Three Mexican states have a carbon tax in operation, with another one taking steps to develop this policy.

Mexico has both a carbon tax and an ETS in operation. Offsets are allowed under both instruments. Offset protocols are under development for the ETS.

Peru recently signed the under the framework of Article 6 of the Paris Agreement with Switzerland.

Chile has a carbon tax in place that includes offsets. The government is also considering the implementation of a compliance carbon market.

Brazil has undertaken studies to consider Carbon Pricing Instruments (CPI). Legislation is being discussed focusing on a domestic voluntary carbon market.

Argentina has a carbon tax in operation.

Source: “Status and trends of compliance and voluntary carbon markets in Latin America” report, IETA