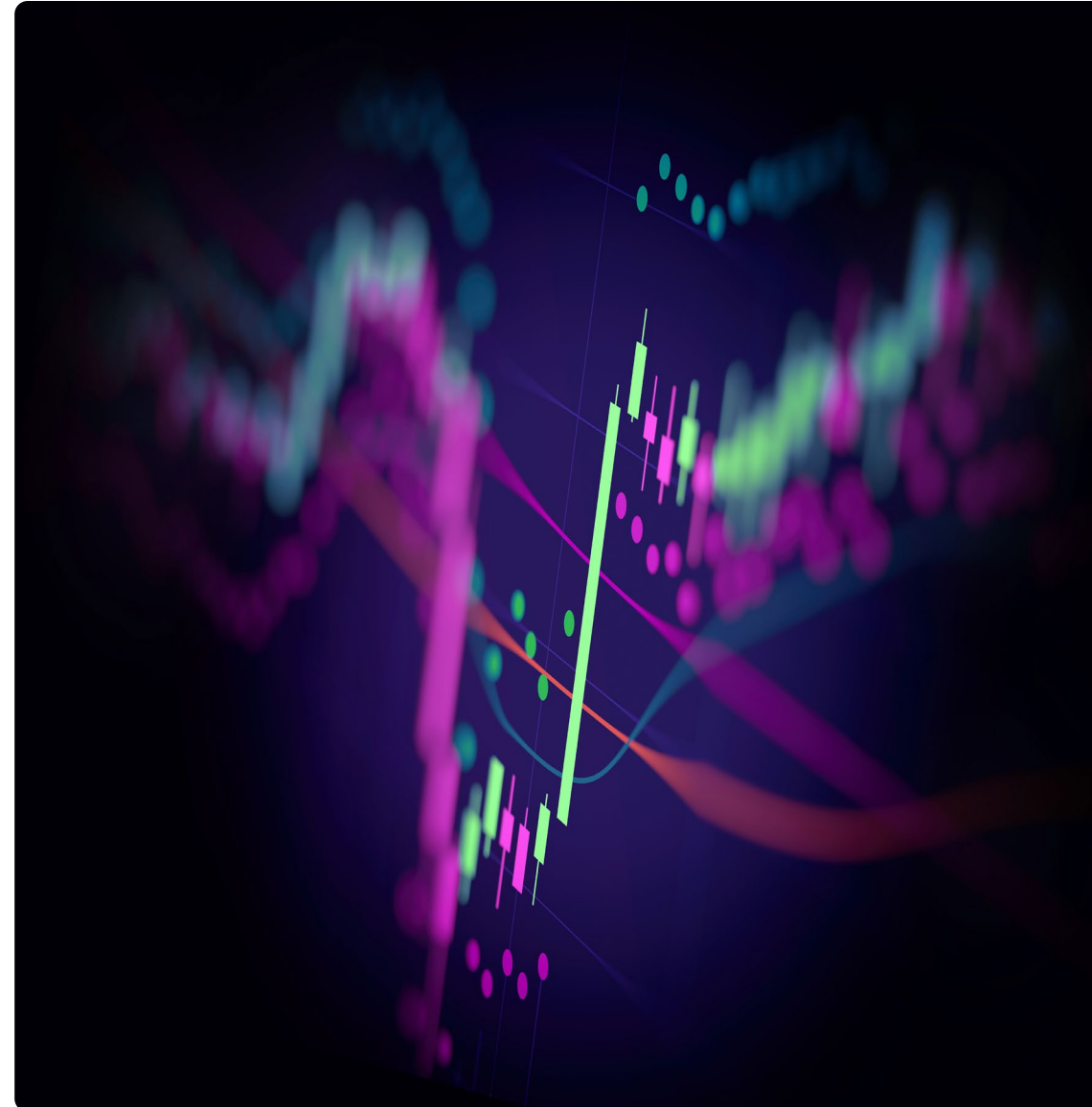


● Key steps to monetizing carbon credits in VCMs

7 practices drive winning VCM projects

Operational guidelines for winning in high-integrity, high-price VCMs to increase revenue potential.

- > Conduct **rigorous due diligence** prior to development on additionality, permanence, and co-benefits to ensure project is a good fit. Once underway, it is more difficult to pull back if issues arise.
- > Early, **transparent incorporation of carbon revenue in project economics** and documentation to prioritize credits that **meet or exceed leading global standards**.
- > **Strategically position credits** in well regarded, higher traction market registries – particularly ones that have connections to power buyers and/or more experience with your project type.
- > **Leverage existing protocols** for timely certification; novel pathways take much longer to approve and credit.
- > **Integrate offset strategy** within broader GHG emissions mitigation and decarbonization goals.
- > **Forge strategic alliances** early with buyers, brokers, and buyer consortiums, and ensure you are meeting their project/credit expectations – in the end, they are the ones purchasing; if you do not design to their requirements they will not buy.
- > **Stay agile** – monitor evolving standards and market trends to maintain leadership.



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