

Glasgow Declaration on Carbon Pricing in the Americas

November 2021

Glasgow, Scotland, United Kingdom

We, the States and Governments committed to pricing carbon in the Americas:

Recognizing that climate change is a global, national, subnational and local threat affecting the economy, the environment and the livelihoods of countless people in the Americas and around the globe, which requires an urgent, effective and committed response from all levels of government;

Recalling the Paris Declaration on Carbon Pricing in the Americas endorsed in December 2017;

Reaffirming our support for the Paris Agreement as a necessary step towards fighting global climate change, and for scaled-up national and subnational mitigation action, including through enhanced ambition as expressed in recently revised nationally determined contributions (NDCs) and updated climate change action plans, policies and programs;

Asserting our intention to strive toward carbon neutrality by 2050 or before to help limit the increase in global average temperature to 1.5°C in accordance with the latest reports of the Intergovernmental Panel on Climate Change.

Highlighting the importance of carbon pricing instruments, including the development of carbon markets at all levels of government, as useful and effective instruments for reducing greenhouse gas (GHG) emissions, encouraging mitigation efforts across sectors through price signals, driving innovation, facilitating the transfer of clean technology, enabling fiscal reform, and promoting low-carbon economic development;

Recognizing the need to implement carbon pricing with a view of facilitating a just transition for sectors and workers particularly impacted by the shift towards a low-carbon economy;

Drawing attention to the continued efforts of several national and sub-national governments in the Americas to implement, and those that are successfully operating, carbon pricing instruments and markets, and encouraging other jurisdictions in the Americas to follow suit;

Emphasizing the need to encourage comparable criteria and standards for the measurement, reporting and verification (MRV) of greenhouse gas emissions and mitigation outcomes as a necessary step to develop and facilitate global and regional carbon markets and national carbon pricing policies;

Acknowledging that the alignment and linking of carbon pricing instruments, policies and programs can provide co-benefits, help enhance certainty and predictability, reduce the risk of carbon leakage, address competitiveness concerns across jurisdictions, facilitate increased

liquidity in markets, promote administrative efficiency and, internalize the cost of GHG emissions;

Underlining the importance of pursuing voluntary international cooperation in carbon markets, including through the implementation of Article 6 of the Paris Agreement;

Affirming our shared vision of regional cooperation on carbon pricing in the Americas;

WE DECLARE *our commitment to*

- Implementing or pursuing the implementation of carbon pricing as a central economic and environmental policy instrument for ambitious climate change action and as a key component of a green recovery from the COVID-19 pandemic;
- Working towards applying a cost of carbon to our public investment decisions, and encouraging private companies to do the same through internal carbon pricing;
- Regularly increasing the level of carbon pricing in our economies to better reflect the ever-increasing cost of abatement action and the social cost of carbon to ensure that strong price signals are sent throughout our economies at the pace and scale required for transformational change;
- Pursuing the implementation of the “Carbon Pricing in the Americas” (CPA) platform by:
 - Strengthening regional and international cooperation in an effort to share information, expertise, lessons learned and experiences;
 - Identifying opportunities to increase the alignment and linking of carbon pricing instruments and carbon markets;
- Encouraging synergies and coordination among the existing carbon pricing initiatives and forums that are active in the Americas;

We INVITE all current and potential CPA partner institutions and organizations in providing resources, sharing knowledge and strengthening technical expertise to CPA members in designing, implementing, operating and linking carbon pricing instruments and MRV systems in order to maximize climate action, encourage real progress in reducing GHG emissions and support the implementation of this Declaration.

We ENCOURAGE governments, outside of the Americas, to collaborate with the CPA platform to expand and strengthen carbon pricing at the global level.

We WELCOME the support and active engagement of businesses, financial institutions, non-governmental organizations, and civil society in developing and implementing robust, equitable, and effective carbon pricing policies.