

CORSIA: Market Developments and Forecast Scenarios

Forecasting supply, demand and price scenarios for CORSIA credits in the Voluntary Carbon Market



Executive Summary

In this report, AlliedOffsets explores the supply, demand, and pricing in the voluntary carbon market (VCM) for CORSIA credits, highlighting the challenges and opportunities for different emission scenarios. Some of the key findings includes:

1. Supply Constraints:

- Only 15 million credits currently meet the eligibility criteria for CORSIA First phase, representing less than 10% of projected demand (101–148 million credits).
- Potential supply could reach 1.8 billion credits by 2027; however, 81% are from pending projects yet to be validated, and substantial delays are expected due to complex regulatory and authorization processes.

2. Demand Dynamics:

- Demand for CORSIA-aligned credits is forecasted to outstrip supply unless significant policy and market interventions occur.
- Retirements of CORSIA-aligned credits increased over 200% annually from 2021 to 2024, driven by non-aviation sectors like energy. Airlines currently account for only 6% of these retirements.

3. Pricing Trends:

- Prices for CORSIA-aligned credits have risen sharply, with some increasing fourfold in 2024 due to supply constraints.
- Projections suggest prices could reach \$14–\$16 per credit by 2027, particularly in high-emission scenarios, significantly exceeding the current market averages.

4. Policy Influence:

- Enforcement frameworks and penalty mechanisms, such as the UK's £100 per tonne penalty, are crucial for ensuring compliance.
- Uncertainties surrounding major markets like China and the United States add complexity to supply and demand projections.

Forecast Scenarios:

1. Undersupply:

- Insufficient supply by 2027 could lead to non-compliance among airlines without robust enforcement, driving prices beyond \$20 per credit and limiting the broader adoption of CORSIA-aligned credits.

2. Tight but Sufficient Supply:

- If supply increases ~x10, the aviation sector could meet compliance requirements, but rising demand from other sectors may continue to elevate prices.
- Enforcement mechanisms will be vital to achieving an 80% compliance rate globally.

3. Success Scenario:

- Adequate supply and price stability, supported by strong regulatory frameworks, could ensure compliance and bolster the credibility of CORSIA as a market-driven solution for reducing aviation emissions.

Outlook:

To meet CORSIA's objectives, the supply of eligible credits must increase tenfold within the next two years. Stakeholders must secure corresponding adjustments, and incentivize high-integrity credit generation. Clear and robust policy measures and market-based penalties will be key for addressing compliance gaps in the market.

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Summary

Glossary & Terminology

CORSIA	Carbon Offsetting and Reduction Scheme for International Aviation
LoA	A Letter of Authorisation (LoA) is a government-issued document from a host party, which authorises carbon credits to be transferred internationally and used towards another country's NDC, or other international mitigation purposes (OIMP) e.g. CORSIA
NDCs	A Nationally Determined Contribution (NDC) is a country's plan, submitted under the Paris Agreement, outlining its efforts to reduce greenhouse gas emissions and adapt to climate change
CA	A corresponding adjustment (CA) is a mechanism under Article 6 of the Paris Agreement, to prevent double counting of emission reductions or removals when they are transferred between countries
EEUs	CORSIA Eligible Emissions Units
ETS	An Emission Trading System (ETS) is a mechanism where entities that emit greenhouse gases are given or allowed to buy and trade emissions allowances and permits

1. MARKET OVERVIEW

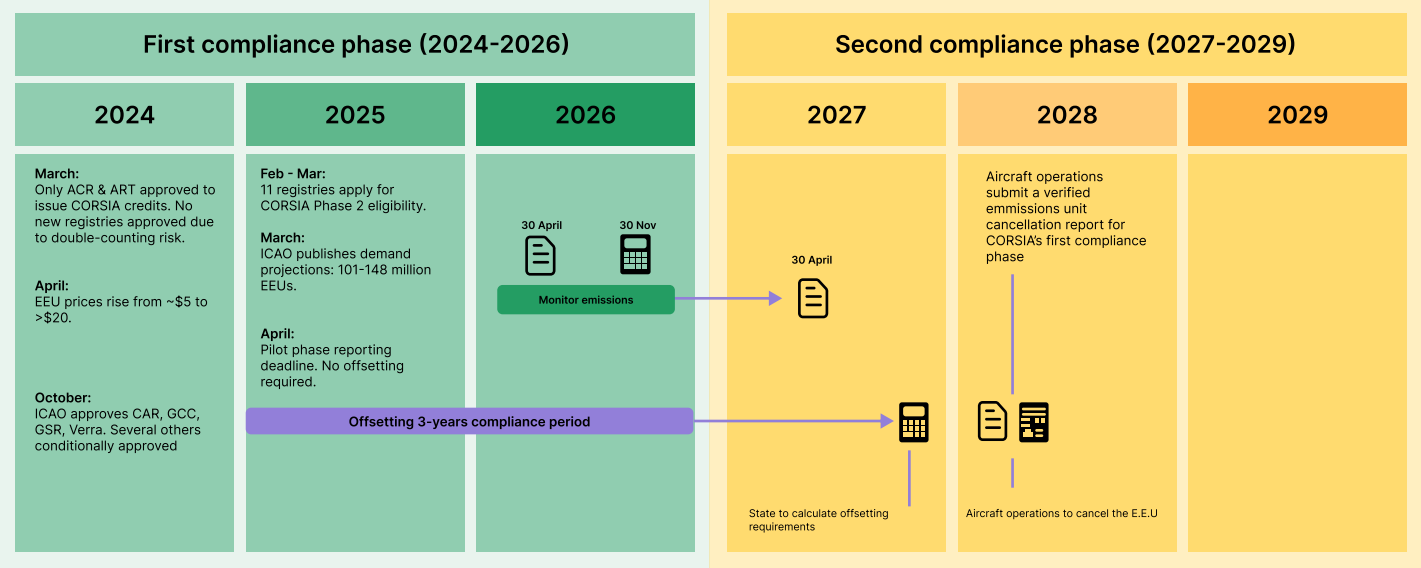
The Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) is entering a critical phase as the aviation sector begins to address its carbon offsetting obligations under the scheme. This report explores the dynamics of supply, demand, and pricing in the voluntary carbon market (VCM) for CORSIA credits, highlighting the challenges and opportunities for compliance.

The reporting deadline for CORSIA Pilot phase passed last month, and while there was no offsetting requirement for airlines in the Pilot phase, the aviation sector is anticipating a significant increase in obligation over CORSIA First phase.

In March 2024, the first year for which airlines will need to offset emissions for CORSIA First phase, ICAO chose not to approve additional registries to issue EEU's. Following this, concerns around supply constraints drove up the price for the existing eligible emissions units (EEUs) (ART102 Guyana v2021) from ~\$5 to >\$20.

In October 2024, ICAO approved Climate Action Reserve (CAR), Global Carbon Council (GCC), Gold Standard Registry (GSR), and Verra to issue EEUs.

From 11 February to 21 March of this year, ICAO invited registries to apply for approval to issue EEUs in CORSIA's Second phase. Eleven registries applied. Also in March 2025, ICAO published interim demand projections in support of the 2025 CORSIA Periodic Review. It is expected that demand for CORSIA First phase will be between 101m - 148m. We are over one year into CORSIA First phase with the offsetting deadline in 3 years. Currently, only 15m credits are fully eligible for First phase.



Overview of current landscape

The most pressing concern regarding CORSIA First phase is lack of eligible supply. In order for a registry to provide a CORSIA-eligible tag to an issuance, credits must comply with ICAO methodological and vintage criteria, and have either received a corresponding adjustment (CA) from the project's host country or have an insured LoA. Currently, only one project has any issued credits that fulfill this criteria: ART102 Guyana, with 15.9m issued eligible credits, or less than 10% of ICAO's medium-emissions scenario projected demand.

Existing supply of CORSIA credits: issued credits

Only 111m credits that fulfill ICAO's eligibility criteria (pending corresponding adjustment) have been issued to date, plus an additional 38m from conditionally approved registries. Excluding credits from the United States and projects likely to be excluded due to their project type aligning to a country's NDC, the 111m falls to 94m.

To put this into perspective, ICAO predicts offsetting requirements for CORSIA First phase to be between 101m and 148m.

Therefore, credits yet to be issued will need to comprise CORSIA First phase supply.

Forecast supply of CORSIA credits

AlliedOffsets estimates that up to 1.8b CORSIA First phase eligible credits could be issued in time for the November 2027 offsetting deadline. However, the actual availability of credits will likely be much smaller. Of the 1.8b credits, 81% (1.48b) are projected issuances from projects not yet validated by their registry ("pending projects"), and 128m are expected to be issued in the United States or from a sector covered by its host country NDC (from both pending and actively issuing projects).

Once credits are issued, developers need to secure either an insured LoA or a corresponding adjustment in order for credits to become fully eligible. The time frame to do this depend on existing Article 6 frameworks within a project's host country and host country willingness to provide a corresponding adjustment.

1. MARKET OVERVIEW

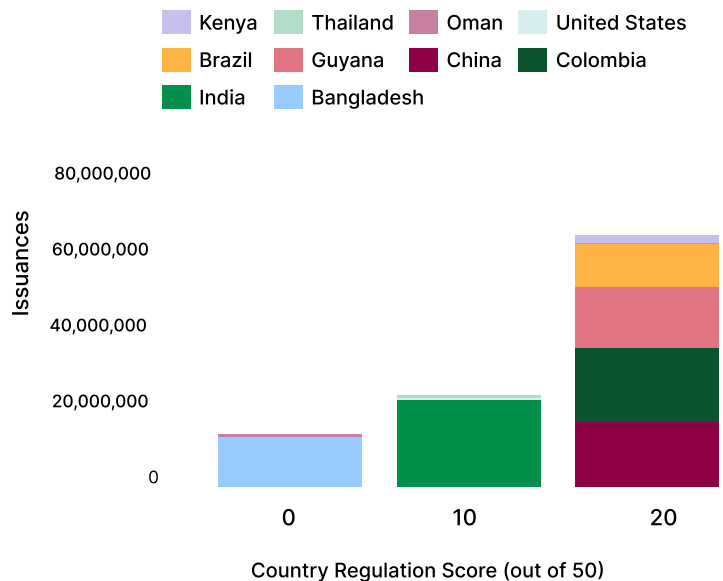
Assessing revocation risk with our LoA scoring

Between issuance and corresponding adjustments, Article 6-authorized projects retain double claiming risk, which becomes nuanced depending on country level Article 6 readiness, LoA robustness, and whether or not projects have or are yet to receive insurance coverage. Our LoA scoring considers measures taken by different stakeholders including standard bodies, host parties, as well as LoA documents to assess the variance of risk of available credits in the market.

Our country regulation score, which assesses a country's engagement with Article 6 processes: e.g., experience in authorising activities and mitigation outcomes within LOAs, publication of carbon trading regulations, Article 6 frameworks, and prior experience of applying a corresponding adjustment, as communicated through Biennial Transparency Agreements, present a moving picture of double-claiming risk for EEU's.

Country regulation scores have steadily increased in 2025, following the trend of countries publishing carbon market regulations and Article 6 frameworks. This trend follows from the finalisation of the Article 6 Rule book at COP29 in Baku, Azerbaijan, in 2024.

CORSIA First Phase Eligible Issuances by Country Regulation Score



The chart above is showing an overview of the top 10 countries by CORSIA forecasted issuances, against their AlliedOffsets Country Regulations Score under the LoA Revocation Risk Grading system.

Mitigating sovereign risk for First phase EEUs policy considerations

Starting from the First phase of CORSIA (2024 onwards), ICAO requires that all emission units be backed by a corresponding adjustment by the host country, in line with Paris Agreement's Article 6.2 guidance. This adjustment ensures that emission reductions used by airlines under CORSIA are not also claimed toward the host country's Nationally Determined Contribution (NDC), and thereby avoids double claiming.

However, revocation risk, which may emerge during the interval between issuance of a CORSIA-aligned unit and the application of a corresponding adjustment, has created uncertainty around the eligibility of units for CORSIA.

First phase approved standards Verified Carbon Standard (VCS) and Gold Standard (GS) have responded by introducing specific measures to mitigate this risk. This includes the requirement of Letters of Authorisation (LoA) that aligns with Article 6.2 rules, or verifiable evidence that a CA has been applied, and guarantees (deed of undertaking, or approved insurance policies to replace affected EEUs in event of revocation or non delivery).

Gold Standard has specified insurance coverage from the Multilateral Investment Guarantee Agency (MIGA) as an approved insurance provider, whereas Verra is yet to specify which insurance providers as part of criteria to receiving a CORSIA label on the Verified Carbon Standard.

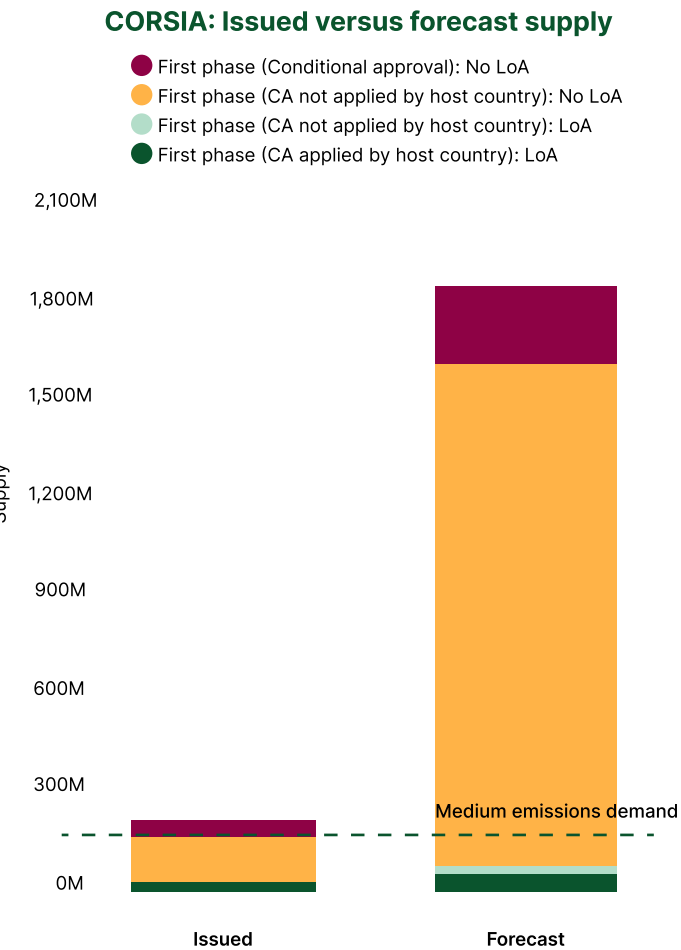
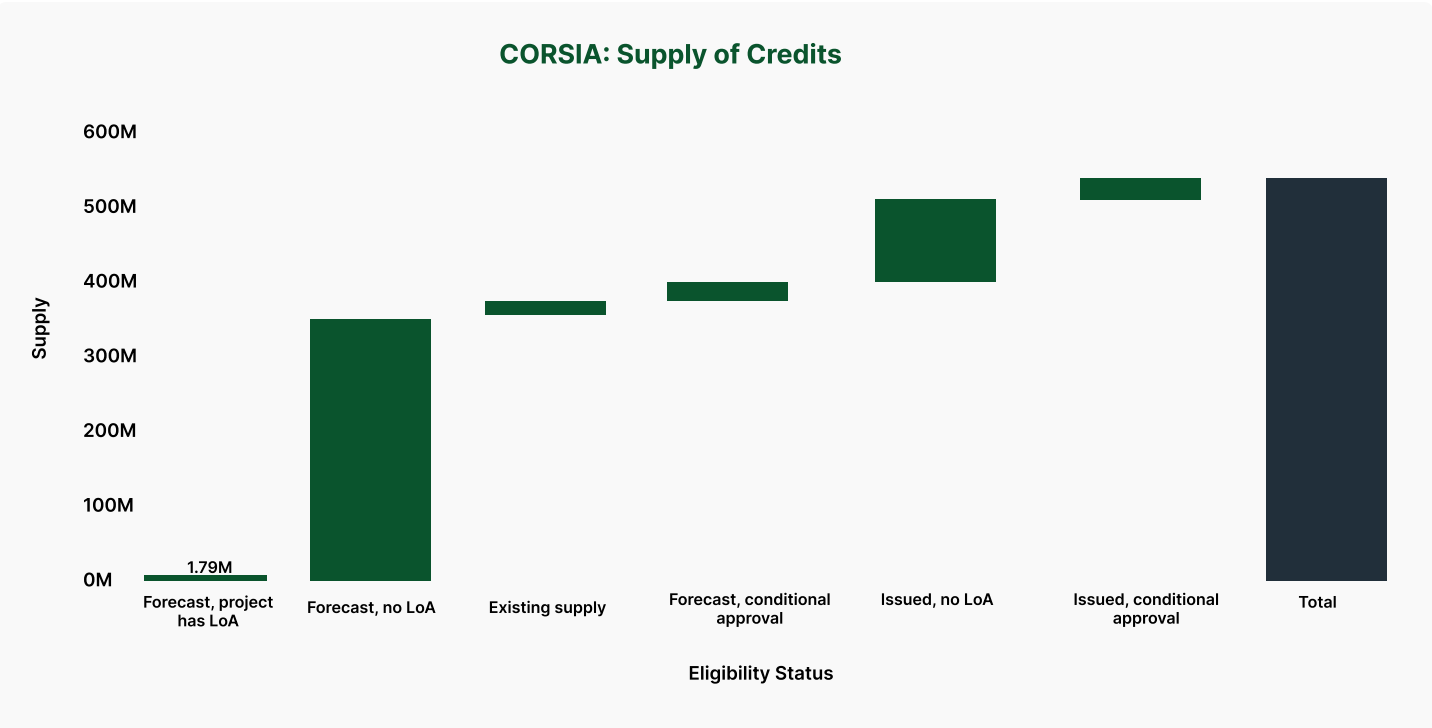
Insurance providers have created [solutions to address these risks](#), either by underwriting EEUs against risk of credit revocation, or covering the cost of replacement units, relieving project developers of financial liability in such cases.

One such example is KOKO networks, which received an investment guarantee of [\\$179.6 million by the Multilateral Investment Guarantee Agency \(MIGA\)](#). The coverage protects KOKO's carbon credits against the risk of host governments failing to uphold legally binding contracts to apply corresponding adjustments. This development also demonstrates that projects are pursuing a Letter of Authorisation (LoA), and insurance coverage can take place concurrently.

2. CORSIA SUPPLY DYNAMICS

Based on our [LoA and country regulation assessments](#), plus expected time between vintage and issuance, AlliedOffsets forecasts only 543m credits to be issued and receive necessary protection against double counting by November 2027, including the 15m existing eligible credits. The vast majority of these credits (395m) are not yet issued, and

from projects that have not received an LoA for any previous issuances. Excluding supply from the United States and from sectors included in NDCs for the largest 37 countries by potential CORSIA First phase supply, the total drops to 176m credits, of which only 33m have been issued.



Market participant insights

"We've spoken to a number of aviation players regarding CORSIA, from small to large airlines, cargo airlines, insurance providers, engine manufacturers and software providers. What is abundantly clear is the supply challenge. Many of the bigger airlines are looking for high quality carbon credits from regions correlating to their flight paths, but for the most part these simply do not exist yet, either because they lack an LoA/CA from the project country, or because of how early stage the projects are. What is clear though, is many of these larger operators are interested in credits which are high-integrity and which drive impact on the ground, and they are interested in paying a little more per tonne for added benefits.

Insurance is also an important topic of conversation, in particular the requirement being made by the registries, not ICAO. We see this as a benefit to the operators, not a blocker for procurement, however, it's still unclear as to who and when - the sooner the registries can provide clarity, the better. Finally, the role of the penalties is also a question mark - are they enough to drive demand and solve the supply bottleneck? For now, it is unclear."

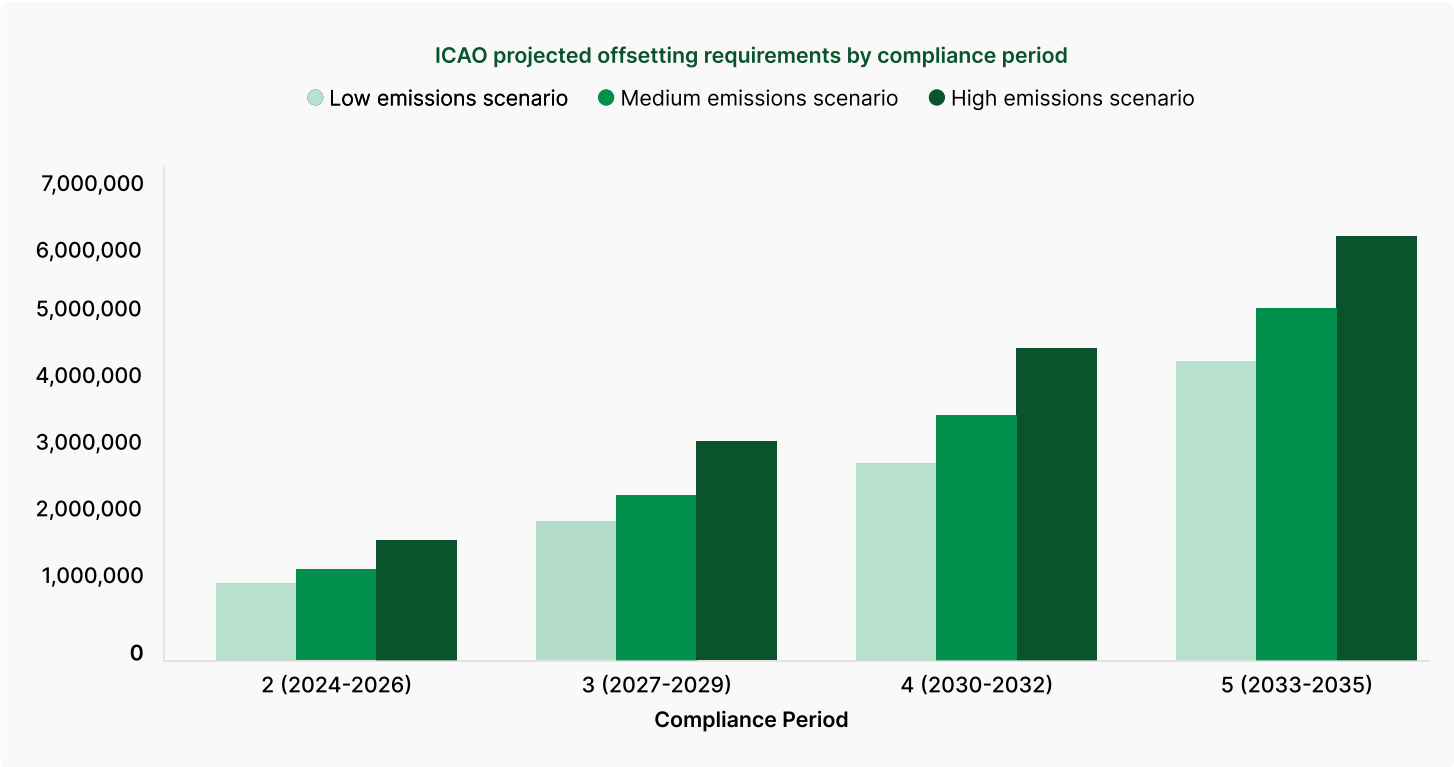
Rachael O'Brien, Head of Demand at Opna™

3. CORSIA DEMAND DYNAMICS

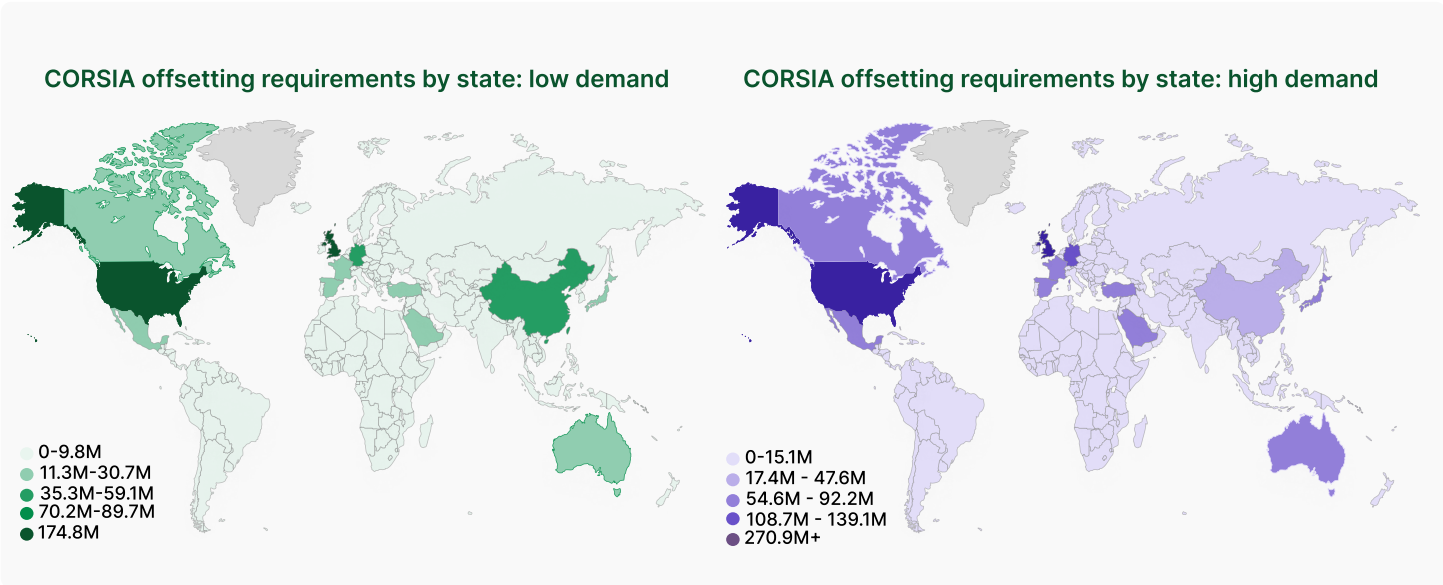
ICAO predictions

In March 2025, [ICAO released](#) predicted offsetting requirements for CORSIA First and Second phases. ICAO predicts CORSIA First phase compliance requirements to be between 101M and 148M credits. Based on [ICAO emissions by state-pairs](#)

[and data on international flights](#), AlliedOffsets has estimated the proportion of total demand attributable to each airline's host state, between each state pair, through CORSIA Second phase.



Unsurprisingly, the largest sources of demand are from large economies and transport hubs, particularly the **United States, China, the United Kingdom, and Europe.**



Airline activity in the VCM

Of the top 50 airlines by offsetting requirements in latest [ICAO published data](#), 31 (62%) have made at least one retirement. Of the top 20 airlines, 17 (85%) have retired credits.

What can retirement activity tell us about how the aviation industry is approaching CORSIA (or the VCM more generally)?

Aviation is the third largest sector by all-time retirement volumes, after energy and technology firms. However, over half of aviation sector retirements were driven by Delta Airlines. The company stopped retiring in 2023 following a [greenwashing lawsuit](#).

Airline Buyer Profile

- After Delta, easyJet is the largest airline retirer
- On latest ICAO data (2023 emissions), 93% of total international flight emissions were subject to CORSIA offsetting requirements
- 4,229,005 total intl emissions
- 3,947,765 of those emissions are subject to offsetting requirements. Actual offsetting requirements will depend on the Sectoral Growth Factor (SGF) published in each year.
- Majority of credits retired to date are not CORSIA-aligned (rets post 2021)
- In 2022, easyJet released a [net-zero plan](#) that focused primarily on decarbonisation and sustainable fuels. Depending on the Sectoral Growth Factor (SGF) for CORSIA First phase, the company may still have offsetting requirements under the scheme.

easyJet

easyJet retirements by CORSIA-alignment

No CORSIA alignment	87.8%
Pilot Phase	12.2%
First Phase (CA not applied by host country)	<.01%

To-date, the majority of aviation sector retirements have not been CORSIA-aligned.

Even excluding Delta Airlines retirements, less than 10% of aviation retirements have been for CORSIA-aligned credits.

Excluding Delta, 2021 onwards:

Aviation sector retirements

No CORSIA alignment	90.8%
Pilot Phase	8.0%
First Phase (conditional approval)	1.12%
First Phase (CA not applied by host country)	0.01%

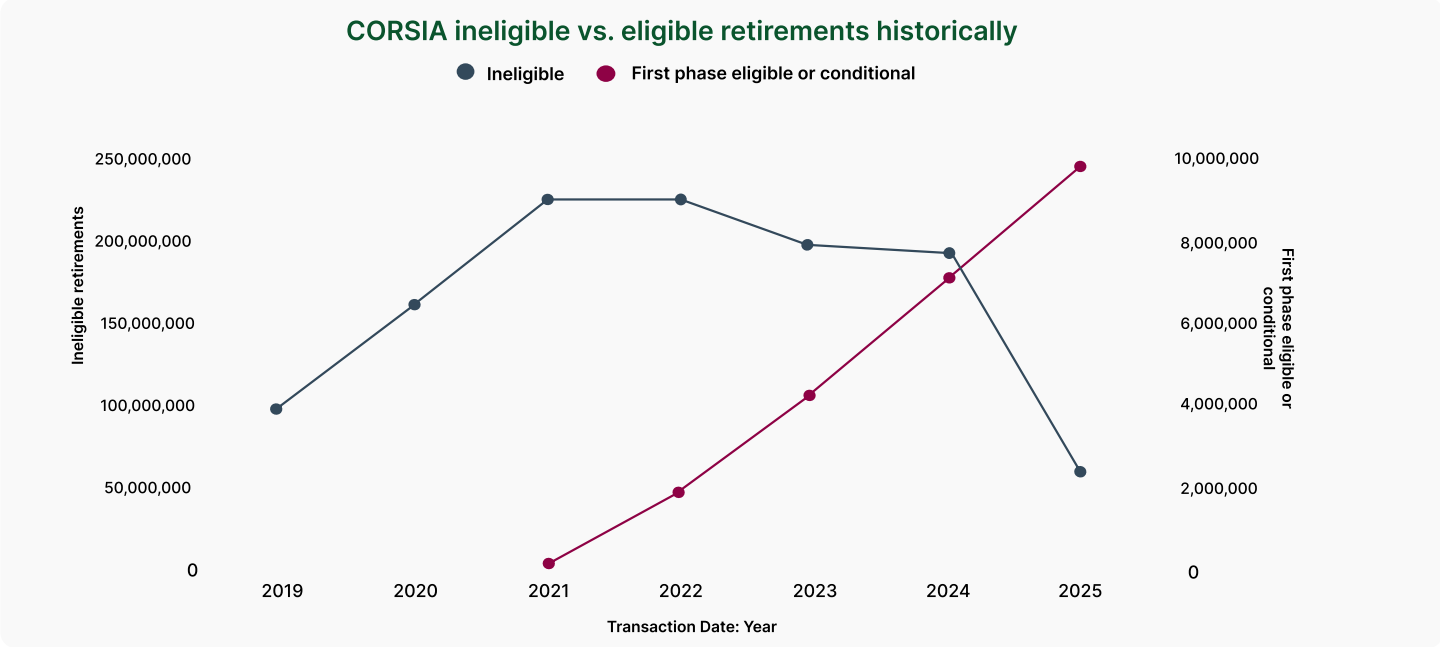
Explore different CORSIA forecast scenarios!

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Demand for CORSIA-aligned credits will not come from airlines alone

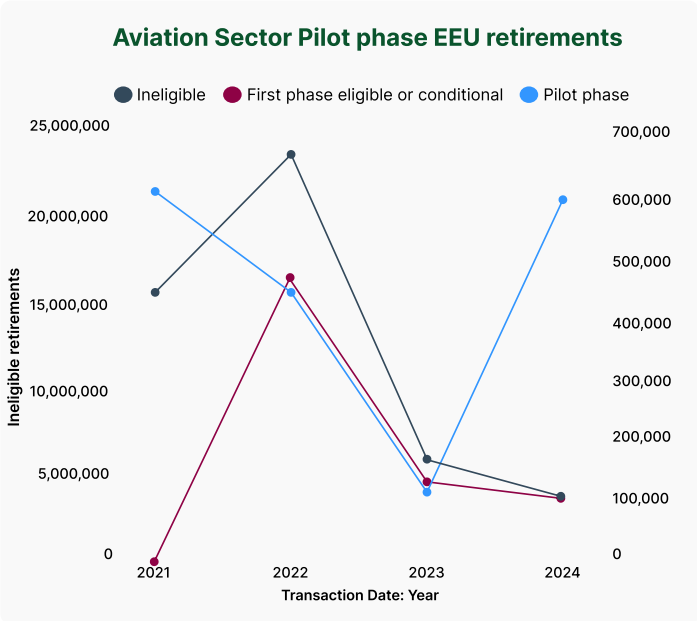
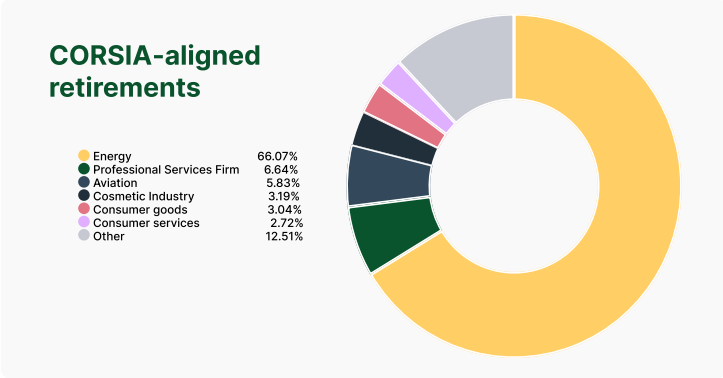
CORSIA-alignment is considered a marker of quality in a market where trust defines value. Between 2021 and 2024, retirements for CORSIA-aligned credits increased by over 200% annually on average, compared to -5% in the wider

VCM. In the first quarter of 2025, CORSIA-aligned retirements had already surpassed full year 2024 volumes by 16%.



The majority of these credits have been retired by energy companies, who have used up **two-thirds of CORSIA-aligned credits to-date** (excluding Cercarbono credits retired for the Colombian Carbon Tax).

Aviation companies have only retired 6% of these credits, although aviation is still a significant sector amongst CORSIA-aligned retirements.



Of course, there have been no offsetting requirements for CORSIA to-date, so we may not expect to see airlines over-represented amongst CORSIA-aligned retirements. Further, it is possible that airlines are working to purchase CORSIA-aligned supply currently, which will not be reported publicly.

The sharp increase of Pilot phase EEU retirements by airlines in 2024 provides evidence that the aviation sector had purchased credits ahead of the reporting deadline. Because there was no offsetting requirement in 2024, it is likely that airlines retired these credits to offload credits purchased in preparation for Pilot phase offsetting requirements.

Still, we can glean insights regarding overall VCM demand for CORSIA-aligned credits from retirement figures. Based on activity to-date, there will likely be competition for CORSIA-eligible credits beyond the aviation sector in coming years.

4. FORECASTING CORSIA

CORSIA forecast model

Due to uncertain supply and political support for CORSIA, the aviation industry is having to make decisions about when and how to source CORSIA-aligned credits with incomplete information.

In order to fill this gap, AlliedOffsets has developed a **forecasting model** to predict how demand and price will fluctuate under different supply scenarios. The interplay between supply, demand, and price will ultimately determine the success or failure of CORSIA as a scheme.

How the model works

When supply is insufficient to meet demand, competition over EEU's will cause prices to rise. As prices rise, we assume that airlines will be less likely to purchase credits unless they have an incentive to purchase credits at a higher-than-market price. An incentive may be an enforcement framework, a penalty price, or the threat of inclusion of emissions into another compliance scheme, e.g. the EU ETS. In the absence of a potential penalty, demand will be elastic to price.

Therefore, in under-supply or tight-supply scenarios, we expect prices to rise but overall demand to fall. The model reaches a "clearing price" where price-sensitive demand has fallen below the available supply of EEU's. In these cases, we expect to see varying levels of compliance across states, as those with higher penalties will have airlines willing to purchase credits at higher prices.

Forecasting Assumptions

1. Price sensitivity and demand:

- Where a penalty price is in place, airlines will be willing to purchase full offsetting requirements up to the penalty price. Where there is an enforcement framework in place but no penalty price, demand will be significantly less sensitive to price than in the absence of an enforcement framework, but not 0.
- For airlines with international flights departing from the EEA, the effective "penalty price" will be derived from expected EUA prices and the difference between the emissions likely to be covered by the EU ETS vs. their offsetting requirements under CORSIA.
- Where there is no penalty in place, airline demand will be more price-sensitive. We model sensitivity to price as a function of the predicted market price for the offsetting year (up to which airlines will be willing to pay) with a percentage reduction in demand for every \$1 increase in price.

2. Supply:

- There will be no supply coming from the United States due to its withdrawal from the Paris Agreement (see next section for more details).
- Countries will not issue corresponding adjustments to projects in sectors that are included in their NDC targets.

Our forecast model has three potential outcomes for CORSIA:

- Supply failure.** If supply is insufficient to cover the offsetting requirements, airlines will be unable to comply with CORSIA, and the scheme will fail.
- Demand failure.** Demand failure can occur when supply is tight but sufficient to cover offsetting requirements. In this scenario, demand pressure from elsewhere in the VCM drives prices up and airlines in states that have not implemented enforcement measures may not comply with their offsetting requirements.
- Success.** CORSIA will be successful if there is sufficient supply to cover the scheme and, if necessary, states have implemented enforcement penalties to ensure compliance in the event of price increases.

CUSTOMIZABLE CORSIA FORECASTING OUTPUTS

Forecasting CORSIA Prices, Supply & Demand

*Explore our new customizable
CORSIA forecast tool*



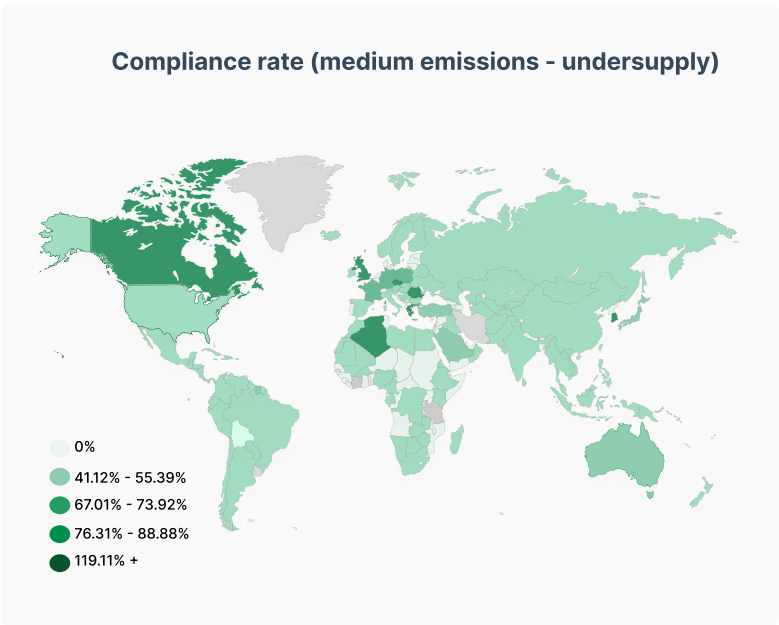
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Scenario 1: Undersupply of CORSIA

In this undersupply scenario, only countries with at least two country regulation criteria (plus Guyana) are included, assuming no credits from sectors included in NDCs will get a corresponding adjustment. Even with conditionally approved standards becoming eligible, this supply scenario leaves only 60m of credits supplied by 2027.

Even before considering non-compliance demand for CORSIA credits, this results in a supply failure in all emissions scenarios. Competition for credits intensifies, driving up prices. Only airlines in host states with enforcement frameworks or (even more so) non-compliance penalties in place will comply.

We predict relatively high rates of compliance (>80%) amongst countries with high non-compliance penalties – like Canada and the United Kingdom – or those with a large proportion of flights departing from the EEA – like Algeria. On the other hand, compliance across Asian countries is less than 50%.



With prices exceeding predicted market rates (~\$8) by at least 100%, we would expect that general VCM demand for CORSIA-eligible credits to drop while demand for CORSIA-aligned credits that may not have a corresponding adjustment or insured LoA stays high.

Scenario	Clearing price	Corsia compliance rate
Low	\$25	52.4%
Medium	\$28	39.9%
High	\$34	26.5%

Scenario 2: Tight but sufficient supply

In this supply scenario, countries with at least one regulation criteria (excluding the US) are included, assuming no credits from sectors included in NDCs will get a corresponding adjustment. With conditionally approved standards becoming eligible, this supply scenario leaves 161m of credits supplied by 2027.

This scenario affords sufficient supply for full compliance with CORSIA in all demand scenarios. Excluding regular VCM demand for credits, supply exceeds demand and prices settle at the general VCM market price.

However, as established previously, demand for CORSIA-aligned credits is relatively higher than that of non-aligned credits across the VCM. In a scenario where supply is sufficient to meet CORSIA offsetting requirements and price remains relatively stable, we would expect non-aviation demand to drive prices up.

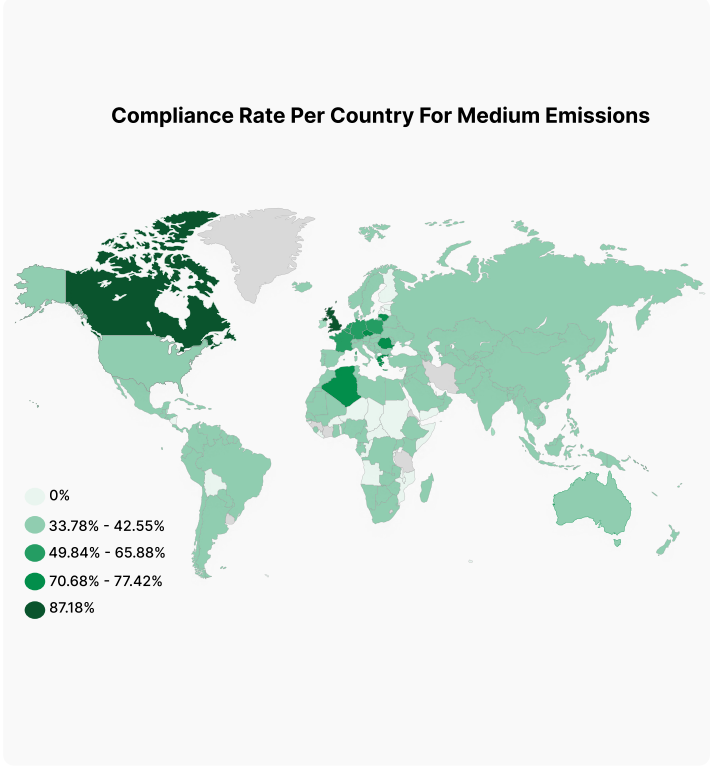
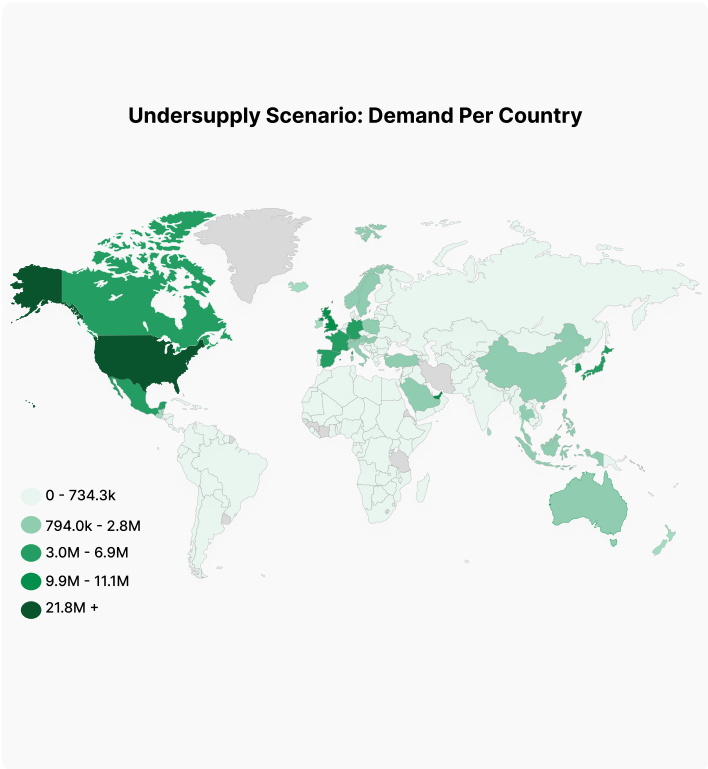
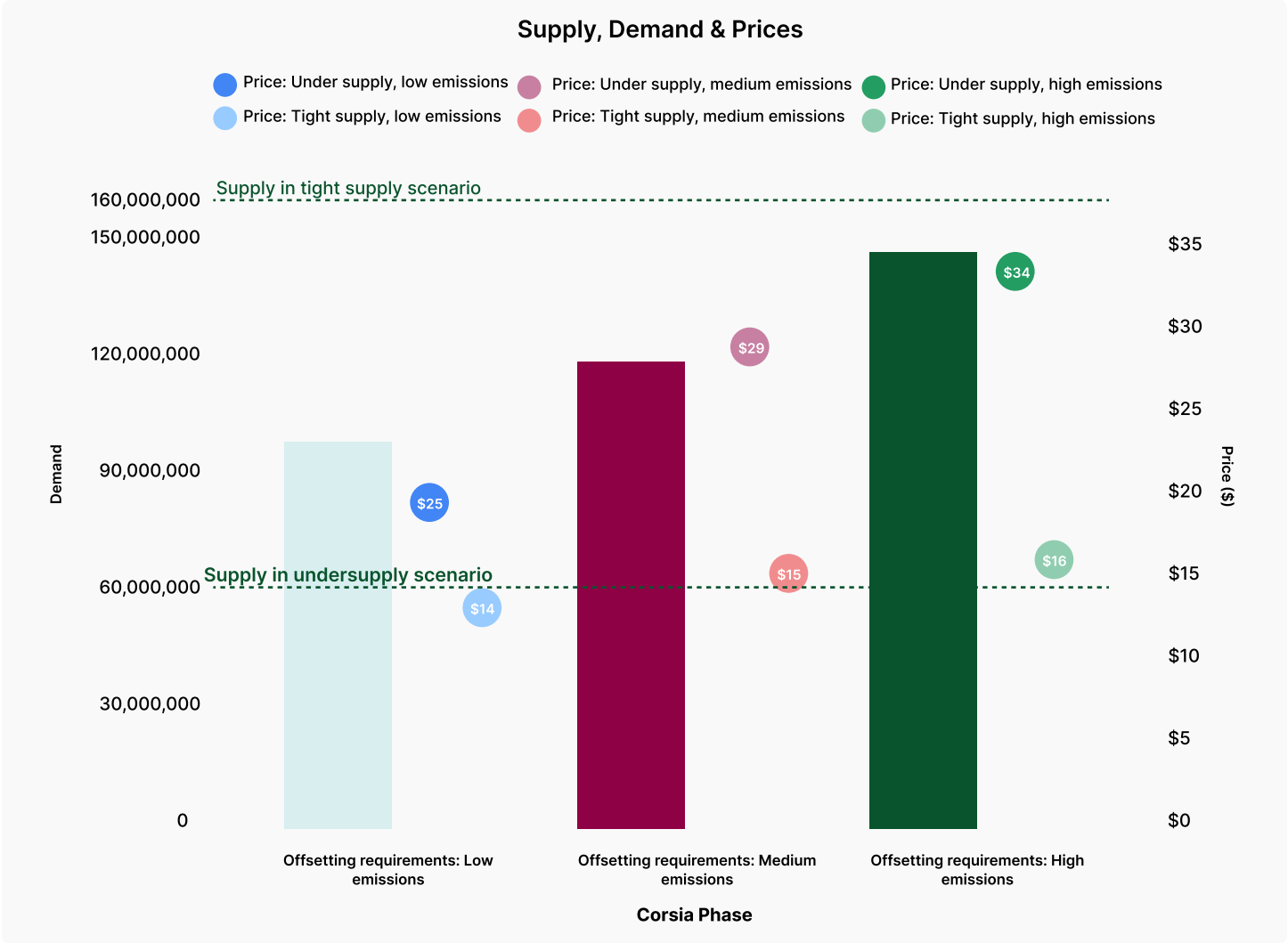
If demand for CORSIA-aligned credits continues to rise as it has since 2021, AlliedOffsets predicts that it will drive the price of CORSIA-eligible credits up to \$14 in a low-aviation-emissions scenario and \$16 in a high-aviation-emissions scenario.

Scenario	Clearing price	Corsia compliance rate
Low	\$14	79.7%
Medium	\$15	64.4%
High	\$16	50.2%

According to AlliedOffsets modelling, if average CORSIA-eligible prices rise above \$14 in 2027, penalties will need to be in place to achieve 80% global CORSIA compliance.

4. FORECASTING CORSIA

CORSIA forecasting model outputs



5. UPCOMING POLICY UPDATES

Global approaches to CORSIA enforcement under review

Host parties are slowly looking to establish financial penalties for non-compliance with CORSIA, incentivising airlines to meet their offsetting obligations. In December last year, the United Kingdom proposed the highest CORSIA non-compliance penalty fee of £100 (\$127) per tonne of CO₂e not offset, adjusted annually for inflation, as outlined in the Environmental Agency's draft legislation (Carbon Offsetting and Reduction Scheme for International Aviation) under the Air Navigation Order 2021. On the other side of the spectrum, under Resolution No. 743/2024, Brazil's National Civil Aviation Agency (ANAC) has set a CORSIA non-compliance penalty of BRL 50 (~\$9 per tonne) of CO₂e not offset, with extended fines from BRL 25,000 (~\$4,500) to BRL 120,000 (~\$21,500) for failure to submit required emission monitoring and offsetting reports. In lieu of setting non-compliance penalty fees per tonnes airlines have yet to offset, the Governor General's office published the amended CORSIA regulations (SOR/2020-275), which assigns financial penalties for non-reporting of up to \$18,500 per infraction. Non-compliance penalty fees remaining below \$17 in 2028 will weaken the fundamental demand driver for CORSIA, and most likely lead to a failure scenario.

EU Commission to determine whether to integrate international flights into EU ETS by mid 2026.

Currently, the EU ETS applies to flights within the European Economic Area (EEA), whereas CORSIA covers international flights between participating countries. By July 1, 2026, the European Commission is mandated to present a report to assess whether CORSIA delivers the environmental integrity to meet the goals of the Paris Agreement.

Should the Commission find that CORSIA is insufficient in meeting its assessment criteria, the Commission is expected to propose legislation to extend the EU ETS cover to include international flights departing from the EEA from January 1, 2027. Direct implications of re-integration of international flights would mean increased compliance costs for airlines subject to the EU ETS allowance prices (~\$21/t for CORSIA First phase credits, compared to ~€80/t of Allowance prices*), and create operational complexity for airlines needing to comply with overlapping regimes. Possible legal and trade disputes may also resurface, particularly with the emergence of emission trading schemes across Latin America and East Asia.

The Impact of Trump on CORSIA implementation

Since the Trump Administration withdrew from the Paris Agreement in January 2025, the market has speculated on the impact of CORSIA. While the US no longer has any incentive to use its domestic carbon projects to help meet an NDC, it will not have any Article 6 infrastructure to apply a corresponding adjustment to credits. Some analysts worry that registries will not give a CORSIA tag to non-correspondingly adjusted credits from the US, even if it is currently withdrawn from the Paris Agreement. Future administrations could easily rejoin the Paris Agreement, which could bring double-counting risk to previously retired CORSIA credits.

US demand likely to remain despite political uncertainty

One possible outcome in a CORSIA failure scenario is that emissions from international aviation are included in domestic or regional compliance schemes. Airlines will be aware of this risk and likely will be willing to comply with CORSIA up to their estimated cost of international aviation in the EU ETS.

US-based airlines have the third highest emissions departing from the EEA, according to AlliedOffsets analysis. If the EU were to include all international flights departing from the EEA into its Emissions Trading Scheme (ETS), US-based airlines would see their obligations rise by between 46% & 68% depending on emissions scenario. If EUA prices reach up to \$100/tonne in 2028, this could mean up to an additional \$230m spent by US airlines in CORSIA First phase. Considering tight profit margins in aviation, US-based airlines have a strong incentive to participate in CORSIA even without domestic enforcement.

China's position

China's position: As the deadline for the end of CORSIA First phase looms, China's engagement remains uncertain. China has previously expressed reservation about CORSIA, having cited concerns around its disproportionate responsibilities on developing countries, limited avenue for consultations between states and ICAO, and misalignment with its national goals ([China aims to peak emissions by 2030, and achieve carbon neutrality by 2060 compared to CORSIA's 2050 target](#)).

Non-participation in the scheme's mandatory phase would likely result in a CORSIA failure scenario. Given China's significant share of global emissions, Chinese airlines being exempt from purchasing EEU's for international flights, is likely to substantially affect aggregate demand for EEU's.



6. SUMMARY

CORSIA has buy-in from the majority of the world but faces significant challenges.

Political uncertainty

The first challenge is political uncertainty. Two of the top 4 largest countries by projected CORSIA demand, the US and China, have indicated no or uncertain support for the scheme. In the case of the US, airline exposure to external compliance schemes (e.g. EU ETS) will likely mean that airlines will comply on a voluntary basis. China's lack of support for CORSIA offsetting may cause a more significant issue, if Chinese airlines feel no pressure to comply. The two countries' predicted offsetting requirement combined is approximately 25% of total CORSIA demand for the First phase, so lack of buy-in from both parties could lead to a demand failure.

Supply uncertainty

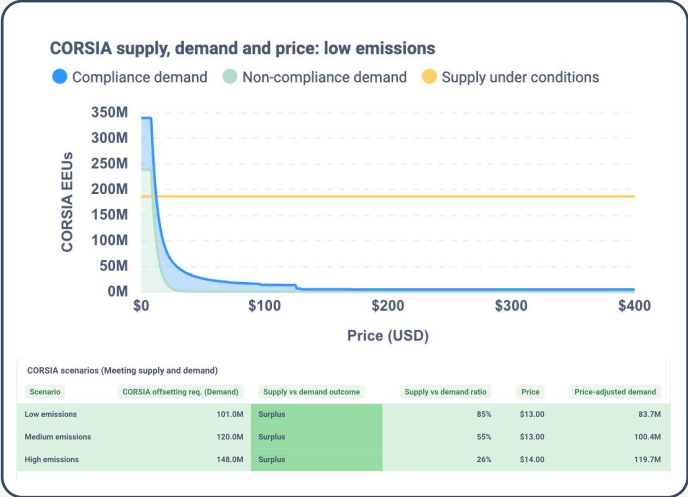
The second, and most pressing, challenge facing CORSIA is supply uncertainty. While it is distantly possible for there to be an over-supply of eligible EEUs by the offsetting deadline, likely supply scenarios are much more tight.

AlliedOffsets predicts that, excluding NDC sectors and credits from the US, the maximum available supply will be approximately 176M credits. With the vast majority of those credits not yet issued, and many host countries having insufficient regulatory infrastructure to issue corresponding adjustments, there is significant risk of a supply failure.

In a tight-but-sufficient supply scenario, it is likely that non-compliance demand for CORSIA-aligned credits will drive prices above market rates. Therefore, state-level enforcement frameworks will be necessary to ensure compliance in most emissions scenarios.

CORSIA FORECASTING TOOL

Explore our different emission scenarios and their impact of CORSIA supply, demand and prices



Compare our CORSIA forecast scenario outputs by emission levels, registries, countries and project types

Get in touch