What buyers need to know about carbon markets in 2026

By Jim Giles | February, 2026

More than 150 million credits were retired annually from the voluntary carbon market in recent years. They were generated by projects as diverse as clean cookstoves in developing countries and giant machines that suck carbon dioxide from the atmosphere. Even for experienced sustainability teams, navigating these offerings can be challenging.

To help buyers invest with confidence, Trellis asked 10 leading carbon market experts to share their thoughts on what buyers need to know this year. Read on for their key takeaways, with links for additional information.

New buyers aren’t alone

The array of credit types on offer may feel overwhelming, but “new buyers don’t need to start from scratch,” said Lukas May, chief commercial officer at Isometric, a carbon credit registry. “There are publicly available resources that can jumpstart procurement processes and make it easier to navigate the market.”

Easy-to-execute steps include consulting credit rating companies such as BeZero Carbon, Calyx Global and Sylvera, all of which offer some analysis for free. Buyers can also look for quality labels from industry bodies, including those from the Integrity Council for the Voluntary Carbon Market and the Carbon Offsetting and Reduction Scheme for International Aviation (CORISA).

These are just starting points, however. Evaluating the likely impact of a carbon credit project is complex and often subjective. That means rating companies don’t always agree. And the labels, while useful for avoiding flawed projects, don’t guarantee high quality. “Eligibility frameworks define minimum procedural compliance, not climate integrity or delivery risk,” said Ted Christie-Miller, co-founder of Residual, a carbon credit project developer.

One relatively simple way to go deeper is to examine the carbon credit portfolios of companies known for conducting rigorous due diligence, such as Microsoft and Google. (Microsoft makes this easy by publishing its portfolio.)

Another option is to engage with buyers’ coalitions, including Frontier, which focuses on carbon removal; and Symbiosis, which specializes in nature-based solutions. For more advanced buyers, Frontier also offers a free-to-use template for creating offtake agreements.

Diversify your portfolio to lessen risk and increase returns

All buyers, whether new or seasoned purchasers, can maximize impact and minimize risk by diversifying their credit portfolios.

"Just like any other investment strategy, it's smart to spread your risk and build resilience into your portfolio," said Greg FitzGerald, vice president for supply at Carbon Direct, a consultancy. "Climate science is a complex problem demanding varied and complex solutions; your portfolio should reflect that."

"A resilient buyer strategy balances impact, durability and risk across different project types," added Residual's Christie-Miller. Here's what that could include:

- Projects that serve as an "emergency handbrake" for climate by tackling methane and other "super-pollutants."
- High-quality nature-based removal credits, which deliver important co-benefits and medium-durability removal.
- Engineered solutions, including biochar- and biomass-based removals, that provide carbon storage lasting hundreds or even thousands of years.

Diversification matters because no single climate solution is guaranteed to deliver. As buyers have discovered — some paying a price in terms of reputational damage — projects can turn out to be flawed for reasons that initial due diligence fails to reveal, such as loopholes in the underlying carbon accounting.

One element of a high-impact portfolio that shouldn't be overlooked is projects that protect existing forests. The reputation of this sector, known as "REDD+" (Reducing Emissions from Deforestation and Forest Degradation), has taken a battering after projects were revealed to have exaggerated their climate impact. But improved methodologies and monitoring, including the use of satellite imagery, make it worth another look, said Brennan Spellacy, CEO of Patch, a carbon markets consultancy. “Buyers are starting to come back around.”

Don’t delay: Supply of high-quality credits will tighten

A flurry of negative media coverage at the start of the decade sent carbon markets into a spin, but there are signs of a turnaround. With that in mind, buyers should move now to secure the credits they need.

Price is one reason. “Over the past year, price differentiation for higher-quality credits has become even more entrenched,” said Spencer Meyer, chief ratings officer at BeZero Carbon. He cites the example of credits for restoring degraded forests and creating new ones: “We are seeing price premiums of almost 90 percent for every single notch up the rating scale.”

Ample supply could offset that, but while millions of low-quality credits fail to find buyers, high-quality alternatives tend to be snapped up relatively quickly. Retirements of top-rated credits have more than doubled since 2022, noted Meyer, while retirements at the other end of the spectrum have halved. And issuances have not tracked demand. “Our analysis of the market in 2025 shows that for the first time ever, demand for higher-quality credits has outstripped the supply,” said Meyer.

“If you’re considering spot credit purchases this year, get started in the first half,” added Isometric’s May. He expects a scramble for spot credit at the end of the year, resulting in fewer choices and higher prices. “The only way to guarantee supply is to start early.”

Other factors may further tighten the market in the years to come. A forthcoming update to the Science Based Target initiative's Corporate Net Zero Standard, for instance, is expected to allow companies to earn "Leadership" status by purchasing credits. Airlines that participate in CORSIA, the industry's offsetting scheme, will need to begin retiring credits in 2028, and companies with near-term carbon-neutral commitments — such as Microsoft, which has a 2030 deadline — are also likely to accelerate purchasing.

Another reason to start now is that carbon markets are complex and building expertise takes time. "Carbon removal procurement is a 'learn by doing' activity," said Phillip Goodman, carbon removal portfolio director at Microsoft. Since his company started buying carbon removals in 2020, the team has learned to recognize patterns in the offerings they examine. "We only got here because we started with smaller purchases and built confidence," he explained.

Balance speed with long-term strategy

The need for speed should be weighed against another factor that's critical for success in carbon markets: long-term thinking.

With high-quality credits in short supply, sophisticated buyers are engaging early with project developers to secure the credits they want. "Companies looking to enter the market in 2026 should begin thinking about desired project attributes and engaging with suppliers, specialized intermediaries or buyer groups sooner rather than later," said Tiffany Cheung, corporate engagement lead at AlliedOffsets, a carbon markets data provider.

Engaging early allows companies to lock down offtake agreements for the most desirable credits. It also helps buyers shape the projects. "The most effective engagement happens earlier in the project lifecycle, when design choices are still flexible and large amounts of capital are yet to be committed," said BeZero's Meyer.

This is particularly true in the nascent market for carbon removal credits, where early engagement with project developers can help build the market.

"Buy the market you want to see tomorrow," said Robert Höglund, head of climate strategy and carbon dioxide removal at Milkywire, a consultancy. "Companies buying carbon removal should include purchases from emerging solutions that still are not mature in order to help get these methods ready. A single focus on just the cheapest methods will come back and bite us in the tail."

A final reason to look years ahead is the ever-changing regulatory landscape. In the EU, for example, regulators are developing a certification scheme for removals projects as part of the bloc's Carbon Removals and Carbon Farming Regulation. Buyers are currently faced with a patchwork of such quality standards, but these could be consolidated into a smaller number or even a single ruleset over time. "If you're buying in the voluntary market, pay attention to these shifts now and make sure your purchases align with where the market is headed," said Isometric's May.

Be transparent about what you bought and why

Securing and retiring credits is not the end of the process. Companies then have to communicate the reasons for their purchases to stakeholders.

The starting point should be transparency, said Calyx Co-founder Donna

Lee: “Too many credits are retired anonymously. This breeds a lack of confidence in the market and its participants. Ensure the registry makes clear that you are the retiree of the credits.”

Next, consider the top-level advice from AlliedOffsets’ Cheung: engage with confidence. “If you’ve bothered to buy, you had justification to do so, and that’s something to share.” Questions she suggests addressing include:

- Why have you chosen these projects?
- Which part of your operations are these credits for?
- How does offsetting fit into your wider decarbonization plans?

At Amazon, credits are used to signal progress, said Michelle Jolly, head of the company’s Sustainability Exchange, a supplier platform that, among other things, helps companies with emissions reduction goals to buy carbon credits.

“We don’t believe credits should be used as absolution for high carbon activities,” Jolly said. “Rather, we believe they should be used where you’ve made great progress, but there’s still some remaining carbon to be neutralized.”

That can mean combining credits with other sustainability initiatives, including decarbonizing operations and helping suppliers to do the same. “The science tells us that we must invest across these areas to meet our goals and bring critical solutions to scale,” said Jolly. “Like many climate solutions, it’s a ‘yes, and’ mentality.”

With a portfolio grounded in the science of quality and diversified across solution types, the process of retiring credits should be a reason to celebrate climate action and a company’s brand. “Use your creativity and energy,” said Owen Hewlett, chief technical officer at Gold Standard, a credits registry. “Carbon credits are a way to hold yourself accountable and to reinforce what you stand for.”

Go deeper

See the following reports for a deeper dive into the intricacies of carbon markets and adjacent areas.

- *State of the Voluntary Carbon Market* (Ecosystem Marketplace, 2025). Comprehensive annual analysis of supply, demand, pricing and integrity trends.
- *State and Trends of Carbon Pricing* (World Bank, 2025). Coverage of carbon trading systems, carbon taxes and crediting mechanisms, together with data on coverage, revenues, supply and demand.
- *The New Carbon Order* (International Emissions Trading Association, 2025). Leading carbon-market voices on compliance and voluntary markets, legal frameworks and the fast-evolving digital frontier.
- *State of Integrity in the Global Carbon Credit Market* (MSCI, 2025). Assessment of the quality of credits and the emerging risks and behaviors shaping the market.

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