

EU demand for Article 6 credits – quantities, activity types, timings and pathways

Axel Michaelowa, Senior Founding Partner
Zurich Carbon Market Association, 23 March 2026

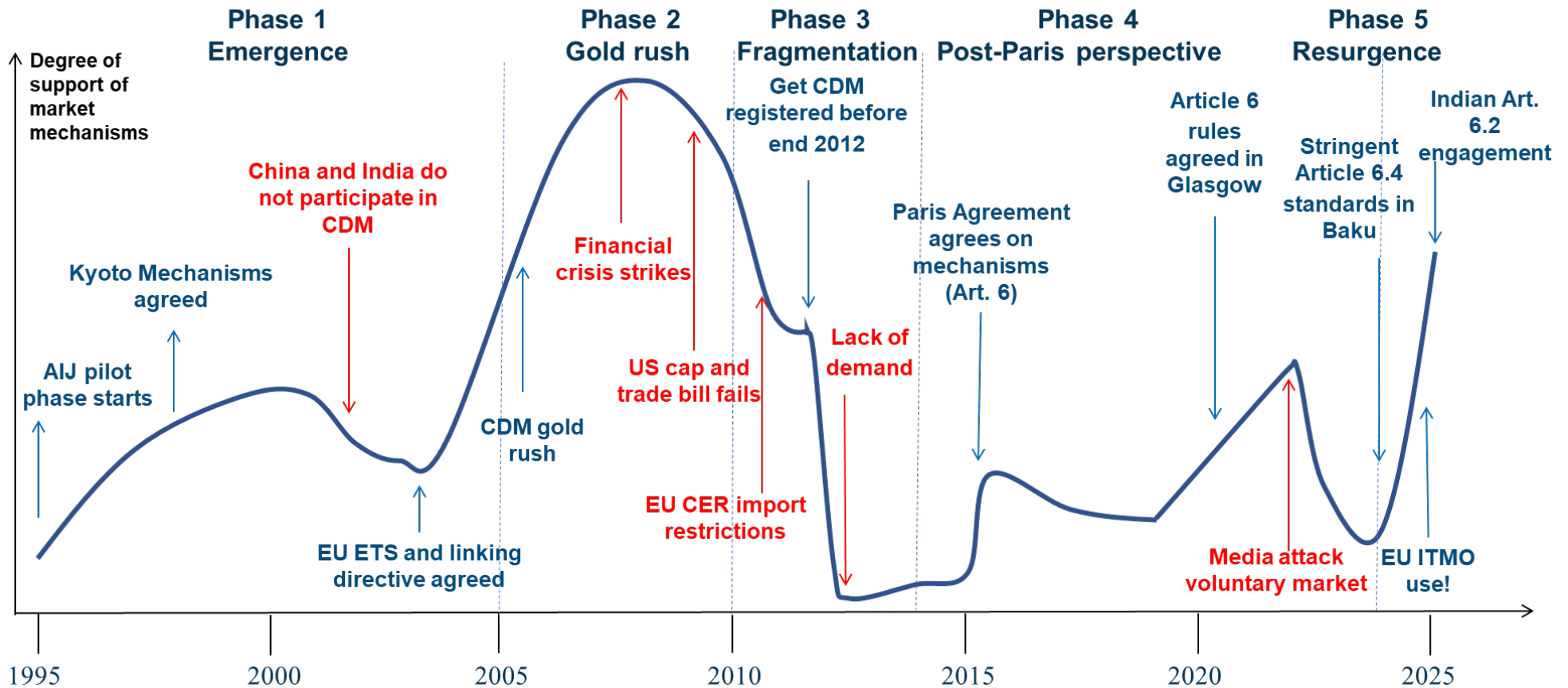
Agenda of our event

- 5:00 – 6:00 pm: Inputs
 - Axel Michaelowa, Perspectives
 - Gilles Dufrasne, EU Commission
 - Jacopo Bencini, European University Institute
 - Lambert Schneider, Oeko Institute
- 6:00-7:00 pm: Discussion
- 7:00 pm- : Reception



Source: Nature Finance (n.d.)

International carbon market “rollercoaster”



Key questions to ask the EU institutions

- How many ITMOs does the EU want to buy and when?
 - Up to 5% of 1990 volume for 2040 = 236 million, ramp-up and ramp down?
 - Pilot phase included in ramp-up?
 - 2050 end year for ramp-down?
 - Further ITMO acquisition by member states? If yes, how much?
- Who will buy ITMOs for the EU?
 - A central institution?
 - Each member state?
 - EU ETS covered entities? (unlikely but not excluded, Peter Liese intervention)
- What quality criteria will be applied?
 - Own criteria?
 - Reference to PACM / ICVCM? Restriction to specific methodologies?
 - Preference for removals? (not mentioned in December document)
- Will there be seller country preferences?
 - “Partner” countries?
 - CBAM touched countries?

Further questions

- **Timing of the impact assessment**
 - Commission statement to complete by Q4 2026
 - Part of EU ETS review?
 - **How will the EU deal with the limitation of ITMO use to the NDC period in which the ITMOs were generated?**
 - Always choose the latest NDC period?
 - **What pricing approach will be applied?**
 - High quality ITMOs will likely require higher willingness to pay
 - Public finance available for climate change mitigation is under pressure due to the current geopolitical turmoil
 - **How will the EU institutions deal with lobby pressure?**
 - Already now, industry uses ITMO availability as a lever to reduce stringency of the EU ETS cap
 - Shouldn't ITMOs be a safety valve for excess emissions in sectors not covered by effective policy instruments?
 - **Will EU leadership lead to further buyer engagement in Article 6?**
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