



CATALYST FUND BFA GLOBAL



# Voluntary carbon markets and opportunities for African Climatech ventures

MODULE 3

2025



1 Carbon Market 101 for African Climatechs

2 Macro Trends and opportunities in Africa's VCM

3 Buyers of African carbon credits

4 Supply-side Opportunities for African Climatech Ventures



# ICYMI: Module #2

In case you missed it (ICYMI), Module 2 blog explored the evolving dynamics of Africa's carbon market, highlighting increased investor interest, regulatory shifts, and growing participation by African nations. It unpacked the role of government policy, emerging carbon trading hubs, and the importance of bilateral agreements under Article 6. The blog also outlined where climate tech ventures can plug into the market, with insights on country-level readiness.

[DOWNLOAD IT HERE](#)







## MODULE 3

# Buyers of African carbon credits

# Before You Flip Through: What This Module Covers

Welcome to **Module 3: Buyers of African Carbon Credits** — where we zoom in on the demand side of Africa's voluntary carbon market (VCM) and unpack who is buying carbon credits, how they're buying them, and what this means for climate tech ventures across the continent.

In this module, you'll discover that demand for African carbon credits is growing steadily — driven largely by small-to-mid-sized transactions made possible through democratized access platforms. Although many purchases remain modest (with most under 100 credits), this structure presents an exciting opportunity for African climate tech startups that may not yet be operating at industrial scale.

We profile over **4,000 unique buyers** of African credits, most of whom have entered the market in just the last year. Europe continues to lead the charge, accounting for **71% of all-time credit volumes** and over half of all buyers. However, the demand spans over 100 countries — giving African startups multiple angles to reach international offtakers.

You'll also meet the **top 20 buyers**, who account for nearly **60% of credit retirements** over the past five years. From there, the module breaks buyers down into **four strategic archetypes**:

- **Climate Advocates** — typically NGOs and public institutions advancing climate goals,
- **Regulatory Compliers** — buyers in hard-to-abate sectors or responding to mandates,
- **Market Enablers** — brokers, financial institutions, and consultants facilitating transactions,
- **Eco-Conscious Brands** — companies using carbon credits to strengthen brand sustainability.

Each group comes with different motivations, volumes, and growth patterns — helping you better align your pitch, pricing, and partnership strategy.

To help you act on this intel, we dedicate a final section to **tactical entry strategies**. Whether you're in an early feasibility stage or actively generating credits, you'll learn how to:

- Aggregate with other small-scale projects to meet buyer volume thresholds,
- Use digital marketplaces like **Patch**, **Puro.earth**, or **AirCarbon Exchange**,
- Match your sector to likely buyers (e.g., agritech startups → agribusiness buyers),
- Tap into bilateral agreement insights — especially if your startup is in Kenya, Ghana, or Rwanda,
- Leverage ecosystem partners like **ACMI**, **Catalyst Fund**, and sector-specific accelerators.

And if you're ready to explore direct outreach, we've included a **Carbon Buyers' Database** — a live repository of over 3,000 brands and entities that have purchased or retired African credits since 1996.

## A quick note on data:

This analysis focuses primarily on carbon credit retirements of **10 credits or more** to filter out one-off micro-transactions. We use "retirements" and "purchases" somewhat interchangeably for simplicity, although not all retirements represent direct purchases — some are broker-led or part of compliance schemes, such as South Africa's carbon tax system.



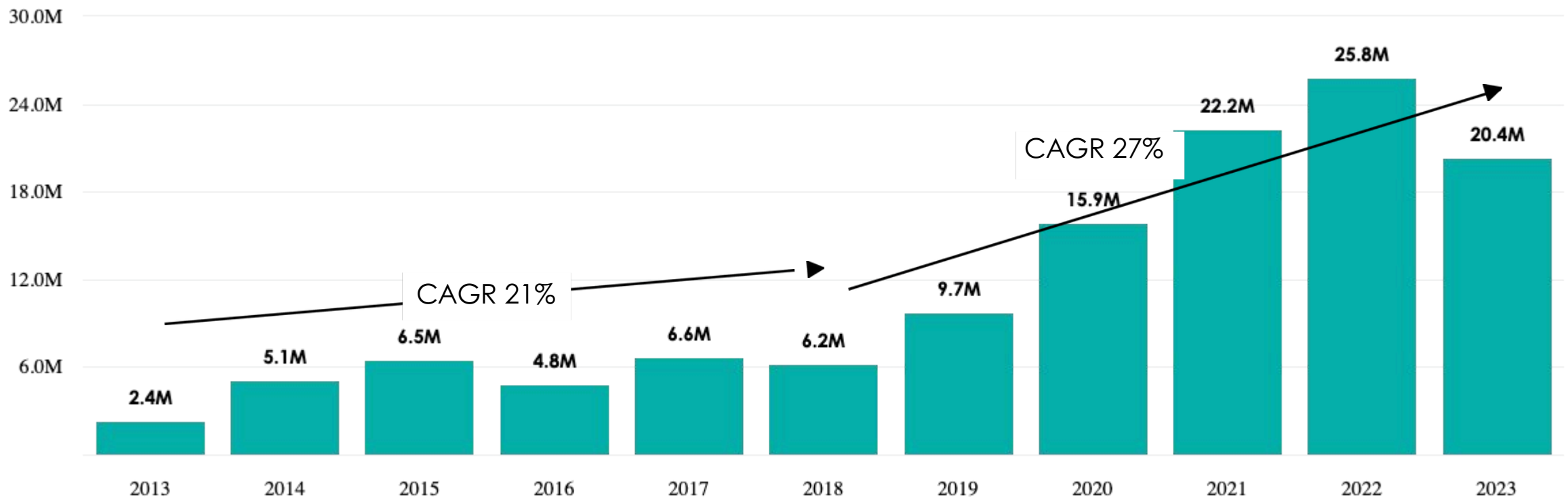
# Buyer Dynamics: Demand for Africa's Carbon Credits

- Demand for African carbon credits has surged, with small-volume transactions dominating the market.
- Resource-intensive industries like energy and manufacturing lead in carbon credit purchases, with Europe being the primary buyer region.
- **20 buyers account for 60%** of Africa's carbon credit sales over the past five years, indicating a concentration of purchasing power.
- The rise of democratized access platforms has enabled more small-scale purchases, highlighting untapped potential for African climate tech ventures.
- Buyer diversity spans resource, fashion, and tech sectors, presenting strategic entry points for startups targeting carbon financing.
- **Four key buyer archetypes** — Climate Advocates, Regulatory Compliers, Market Enablers, and Eco-conscious Brands — drive demand across sectors.



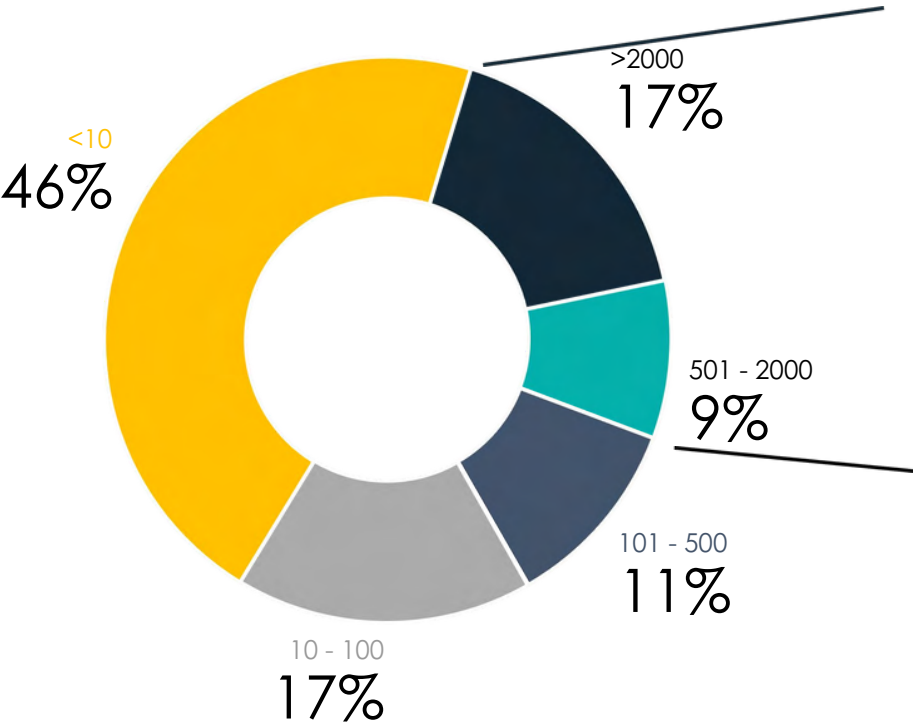
# Demand for Africa's carbon credits has increased in the past 5 years

Africa's credit retirements from the VCM (MTCO<sub>2</sub>e)

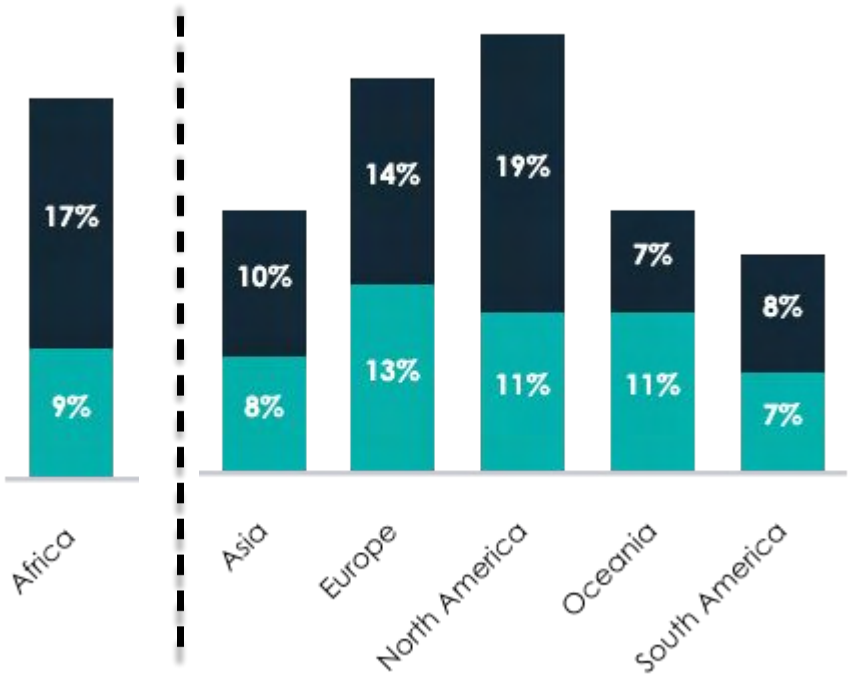


# Majority of purchases have been in modest volumes, a trend that is consistent globally

Purchase volumes (MTCO<sub>2</sub>e) from Africa



Purchase volumes >500 credits by regions



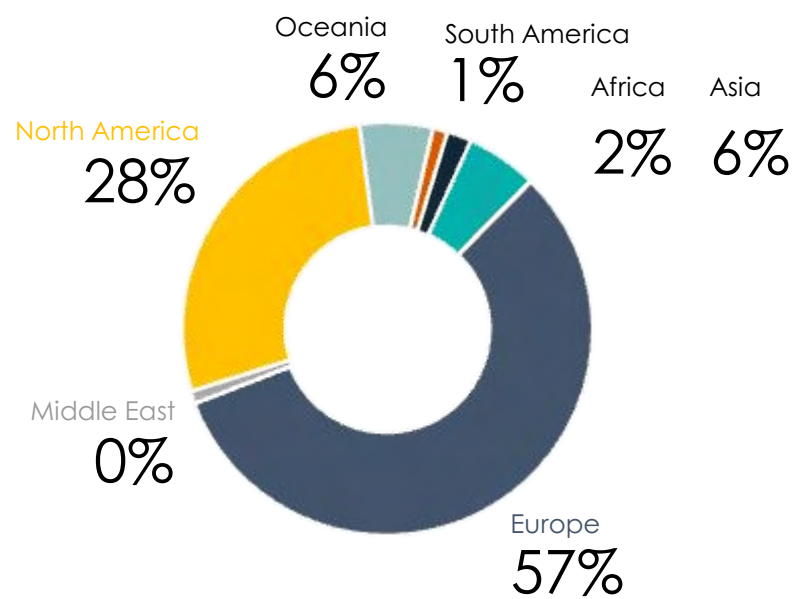
Carbon credit purchases typically dominated by small volume purchases (<100 credits) supported by democratized access via various platforms.

Source: Voluntary Registry Offsets Database, v10, Internal estimates (Analysis done using 2023 data)



# Over 4000 entities obtained African carbon credits, with the vast majority doing so in the last year

# of Buyers by HQ Location



Total number unique buyers identified

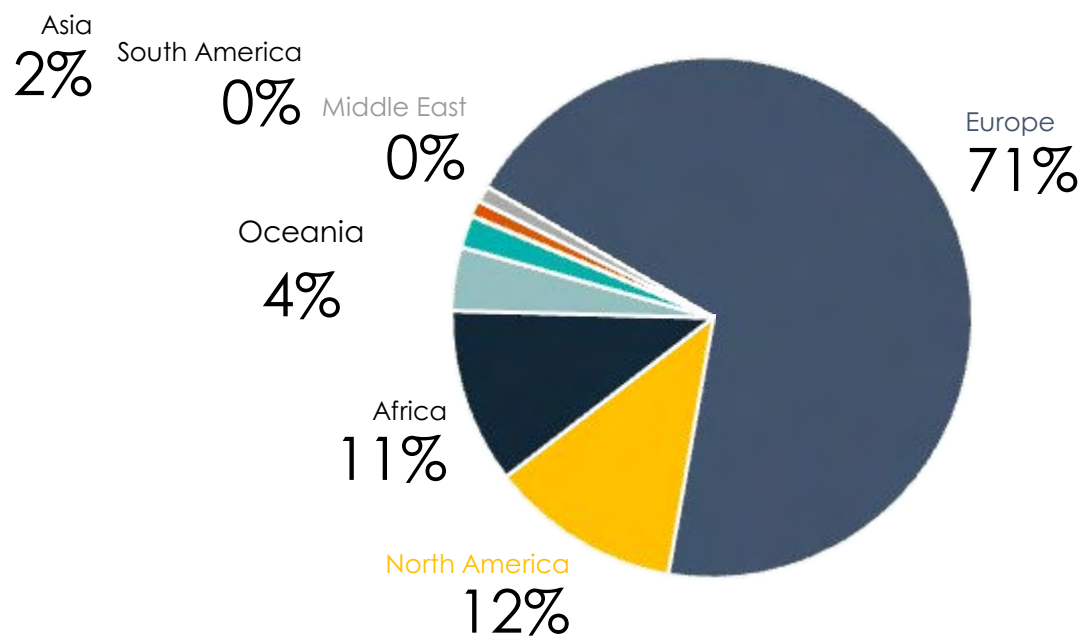
4,165

▲ 32% vs year end 2023

More than half  
of buyers from **Europe**

# Europe maintains a prominent role in purchasing Africa's carbon assets

Share of all time volume purchases of African carbon credits<sup>1</sup> by buyers' region



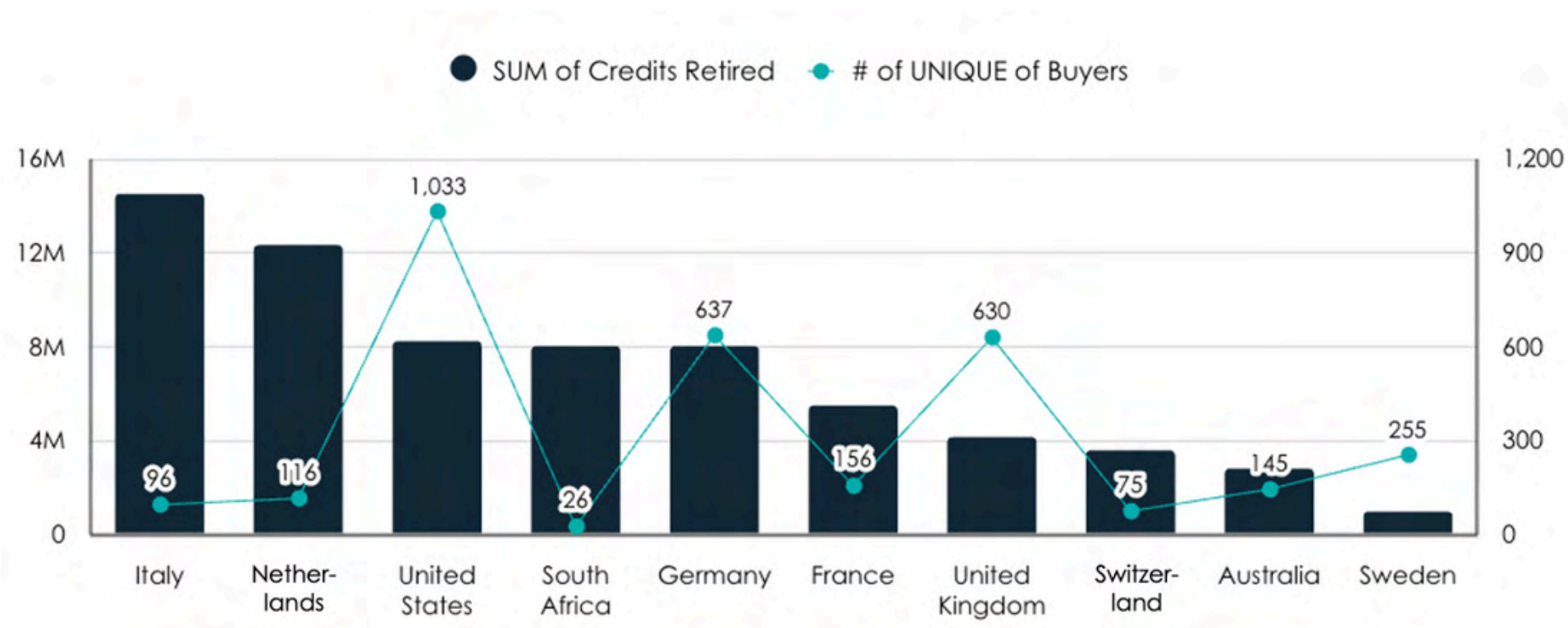
**7 in 10**  
of African carbon  
credits to date  
purchased by buyers  
in Europe

Interestingly, the  
same trend was  
observed in 2024

Based on Transactions volumes of 10 credits and more



# 10 Countries account for three-quarters of buyers and roughly 90% of Africa's total credit retirements

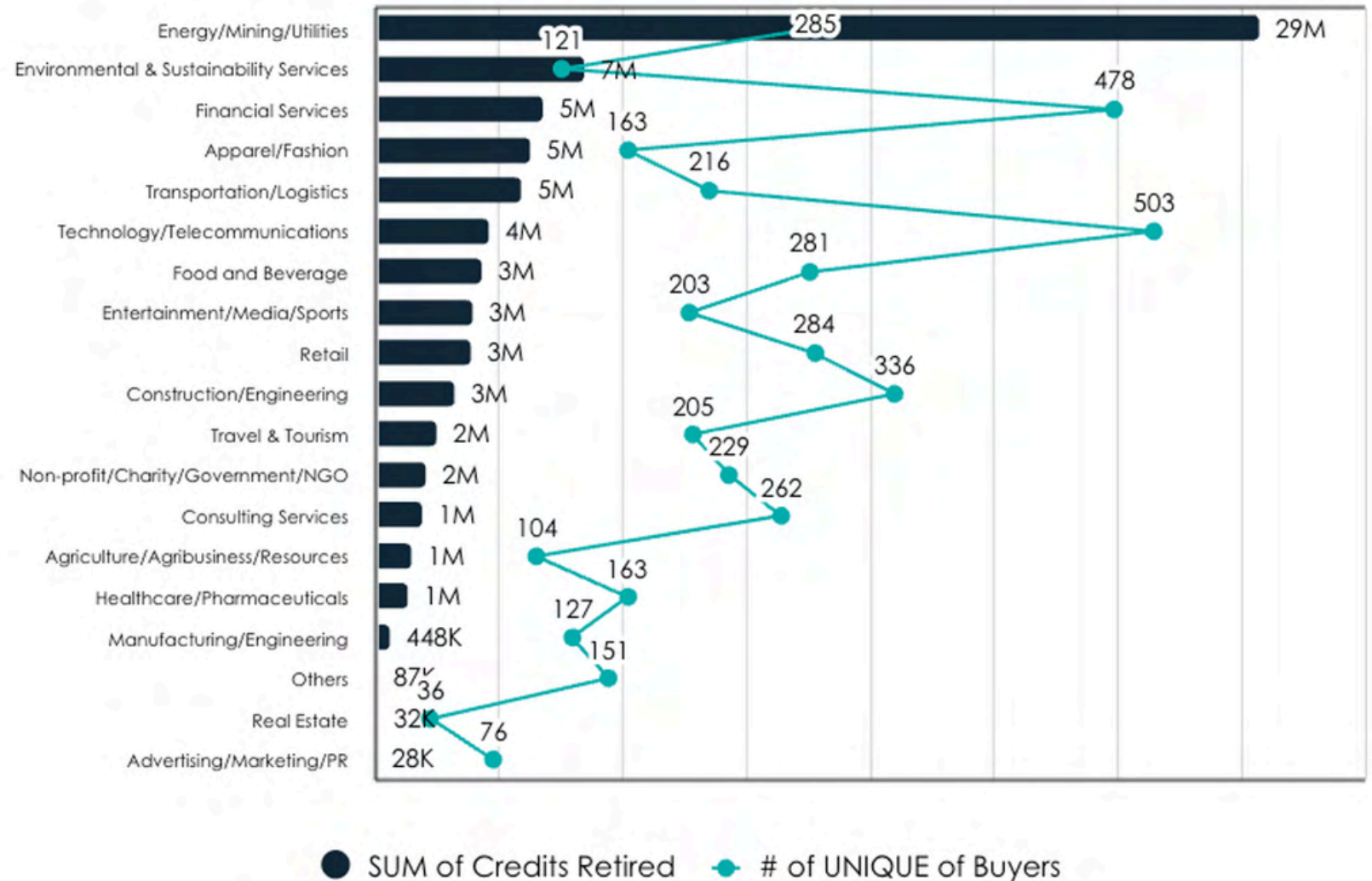


100+ nations host the firms that have bought Africa's carbon credits so far

Based on Transactions volumes of 10 credits and more

Source: Internal analysis using data from Voluntary Registry Offsets Database, v12, Internal estimates

# Diverse buyers, particularly from resource industries demonstrate keen interest in African carbon offsets

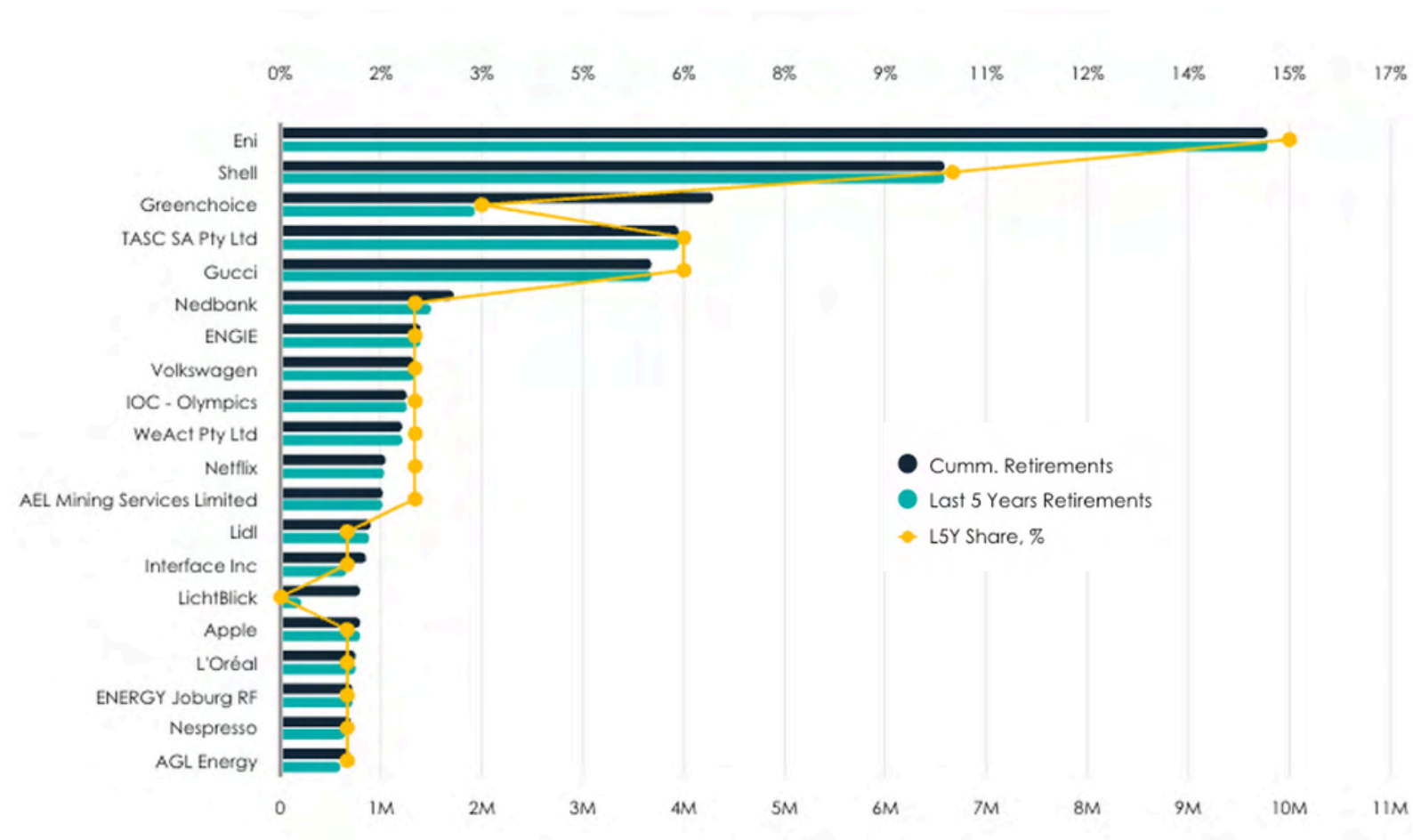


Two-thirds of demand has come from the top 5 sectors representing over 1260 unique buyers with the Resources sector alone accounting for ~39% of credits purchased



Approximately 60% of Africa's retirement accounts are managed by 20 buyers, with majority of activities in the last 5 years

Key buyers of Africa's carbon & Market Share



L5Y – Last five years (2019 to 2024 inclusive)

Source: Internal analysis using data from Voluntary Registry Offsets Database, v12, Internal estimates

# We have mapped 4 key Buyer Archetypes of Africa's credits

## **Climate Advocates**

Advocate for climate action and policy influence.  
Typically NGOs and non-profit organizations e.g.,  
WEF, The World Bank, ECB, etc.

## **Regulatory Compliers**

Hard to abate sectors as well as those seeking  
compliance with regional, national, or international  
regulations

## **Market Enablers**

Players enabling the carbon markets via a mix of  
investments, advisory, and brokerage

## **Eco-conscious brands**

Seek to build connections with customers who are  
becoming increasingly eco-conscious



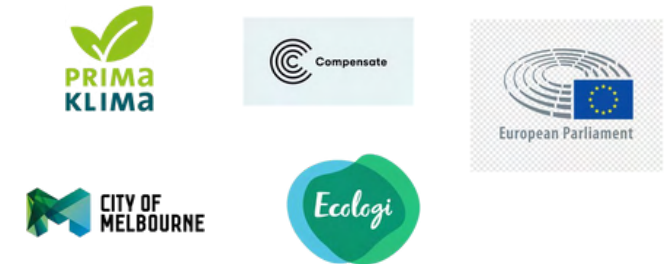
# Climate Advocates

Advocate for climate action and policy influence. Typically NGOs and non-profit organizations or sustainability consulting companies

## Main buyers



## Top 5 buyers



## Sectors mostly represented

Government / Public sector,  
Environmental sustainability,  
Non-profit/charity,  
Education, etc.

300+

Brands captured

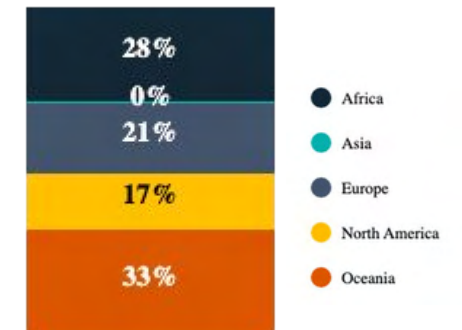
11 - 100 credits

Median annual purchase  
quantity

47% p.a. growth

Demand CAGR (2019 - 2023)

## Buyers' HQ location



# Regulatory Compliers

Hard to abate sectors as well as those seeking compliance with regional, national, or international regulations

## Main buyers



## Top 5 buyers



## Sectors mostly represented

Agriculture, Energy & resources, Manufacturing, Transport & Logistics, Travel, Construction, etc.

900+

Brands captured

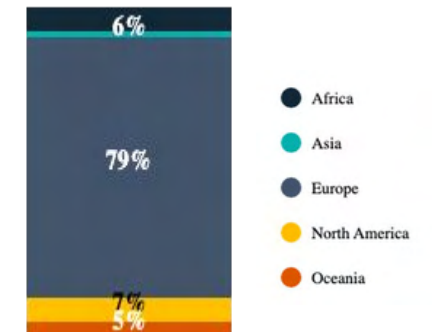
400 - 500 credits

Median annual purchase quantity

17% p.a. growth

Demand CAGR (2019 - 2023)

## Buyers' HQ location





# Market Enablers

Players enabling the  
carbon markets via a mix  
of investments, advisory,  
and brokerage

## Main buyers



## Top 5 buyers



## Sectors mostly represented

Financial services providers,  
Consulting companies,  
Environmental &  
Sustainability companies

580+

Brands captured

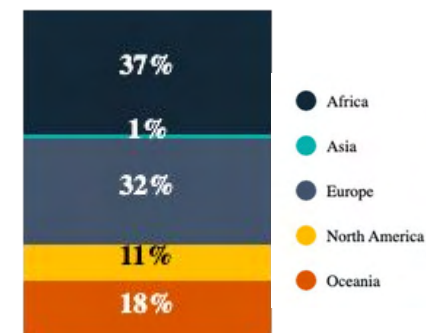
11 - 100 credits

Median annual purchase  
quantity

32% p.a. growth

Demand CAGR (2019 - 2023)

## Buyers' location



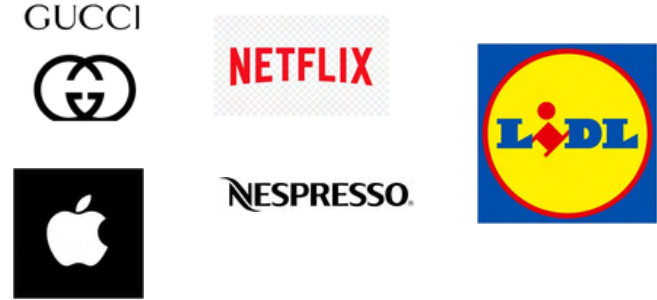
# Eco-conscious

Seek to build connections with customers who are becoming increasingly eco-conscious

## Main buyers



## Top 5 buyers



## Sectors mostly represented

Retail, fashion, Food and beverage, consumer electronics, entertainment, etc.

1300+

Brands captured

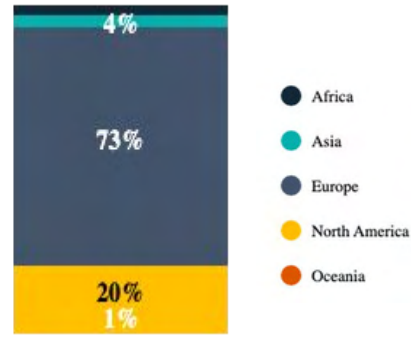
101 - 300 credits

Median annual purchase quantity

11% p.a. growth

Demand CAGR (2019 - 2023)

## Buyers' location



# Connecting to Buyers: Entry Points and Opportunities for African Startups

African climate tech startups can strategically approach and sell carbon credits by leveraging key levers:

## 1. Project Feasibility and Stage

Early-Stage Projects: Prioritize partnerships with intermediaries and aggregators to access bundled credit sales and build credibility.

Advanced Projects with Verified Credits: Directly approach large corporates or bilateral agreement countries seeking specific volumes and project types.

## 4. Sector and Strategic Buyer Alignment

For instance, Agritechs can target carbon-intensive international agribusinesses and food companies. While Energy and Waste startups can approach multinational corporations with net-zero commitments in high-emission sectors.

## 2. Volume of Carbon Credits Pipeline

Small-Scale Credits: Aggregate with other startups or smallholders to meet buyer volume thresholds and reduce transaction costs. E.g., Thrive Agric - Rabobank partnership.

High-Volume Credits: Target large industrial buyers and international off-takers with established carbon reduction commitments. E.g., Octavia Carbon in Kenya

## 5. Leveraging Partnerships and Ecosystems

Connect with sector-specific alliances e.g., CAPE accelerator, climate funds e.g., Catalyst Fund, and platforms that offer carbon credit financing or buyer connections. Engage NGOs, local governments, and regional carbon initiatives e.g., ACMI, that can act as facilitators or co-investors in carbon projects.

## 3. Geographical Location and Bilateral Agreements

Climate techs in countries with active bilateral agreements under Article 6 can leverage these to access specific buyers looking for compliance-grade credits. For instance, Kenyan Climatechs can target buyers from Japan, Singapore, Switzerland

Projects in regions with limited market access can use digital marketplaces (e.g., Puro.earth, Patch, AirCarbon Xchange, etc.) to bridge geographic gaps and connect with global buyers.



# African Countries with Bi-lateral Agreements

(Not exhaustive)

African Country	Bi-lateral Partner Countries
Benin	Norway
Ethiopia	Japan
Gabon	South Korea
Ghana	Switzerland, Singapore, Sweden
Kenya	Japan, Singapore, Switzerland
Rwanda	Singapore, Kuwait
Senegal	Singapore
Tanzania	Japan
Zambia	Norway, Sweden
Zimbabwe	United Arab Emirates (via Blue Carbon)

These eight countries with bilateral agreements involving African nations account for approximately **10%** of Africa's carbon credit purchases and host around **400 Companies identified as buyers** of African credits.

# Access interactive carbon buyers' dashboard here

Updated to December 2024

The carbon buyers' database provides a repository of all company brands that have purchased or retired African offset since 1996, including information about the company, location, amounts retired, type of credits, source of credits, etc.

[ACCESS DASHBOARD](#) ↗

# References

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- [Ghana's Complete Farmer is connecting African farmers to global markets](#)
- [Linking Smallholder Coffee Farmers in Tanzania to the Carbon Credit Market](#)
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