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***STATE AND TRENDS OF THE VOLUNTARY CARBON CREDITS MARKET***

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### **Overview**

The paper analyzes the current situation and the perspectives of voluntary carbon credits market.

Climate change that affects the planet Earth have now become the interest of all nations. Every year there is an increase of environmental phenomena that are putting a strain on the human life even in places in the world that until recently were considered unrelated to the adverse impact that climate change is causing. The Kyoto Protocol, ratified in 2005, was the first global action to combat climate change. Among the flexible mechanisms to regulate the acquisition of emission credits, was mainly examined the Emission Trading Scheme, including one developed by the European Union that is now the most advanced carbon market globally. In addition to a commitment to reduce greenhouse gas emissions carried out by the states, recently made itself felt more and more willingness on the part of individual companies and organizations to engage in a totally voluntary way to reduce the impact of their activities environment. By doing were established the so-called "voluntary carbon markets," a term that encompasses all the actions taken by different actors with their initiatives can bring businesses to offset all or part of the share of emissions CO<sub>2eq</sub> from their activities.

### **Methods**

It was conducted in-depth analysis of the voluntary carbon markets that are becoming increasingly important in the global economic landscape, describing its main features, the main actors, the dynamics and evolution. In this way, based on the most current data available, it was possible to develop an analysis of some of the main economic indicators pertaining to transactions of allowances. It was shown comparative analysis of the regulated market of the EU ETS and voluntary markets for carbon credits, taking into account some of the main economic variables such as the price of carbon credits, the total value and volume of shares traded, with the goal of understanding the existence of correlations and / or common dynamics between the two markets. Looking closely at variations of the aforementioned economic and financial indicators, it was possible to understand how the two markets have responded to a series of events that have characterized the global economy in recent years, most notably the 2008 financial crisis which impacted heavily on a negative value in the prices of shares and therefore the total value of the market.

### **Results**

It was shown comparative analysis of the regulated market of the EU ETS and voluntary markets for carbon credits, taking into account some of the main economic variables such as the price of carbon credits, the total value and volume of shares traded, with the goal of understanding the existence of correlations and / or common dynamics between the two markets. From this analysis it was found that the performance of the two markets, although not comparable in terms of absolute value (the volumes traded in the EU ETS market are more than 70 times higher than the volume of the voluntary market worldwide) is correlated with regard to volume of allowances exchanged and the total economic value of the market with reference to the annual values analyzed from 2006 to 2012. Moreover, it was possible to note how, in the last period under analysis, there has been a convergence between the prices of carbon credits of the type VER and emission allowances (EUA), a sign that despite the objective differences between the two markets in terms of structures, rules and motivations, is to assume that, in the future, the two markets may draw inspiration from each other, or even work in a collaborative context.

### **Conclusions**

The future of the market for carbon credits globally seems to point to the proliferation of local systems ETS, starting with voluntary initiatives even if promoted at the governmental level, can then progressively link and encourage the creation of a harmonized set of rules that can be put on the same level stakeholders from different countries. The European Union, considered the role of leadership in terms of environmental policies in the United Nations as well as the progress of the EU ETS, could competitively exploit its role in terms of first mover in promoting change mitigation projects climate. To implement such a development perspective, the European Union will have to look outside its borders, in terms of carbon markets, proposing joint projects and interaction with other systems ETS with the aim of achieving in the not too distant future, to link the its Emission Trading Scheme with other voluntary carbon markets.