



Concept Note

Regional Dialogues on Carbon Pricing (REDiCAP) Latin America

Climate Week 1, Panama City, Panama

May 22, 2025 – 15:45 – 18:00 hrs

Meeting Room #3

1. Introduction

As part of the Climate Week 1, to be held in Panama City from 19 to 23 May 2025, the UNFCCC Secretariat through its Regional Collaboration Centre for Latin America (RCC LatAm), will convene the next edition of the Regional Dialogue on Carbon Pricing (REDiCAP) for Latin America¹ on 22 May 2025.

The REDiCAP for Latin America is conducted with the purpose of supporting policymakers in price-based instruments as part of the Collaborative Instruments for Ambitious Climate Action (CiACA) initiative, which is supported by the German Government through the Federal Ministry for Economic Affairs and Climate Action (BMWK).

This event will bring together a diverse group of stakeholders including national and subnational governments from the region, along with international organizations and technical partners. Following the last year's successful REDiCAP for Latin America², this year's dialogue will feature the participation of subnational jurisdictions and institutions that are part of the Carbon Pricing in the Americas (CPA) platform³, in recognition of their active role in advancing regional cooperation on carbon pricing.

By fostering regional exchange and enhancing technical understanding, the REDiCAP session will contribute to the broader goal of supporting Latin American countries in integrating carbon pricing mechanisms into their national climate policy frameworks, including Nationally Determined Contributions (NDCs) and Long-Term Low Emission Development Strategies (LT-LEDS).

2. Specific Objectives:

- a. To provide an overview of the status and recent developments in carbon pricing instruments globally and in Latin America, including carbon taxes, emissions trading systems (ETS), and hybrid approaches.
- b. To explore the interplay between carbon pricing mechanisms—such as carbon taxes and ETSs— and carbon markets, including Article 6 cooperative approaches, and how they align with national climate policy instruments such as NDCs, in particular NDCs 3.0 to be submitted in 2025, and LT-LEDS.
- c. To identify and discuss opportunities to expand, link, or enhance the effectiveness of carbon pricing instruments in the Latin American context, through regional cooperation and other means. Emphasis will be placed on the importance of tailoring carbon pricing

¹ Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Paraguay, Panama, Peru, Uruguay, and Venezuela

² Regional Dialogues on Carbon Pricing Latin America 2024, [REDiCAP Latin America report 2024.pdf](#)

³ CPA members include subnational entities (e.g., Guanajuato, Queretaro, Rio de Janeiro, California, Quebec), national governments (e.g., Panama, Mexico, Chile, Canada, Colombia, Dominican Republic, Paraguay), and international partners (e.g., UNEP, UNDP, ECLAC, World Bank, ICAP, CCAP, IETA). More at: https://carbonpricingamericas.org/about-cpa/#new_member.



policies to the unique context and climate policy goals of each jurisdiction, including subnational ones where appropriate, considering existing economic conditions, social equity dimensions, and institutional capacities.

- d. To collectively identify and define the technical, political, and institutional challenges to implementing and scaling up carbon pricing instruments in the region.
- e. To brainstorm actionable solutions and strategies to address these challenges, particularly from the perspective of the private sector.

3. Target Group

- a. Government officials from countries that are Parties to the Paris Agreement.
- b. Subnational governments and partners organizations.
- c. Representatives from international and regional organizations actively engaged in the design, implementation, and support of carbon pricing instruments and related cooperation frameworks.

4. Agenda and Session Structure

The workshop will be structured to maximize interaction and engagement with the participants. It will include a mix of briefing, panel discussion and interactive discussion with the participants.

The envisaged session flow is as follows:

Time	Session description	Speaker
3 min	Introduction and Opening Remarks The UNFCCC Secretariat will provide an overview of the REDiCAP initiative, the outcomes of the last dialogue and present the objectives of the session within the broader context of Climate Week 1 and the CiACA project.	Perumal Arumugam UN Climate Change Secretariat
10 min	Global and Regional Outlook on Carbon Pricing Instruments This session will provide a concise overview of the status and trends in carbon pricing instruments worldwide and in Latin America. It will share insights on emerging opportunities, innovative design features, regional dynamic, and international cooperation frameworks including CPA platform that are shaping carbon pricing policies in the region.	Camilo Trujillo IETA
5 min	Group Picture	UNFCCC RCCs
25 min	Aligning Carbon Pricing Instruments with NDCs and LT-LEDS This session will begin with a scene-setting presentation by the UNFCCC Secretariat to explore the strategic role of carbon pricing in achieving climate targets under the Paris Agreement. The presentation will be followed by a panel discussion with government representatives from Brazil and Ecuador, who will share reflections on how carbon pricing instruments are being integrated into national policy frameworks, including NDC3.0 and long-term low-emission development strategies (LT-LEDS).	<ul style="list-style-type: none"> • Scene-setting: UN Climate Change RCCs • Government representatives: <ul style="list-style-type: none"> • Brazil • Bolivia.

55 min	<p>Regional Insights on Carbon Pricing Instruments: Experiences and Lessons Learned</p> <p>Representatives from five jurisdictions, Chile, Colombia, Panama, and State of California (USA) will present brief snapshots of their carbon pricing initiatives. These include experiences with carbon taxes, emissions trading systems (ETS), hybrid approaches, and offsetting mechanisms. In addition to showcasing these cases, speakers are encouraged to reflect on common challenges and opportunities, such as building strong institutional frameworks to manage carbon pricing instruments, exploring potential linkages with other instruments, the evolving role of offsets, and strategies for revenue use and reinvestment.</p> <p>What have been the key factors that helped make your carbon pricing initiative possible in your country such as political support, laws, or coordination between institutions?</p> <p>Considering the evolution of offset mechanisms and the emergence of Article 6 cooperative approaches, how are you addressing the integration or alignment of your domestic carbon pricing policies with international markets?</p> <p><i>A brief Q&A segment will follow to allow for peer-to-peer exchange and clarification.</i></p>	<p>UN Climate Change RCCs (Moderator)</p> <p>Government representatives:</p> <ul style="list-style-type: none"> Chile Colombia Panama México State of California
27 min	<p>Regional Brainstorming: Challenges and Actionable Solutions</p> <p>This interactive segment will encourage participants to reflect on common challenges faced in the design and implementation of carbon pricing instruments in Latin America. Using guided questions and participatory dynamics and tools, attendees will collectively identify common challenges and actionable solutions for carbon pricing implementation in Latin America. Key insights will be captured by a rapporteur and used to inform future regional collaboration and capacity-building efforts.</p>	<p>UN Climate Change RCCs</p>
10 min	<p>Key Takeaways from Session 04 and Closing Remarks</p> <p>The session will close with final remarks, summarizing the main outcomes, opportunities for follow-up, and reflections on the role of REDiCAP in supporting the advancement of carbon pricing instruments across the region.</p>	<p>UN ECLAC, CPA Co-chairs and Taimur Ali Khan, UN Climate Change Secretariat</p>

An online survey will also be developed to evaluate the outcomes of the discussion and to collect the feedback of the participants to improve future sessions.