

EU-FUNDED ICAP CAPACITY BUILDING PROGRAM

The International Carbon Action Partnership (ICAP), in cooperation with the European Commission, is launching a new multi-year phase of EU-funded capacity building activities to support jurisdictions around the world in designing, implementing, and strengthening emissions trading systems (ETS).

This program builds on more than fifteen years of ICAP's global ETS training and outreach, which has already trained more than 1000 policymakers across more than 30 Summer Schools, regional seminars, and related activities. ICAP is grateful to the European Commission for its continued support of this strategically important program, which will play a key role in advancing ETS development worldwide.

The new program reflects the rapid evolution of global carbon pricing. With many ETSs under development or consideration worldwide, especially in key emerging economies, the demand for robust and accessible technical support is growing. At the same time, jurisdictions face increasingly complex challenges: integrating ETS within broader policy mixes, responding to competitiveness and carbon leakage concerns, understanding interactions with carbon border adjustment mechanisms, and preparing for robust monitoring, reporting and verification (MRV) systems.

To implement the capacity building program, the European Commission has contracted a consortium led by Ecologic Institute and Get2C, with the Environmental Defense Fund (EDF) as a core partner, as well as a pool of renowned global experts, providing additional technical expertise.

The consortium will implement activities in close coordination with the ICAP Secretariat and the European Commission, and with substantive involvement from interested ICAP Members and Observers, who will be invited to contribute expertise and help shape delivery throughout the duration of the project.

The program is structured into two main areas of work:

- **Global and regional capacity building**
- **Tailored bilateral and country-specific support**

Both areas are designed to serve jurisdictions at different stages of ETS exploration, preparation, or implementation.

Global and regional capacity building

This area of work focuses on maintaining and expanding ICAP's globally accessible training formats. It targets jurisdictions beginning to explore carbon pricing as well as those seeking to build foundational knowledge before advancing toward more complex ETS design and implementation challenges. Activities under this area include online learning, in-person training, interactive tools, and region-specific learning events.

1. E-learning ETS course

The program will develop an updated, comprehensive online ETS course open to a broad global audience. The course will introduce the basic concepts and key design elements of emissions trading, drawing on global experience and examples from existing systems. It will build on the success of earlier virtual formats, such as ICAP's multi-day online seminars for Latin America and Asia, which covered ETS fundamentals and engaged participants from more than a dozen countries. Incorporating new digital tools, modular content, and interactive exercises, the updated course is intended to increase accessibility and accommodate larger participant groups.

2. Interactive tools and simulations

The project will develop interactive learning tools that enable participants to test trade-offs between design choices and experience market dynamics. The program will also employ existing digital ETS simulation tools. Similar formats have proven valuable in past ICAP trainings, where negotiation simulations and market exercises enhanced practical understanding of ETS operation. These tools will support both introductory and advanced learning.

3. ICAP Summer School

A cornerstone of ICAP's capacity building efforts, the Summer School will continue under this project. Historically, the Summer School has brought together 25-35 participants from emerging and developing countries for an intensive two-week training covering all aspects of ETS design and implementation. Past Summer Schools have included sessions on cap setting, allocation, MRV, market stability mechanisms, and linking, complemented by group work, simulations, and practitioner lectures from ETS jurisdictions worldwide. The new program will maintain this immersive format while updating content to reflect evolving global ETS experience.

4. Regional ETS seminars

Regional seminars will provide targeted training aligned with local needs and policy contexts. This format builds on ICAP's regional dialogues in Europe, Latin America, Asia-Pacific, and Africa, such as the ETS workshops co-organized with the World Bank's Partnership for Market Implementation (PMI) and other regional workshops on ETS developments in Asia and Latin America. Regional seminars will help jurisdictions explore region-specific challenges, strengthen regional networks, and deepen understanding of ETS design choices relevant to their context.

5. ETS Master Classes

Building on previous ICAP Master Classes and advanced seminars, this activity will provide deeper technical treatment of selected ETS topics. Possible themes include allocation methodologies, market oversight, integration of Article 6 cooperation, or ETS scope expansion - topics of strong interest to jurisdictions developing new ETSs and already explored in ICAP's technical dialogue streams.

6. Thematic workshops and webinars

The project will offer thematic online workshops and webinars focused on specific issues such as carbon leakage protection, ETS interactions with other policies, MRV system design, or ETS implementation challenges in developing countries. These formats will allow ICAP to address emerging needs quickly and reach a broad audience.

7. Alumni engagement

The ICAP alumni network now includes more than 1,000 practitioners from over 70 countries who continue to engage through alumni conferences, virtual workshops, and informal exchanges. The project will expand alumni offerings, including cross-regional peer exchange, targeted workshops, and continued access to digital learning resources.

Bilateral and tailored capacity building

While the previous area of work provides broad, accessible learning opportunities, this second area of activity delivers targeted, in-depth technical assistance to jurisdictions that are actively designing, implementing, or reforming carbon pricing systems.

1. On-demand capacity building support

Jurisdictions with specific ETS design needs will be able to request tailored support. This may include expert consultations, short technical workshops, or advisory sessions on issues such as cap trajectories, offset use, leakage mitigation, ETS interaction with other policies, or governance structures. This builds on ICAP's history of supporting ETS jurisdictions through technical briefings, governance dialogues, and policy workshops.

2. Country-specific ETS training

For jurisdictions advancing toward ETS implementation, the program may deliver dedicated training courses co-developed with national ministries or agencies. Earlier examples include ICAP-supported ETS Academies in Mexico and Colombia, which provided trainings tailored to national priorities. Similar in-depth programs may be developed under the new project.

3. Targeted thematic ETS workshops

These workshops will focus on specific policy or technical challenges identified by individual jurisdictions. Potential topics include allowance allocation modelling, price containment mechanisms, governance and oversight frameworks, sectoral integration, crediting alignment, or economic impact assessment - areas already covered in ICAP's technical dialogue papers and meetings.

4. Peer mentorship knowledge exchange program

A structured mentorship framework will facilitate exchanges between experienced ETS jurisdictions and newer ones. This peer-to-peer format responds to growing demand for practical, experience-based learning and builds on ICAP's role as a forum for cooperation among ETS authorities.

5. Secondments and expert visits

Short-term placements and bilateral visits may be arranged to allow policymakers to observe ETS operations directly, shadow regulatory staff, and discuss implementation challenges with their counterparts. Past ICAP activities have demonstrated the high value of such direct engagement for building institutional capacity.

6. Joint research and impact studies

Where relevant, the consortium may support analytical work, such as research on ETS-specific topics, assessments of policy interactions, or impact studies. This activity complements ICAP's broader technical dialogue and knowledge-sharing functions.

Project duration and activity timeline

The program will run over three years, providing sufficient time to develop materials, deliver trainings, and support countries as their needs evolve. Over the course of each year, the program will offer a steady flow of learning opportunities. This includes around four thematic workshops or webinars annually, designed to respond quickly to emerging issues and policy developments. In addition, the program foresees two ICAP Summer Schools and two dedicated country-specific ETS trainings during the same period.

Further bilateral support, such as mentorships, secondments, joint research, and delegation visits, will be organized flexibly, based on country demand. Altogether, the program will deliver roughly 8-12 structured activities per year, ensuring regular, accessible capacity-building for countries at different stages of ETS readiness.

Implementation and coordination

The ICAP Secretariat and the European Commission will jointly guide the program and ensure strategic alignment with ICAP's technical dialogue, knowledge-sharing, and governance workstreams.

ICAP Members and Observers will be invited to contribute expertise, participate in events, and share lessons learned to enrich program content.

The consortium - Ecologic Institute (lead), Get2C, and EDF - will implement the activities while working closely with ICAP and the European Commission throughout the project cycle.

Regular coordination will ensure complementarity with other regional and international capacity building initiatives, such as PMI, IETA, UNFCCC, government-led programs and regional carbon pricing alliances.