



Background: Why introduce a Member and Sponsorship policy?

In November 2022, the Carbon Market Institute (CMI) launched its new 2025 Strategic Plan, reinforcing its role as an independent, member-based institute accelerating the transition to net zero emissions. The Plan updates CMI's mission to focus on accelerating the use of market-based solutions and supporting best practice in decarbonisation to limit warming to 1.5°C. A key objective within the Plan is to support members to urgently decarbonise with credible climate strategies and transformative investments.

With this in mind, and amidst a sharpening focus on the integrity of national, corporate and industry group commitments, including increasing expectations from regulators, investors and the community for credible private sector transition plans, CMI decided to review its member and sponsorship policy.

CMI's new policy reinforces our commitment to the global transition and the important role that carbon markets and participants can play in decarbonising and accelerating climate investments. Fundamentally, it is framed around criteria to support high integrity climate and/or transition plans. It guides CMI's support for member organisations in developing and demonstrating their commitments and underpins CMI's engagement, educational activities, and events.

CMI acknowledges that transition pathways will be complex and varied across its diverse membership base, particularly for those companies in the hard-to-abate sectors. It believes that carbon markets should be a critical policy tool to drive investments in deep on-site decarbonisation and facilitate investment elsewhere in the economy as those on-site investments take shape.

As a complement to driving energy and industrial decarbonisation, carbon markets can provide opportunities for Indigenous and local communities, and deliver nature positive outcomes that help address our biodiversity crisis. As industry's investment in in-house solutions scale over time, the carbon market should also play a role, with appropriate governance, in supporting negative emissions through drawdown.

To build investor and community confidence, carbon market participants need to operate with high integrity, seeking to align decarbonisation strategies with international best practice and ultimately support the achievement of the Paris Agreement goals to limit global warming.

CMI's policy applies an approach that is based on self-assessment in the first instance with CMI assisting development and understanding of key principles. As regulator and investor disclosure requirements mature, CMI is confident that its member organisations will step up to the task of transparently demonstrating their transition approach, and in turn supporting investment and public confidence in decarbonisation and the important role of carbon markets.

CMI previously required membership applications to support CMI's constitutional objectives, which include supporting industries to transition to a net-zero emissions economy. CMI also required an acknowledgement of our Advocacy Policy Positions, noting these policies are not represented as reflecting the views of individual members. CMI's new policy continues to require support for CMI's constitutional objectives and an acknowledgement of CMI's Strategic Plan as well as CMI's Advocacy Policy Positions.

Process

To provide clarity for new and existing members and event sponsors, CMI's Board approved an interim policy in February 2023 and commenced a process to finalise a longer-term policy. CMI commissioned external advice to review international best practise guidelines and the work of comparable membership organisations. This research also included broad and targeted consultations with members and stakeholders. Based on advice from its Membership Committee, CMI Board approved this policy in February 2024.



Member and Sponsorship Policy Overview (See Appendix A for full details)

The policy sets out a series of criteria for climate and/or transition plans (transition plans) that existing and new members will be expected to meet to be eligible for specific membership categories.

To be eligible for full membership, carbon-intensive members (emitting greater than 100,000tCO₂e Scope 1 emissions per annum) and large corporations (annual revenue greater than \$5 million), will have a publicly available transition plan by mid-2025. These should address five broad criteria and may be informed by best practice, including frameworks such as the International Standard Organisation's Net Zero Guidelines, among several others (see Appendix A examples). Information on indicative best practice will be made available through CMI Working Groups and will be published on CMI's website from mid-2024. New or members renewing after 1 July 2025 will advise CMI of their transition plans and will be required to confirm that they address the criteria.

For carbon-intensive and large corporations that do not meet the transition plans criteria, the Associate category of membership and associated services will be available for CMI to continue to facilitate vital knowledge sharing and education for these members. This category offers no voting rights with respect to the Board or constitutional amendments, however access is available to expert roundtables, events, bespoke engagement and market intelligence. Invitation to certain Taskforces and relevant Working Groups can also be agreed where appropriate.

Small Corporate members, existing Associate members and Individual members will not be affected in this phase but will be encouraged to implement a plan that addresses best practice. All relevant members who are not already, signatories or industry supporters to the Carbon Industry Code of Conduct will also be encouraged to join. More information [here](#).

Eligibility for sponsorship at the top Diamond and Platinum Partner tiers of the Australasian Emission Reduction Summit or lead partner of other major CMI events will require carbon-intensive and large corporate members to demonstrate achievement of progress against listed key transition plan criteria.

To allow members adequate time to prepare for the changes, the final policy is intended to come into effect from 1 July 2025. Through its Corporate Climate Leadership Working Group, educational activities (such as forthcoming Masterclass series) and other events, CMI will provide information to companies in the development of transition plans.

Over the next 12 months, the Board will also consider consequences that may apply from 1 July 2025, if CMI becomes aware that full members are not reasonably addressing the transition plan criteria.

Any review or changes to threshold or criteria that may flow from the next strategic plan (to be decided in late 2025), will have similar consultation and implementation lead times as for this draft policy.

Interim policy (See Appendix B for full details)

Until the final policy comes into effect on 1 July 2025, the interim policy as amended will continue to apply.

New membership applications from large emitters with an increasing carbon footprint will be accepted into the Associate membership category and will be limited from sponsorship at top Diamond and Platinum Partner tiers of major CMI events. This covers companies that emit over 100,000 t CO₂ Scope 1 emissions per year and who are increasing emissions through construction of new or expanded fossil fuel facilities.

Existing CMI member large emitters in this category will retain their current membership status, until the final policy takes effect on 1 July 2025. This category will be limited from sponsorship at top Diamond and Platinum Partner tiers of major CMI events.



Appendix A

CMI Member and sponsorship policy

Application

The Policy will apply to all large full members, including partnerships, as well as any small corporates that emit over 100 000T CO2e Scope 1 emissions per year. See below Treatment of Corporate Groups and Treatment of Not-for-Profit Organisations.

The Policy will apply from 1 July 2025. The Interim member and sponsorship policy continues to apply until 1 July 2025. See below for further details.

Requirements

To be eligible for full corporate membership, all large organisations, including partnerships, as well as any small corporates that emit over 100 000T CO2e Scope 1 emissions per year will have a publicly available transition plan by mid-2025.

The onus will be on new and renewing Member organisations to CMI to self-declare and demonstrate their alignment with the following requirements.

In circumstances where organisations do not demonstrate their alignment with the transition plan requirements, they will be invited to consider access to CMI's Associate category of membership and associated services. This category offers no voting rights with respect to the Board or constitutional amendments, however the same free or discounted access is available to expert roundtables, events, bespoke engagement and market intelligence.

Access to CMI's working groups and taskforce will be by invitation, as with other Associate member organisations. Top tier event sponsorship will not be available.

*Membership category (new or renewing)	Requirements	Sources of indicative best practise
Large "full" members (individuals, partnerships, corporates with revenue over \$5 million, and those emitting >100,000tCO2e Scope 1 emissions p.a)	1. Report on material scope 1, 2 and identify where possible Scope 3 emissions	<ul style="list-style-type: none"> • Australian, New Zealand or local jurisdictional climate reporting requirements • National Greenhouse Energy Reporting System (NGERs) • GHG Protocol • Taskforce on Climate-related Financial Disclosure (TCFD) recommendations • UK Transition Plan Taskforce • Science-based Target Initiative (SBTi) sector guidance • International Standards Organisation Net Zero Guidelines • Climate Action100+ Net Zero Benchmark Framework
	2. <ul style="list-style-type: none"> a) Set short-, medium- and long-term targets for Scope 1 and 2 emissions, in line with a 1.5C pathway to achieve net zero by 2050. b) Set interim and long-term targets that address material Scope 3 (value chain) emissions or provide justification for the exclusion of any Scope 3 emissions from interim and long-term targets 	<ul style="list-style-type: none"> • TCFD Disclosure recommendations • SBTi sector guidance • International Standards Organisation Net Zero Guidelines • Climate Action100+ Net Zero Benchmark Framework



	3. Prioritise taking actions to reduce emissions within value chain while also addressing residual or hard-to-abate emissions with high integrity carbon credits	<ul style="list-style-type: none"> • Oxford Principles • Voluntary Carbon Markets Integrity Initiative (VCMI) Code of Conduct • SBTi sector guidance • Australian Carbon Industry Code of Conduct
	4. Implement actions consistent with an organisational commitment to achieving decarbonisation objectives and as informed by best practise industry sector frameworks or standards	<ul style="list-style-type: none"> • UK Transition Plan Taskforce implementation guidance • SBTi sector guidance • Climate Action100+ Net Zero Benchmark Framework
	5. Processes for transition plan to be reviewed and updated every three years, with progress reported annually (for clarity, this does not require CMI sign off, just a transparent public process)	<ol style="list-style-type: none"> 1. International Sustainability Standards Board (ISSB) / TCFD recommendations 2. Climate Disclosure Project (CDP) 3. Global Reporting Initiative 4. UK Transition Plan Taskforce 5. Agreed national mandatory requirements in financial statements
	Sponsorship: To be eligible for sponsorship at the top Diamond and Platinum Partner tiers of major CMI events, there will need to be demonstrable achievement of key elements of CMI's Membership Policy	N/A
Small and Individual Corporate full members	Transition plan encouraged as per above requirements, but not mandatory as indicator of membership status.	N/A
Associate members	Transition plan encouraged where relevant as per above requirements, but not mandatory as indicator of membership status.	N/A
Professional Network members (individuals)	N/A	N/A

Additional requirements and mediation

CMI members and sponsors are required to support CMI's Constitutional Objectives and acknowledge its [2025 Strategic Plan](#) and [Advocacy Policy Positions](#).

A member or potential member may request a review of a determination affecting them by the CMI Membership Committee for subsequent recommendations to the Board.

Treatment of Corporate Groups (for example, global conglomerates and wholly owned subsidiaries)

CMI Board will assess Corporate Groups on a case-by-case basis, having regard to the dominant purpose of the entity that is applying for membership to CMI. If the dominant purpose is the same as the global entity or beneficial owner then CMI will assess the application in terms of the Corporate Group, including the public perception that adheres to these aggregate corporate activities. If the dominant purpose of the entity is clearly different, then CMI will treat it as a distinct entity (for example a subsidiary with a different purpose and its own brand).

CMI Board will assess application to majority and significant shareholders of member organisations on a case-by-case basis and will generally not apply the Policy to majority or significant shareholders.



Treatment of Not-for-Profit Organisations

The Policy and expectation towards production of a credible transition plan will not apply to non-profit organisations, registered with the Australian Charities and Not-for-profits Commission.

This is consistent with the Australian Government’s proposed mandatory climate related financial disclosures reforms that exempts entities registered with the Australian Charities and Not-for-profits Commission, from the proposed requirements to make climate-related financial disclosures.

Appendix B

Interim member and sponsorship policy (applies until 1 July 2025)

Membership category	Requirements
New Corporate full members emitting >100,000tCO2e Scope 1 emissions p.a and who are increasing emissions through construction of new or expanded fossil fuel facilities.	<ul style="list-style-type: none"> Accepted into Associate membership category Limited from sponsorship at top Diamond and Platinum Partner tiers of major CMI events
Existing Corporate full members emitting >100,000tCO2e p.a and who are increasing emissions through construction of new or expanded fossil fuel facilities.	<ul style="list-style-type: none"> Retain their current membership category Are limited from sponsorship at top Diamond and Platinum Partner tiers of major CMI events
Other full Large, Small or Individual Corporate members	N/A
Associate members	N/A
Professional Network members	N/A

Additional requirements and mediation

CMI members and sponsors are required to support CMI’s Constitutional Objectives and acknowledge its [Advocacy Policy Positions](#).

A member or potential member may request a review of a determination affecting them by the CMI Membership Committee for subsequent recommendations to the Board.

CMI membership categories

- **Full member:** For organisations, partnerships or corporations participating in carbon markets with appropriate transition plans where relevant as identified by this policy, this category provides the full range of member benefits, including voting rights with respect to the Board or constitutional amendments.
- **Associate member:** This category is for industry associations, government and regulatory agencies, research institutes, and not for profit organisations. It will now include relevant corporations identified by this policy unable to advise of transition plans addressing all criteria above. To facilitate vital knowledge sharing and education, this category has access to free or discounted expert roundtables and events, and there is flexibility for access to certain Taskforces and relevant Working Groups. Associates are unable to participate in Board member elections or vote on constitutional change.
- **Professional Network member:** For climate change and business professionals and students as individuals, providing access to market and policy developments and key CMI events. It does not offer voting rights or access to any CMI Taskforces or Working Groups.