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Carbon Frontiers 2025 | Episode 4
Rene Velasquez, Managing Partner, Valitera

We continue *Carbon Frontiers 2025* this week with Rene Velasquez, Managing Partner at Valitera. David Greely sits down with Rene to discuss the 'tale of two cities' state of the carbon markets – and the challenges and opportunities in getting carbon finance flowing.

Rene Velasquez (00s):
We should leverage all the tools that are available to us, right? And markets can provide significant efficiency, and ultimately these markets, carbon markets, can help to reduce and remove carbon emissions at scale and at the lowest possible cost. You don't have to always do it within your internal sort of metrics and value chain. Long story short, I do think that there is a level of sort of realignment back to a market that has demonstrated higher integrity, and I think that long term that will then translate to decarbonization.

Announcer (33s):
Welcome to SmarterMarkets, a weekly podcast featuring the icons and entrepreneurs of technology, commodities, and finance ranting on the inadequacies of our systems and riffing on ideas for how to solve them. Together we examine the questions: are we facing a crisis of information or a crisis of trust, and will building Smarter Markets be the antidote?
This episode is presented by Base Carbon, sensible carbon investing. For more information, visit basecarbon.com.

David Greely (01m 09s):
Welcome back to Carbon Frontiers 2025 on SmarterMarkets. I am Dave Greely, Chief Economist at Abaxx Technologies. Our guest today is Renee Velasquez, Managing Partner at Valitera. We will be discussing the 'tale of two cities' state of the carbon markets and the challenges and opportunities in getting carbon finance flowing. Hello Rene, welcome to SmarterMarkets.

Rene Velasquez (01m 33s):
Hi Dave. Nice to being on your podcast for the first time. It's an actual privilege. Thank you so much.

David Greely (01m 38s):
Well it's great to have you here. You know, we have been talking with each other it seems like for at least a couple of years about having you on as a guest on Smarter Markets and I am glad we gave really finally been able to make it happen.

Rene Velasquez (01m 49s):
So am I. I am super glad It's actually a privilege. I am a big fan of your show and it's about time that we made it happen.

David Greely (01m 56s):
Yeah, I feel like we have been following sometimes parallel paths with Carbon Exposure Project and the other interviews you have done and it's great because you are able to bring in your 15 plus years of experience in carbon markets, all the relationships you've developed, all the people you've met, and so glad to have you bring that experience and those conversations with you today. But maybe I just started off just kind of at like a headline level. You know, one thing we try to do on our Carbon Frontiers podcast is just give people a sense of where the leading edge of carbon markets is or where the path forward is. And probably the best place to start is just, you know, what's the state of the carbon market today from your vantage point?

Rene Velasquez (02m 38s):
That's such a great question. I think in summary, like I will start with summary and then I will give you a deep dive. How's that?

David Greely (02m 43s):
That's perfect.

Rene Velasquez (02m 45s):
Okay, good. So essentially carbon markets are in a transition phase and some say inflection point and I think that they are the optimist and I will subscribe to that view, but certainly it's never boring and we see effectively a tale of two cities between compliance and voluntary markets. So that's the top level view if you will allow me to indulgence, to kind of go down into a deeper dive. When we look at compliance markets, we see a growth in compliance markets and just in terms of broad coverage, I lose count how many emissions trading systems now they are, but I believe somewhere close to, if not a quarter of the world's GDP is now covered with a carbon price. So I think that that's a, a really positive sign and we're now starting to see more and more distribution of that signal with regards to pricing as a result of Article six in particular Article 6.2.

Rene Velasquez (03m 36s):
So we are seeing the emergence effectively of systems by at the member state level in order to now cover certain sectors and pass down these price signals across those various different sectors in line with their nationally determined contribution. We think that that will continue to grow. And parallel to that should also say that you have got other systems like CORSIA that are starting to gain traction and we start to see growth there as well. When I contrast that to voluntary carbon markets, that's a tale to cities. Whether we see resilience and growth and kind of a steadfast direction let's say with regards to compliance markets, voluntary markets have been very turbulent. I think that that's a fair statement to make and obviously it's been well litigated and well discussed, but I do think that that we're in a an inflection point essentially when we look back the last 18, 24 months, the voluntary carbon market has done a lot of reckoning and quite rightly so for a lot of key and obvious reasons.

Rene Velasquez (04m 29s):
But we have reckoned with this idea around integrity and I think that that is now mature enough and we are starting to see the kind of the next phase which is scaling and what is lacking currently is a clear demand signal. And so we still need some items to align, most namely the tacit endorsement for companies to actually participate in the market. And that is in large part driven by hopefully adoption by bodies like the science-based Targets initiative and others of the importance of this tool that is carbon pricing. But I do think that during this, this sort of downturn the market has really reconciled a lot of the infrastructure, a lot of the systems, a lot of the clear transparency in imperatives and the integrity measures of the betterment of the market that will translate over time into a much more robust market. Hopefully that's a somewhat succinct answer.

David Greely (05m 24s):
No, that's perfect and lots of things I would love to dig into. The first is this notion of the reckoning with the issue of integrity in the voluntary carbon markets. Obviously that's been a big issue for a long time. Could you give us a little flavor of what that reckoning has been like and where we stand on the other side of it?

Rene Velasquez (05m 44s):
It's a great question and I think that reckoning really was fairly abrupt and it was one driven in large part around concerns of over crediting in particular on the nature-based side. I think that that now is under control and what that reckoning has led to is the end-to-end integrity initiatives that are well-defined by the voluntary carbon market integrity initiative and the Integrity Council on voluntary carbon markets. WCMI and ICVCM and that allows for claims as well as the actual underlying quality of the governance standards and the methodologies underneath those to adhere to these core carbon principles. I think that that's fairly now well-defined and will continue to be iterative over time as we get more and more and more coverage by the ICVCM of the various different programs and of the underlying methodologies and projects then start to adhere to those CCPs. I think that that is just evolution at play. Maybe a little bit forced but quite necessary and so now the market is essentially building back better for that future. We see also within the market this presence and also signals are indicative on this, on the bid side for more and more removals, whether they be nature-based or more durable removals and that's a really bright spot within involuntary carbon markets but overall that there has been this drive.

David Greely (07m 07s):
That's great and I wanted to ask you, you had mentioned the SBTI and this might be a little too soon to tell, so if it's an unfair question let me know because obviously the news a few weeks ago was Jeff Bezos's fund pulling out of SBTI, you know, part of that likely related to the new administration in the US part also SBTI has been seen as by some as being impractical in some of the standards they have held. But I'm curious your take like do you see, do you see them changing direction or what direction do you see in terms of the guidance they can issue corporates who are trying to do high integrity offsetting,

Rene Velasquez (07m 51s):
That's fabulous. Let's dive in. So around the Bezos Foundation and the funding of SBTI, they had made a commitment to effectively provide that investment early on, but it was dated, right? So they, they basically concluded that agreement and then they just didn't continue to renew there. I guess there it was a catalytic in financing that's then subsequently been filled. So I know that a lot of folks in the media want to conflate it as oh wow look, you know, now there is capitulation because of, because of the new administration. I don't know if I can see direct causality there, I will just put that out there. But back to SBTI and their kind of ideological stance against the use of carbon credits, it's driven in large part because of this notion of decarbonizing the hardware effectively reduce emissions before you actually compensate for them and I think that that lack of kind of understanding, especially of how markets operate doesn't translate to reality and I think that that's what we are seeing.

Rene Velasquez (08m 52s):
I am far more concerned with the lack of continued participation by some of the really big corporates and to continue along the pathway of SBTI, I think that they are going to see an attrition with regards to many of their members and that's driven a large part because of the reality of decarbonization once difficult and most, we can point to some names but most of the very large mega cab tech stocks and tech companies I should say that started on basically as part of the SBTI type it setting and then program effectively have then walked away because their realities have shifted. Many of them have relatively low carbon footprints relative to their balance sheets, but despite making some really great gains with regards to efficiencies, their overall emissions trajectory was not steepening on a downward curve. In fact they started to increase and a large part as a result of the investments that they were making into artificial intelligence and the build out of data centers which have a voracious appetite for energy.

Rene Velasquez (09m 55s):
And that just shows the difficulty of operating in the real world versus to an in vitreo sort of in the lab context and I think many of the folks that are within SBTI have this ideological viewpoint that is the antithesis of markets that just they think markets got us into this trouble, we don't want to trust markets for this and I think that that really is ideological viewpoint that just won't bear results. We should not, and obviously I have a vest interest here and kind of talking in my own book as a market proponent, but we, we should leverage all the tools that are available to us, right and markets can provide significant efficiency and ultimately these markets, carbon markets can help to reduce and remove carbon emissions at scale and at the lowest possible cost. You don't have to always do it within your internal sort of metrics and value chain.

Rene Velasquez (10m 43s):
Long story short, I do think that there's a level of sort of realignment back to, to a market that has demonstrated higher integrity and I think that long term that that will then translate to decarbonization. Why do I think that? Because we are seeing it all the time now, companies that are walking back their climate targets because they realize like HSBC just did last week that they're not going to be able to meet their commitment to decarbonize by 2030. It's too close and so they kick it back two decades. So I hope that the science-based targets folks realize that as their name suggests, the science dictates urgency and without a market-based approach, a cannot have a price signal internally in order to decarbonize and do the hard work of switching technologies and infrastructure, let alone drive the necessary emission reductions in removals in other places in real time. It's a compensatory approach because if you keep the count down the road, all of these emissions just continue to rise. I do remain optimistic on that front.

David Greely (11m 42s):
And I wanted to dig into the real world impact of being too extreme. Like you mentioned a few of them, like clearly if the major tech companies are choosing between, you know, investing in AI and pursuing it versus decarbonizing right now AI's gonna win.

Rene Velasquez (11m 59s):
They have a fiduciary obligation to their shareholders and stakeholders and they are not going to give up an opportunity that's worth potentially trillions of dollars and that is one of the big tectonic shifts in recent memories. Like you're in my generation, right? We grew up in sort of at the beginning of that internet age, right and it's been hugely beneficial in symmetry also depression with a lot of other things, right? In terms of pricing and kind of also providing this growth on global networks. The generation that my daughter is in, the generation alpha folks versus our Gen X, they live, they are growing up in real time in an AI environment and that means that they can leverage these incredible tools to solve really complex problems like climate change. But there is a cost at which you know, that comes with the unlocking this very powerful tool set and that's the energy piece.

Rene Velasquez (12m 48s):
If the energy transition can actually go hand in hand with the growth in AI and we see even further more accelerated growth for renewables and battery storage and other forms of energy that don't result, for example nuclear that result with greenhouse gas emissions going into the atmosphere, then that's a good thing. If we don't use AI for let's say not so positive climate benefits like enhanced oil recovery tools, but we actually use them for helping to speed up technologies in the removal space for example, then that can be good. But like any tools, it's who wills that tool that ultimately dictates what is the outcome.

Rene Velasquez (13m 26s):
And wanted to get your sense as you are deeply involved in the market, what has been some of the impact of companies pulling backs. I think often people focus on the offset piece, they don't focus on the project piece and I am curious what's been the impact on the ground amongst project developers. So I really want to talk about the state of carbon finance. How do you see the state of carbon finance today and what's the real world impact that some of this pullback from carbon markets is having on project developers who are trying to get reduction in removal projects in place?

Rene Velasquez (14m 05s):
No, that's a great question. So the reality on the ground is that it's very difficult right now to access financing, whether that be equity so akin to sort of venture type of financing or debt and where it is possible, it comes at a very steep cost why it's linked to the risk appetite for those investors and it's fairly lean on the risk side and so hence it's, it's fairly difficult to underwrite project developers from the financing side. What I do think is though that there's this, this, this kind of decouple, there's very large institutional investors that are looking at the long term tail here of decarbonization and they realize that markets will play a key role and they are looking to get exposure, but the type of ticket sizes that they ride fairly large, large institutional investors write big tickets. Project developers find it very difficult right now to raise money because oftentimes their ambition is fairly small and why would they increase the ambition if they find it difficult to even get pilot and feasibility like projects off the ground?

Rene Velasquez (15m 13s):
And so there's this decouple of very small opportunity insufficient for institutional investors to want to bridge that gap, a lack of sophistication on that small end approach developer. And it's akin to a cottage industry looking for a big, big stimulus and because of the price signals and the pullbacks that we've seen in the last two years in particular, the fact that there's less liquidity on it across exchanges broadly both spot and futures, there is less liquidity all around as well. The risk appetite for the private sector, like let's say risk takers to come in and bridge that gap has been fairly lacking. So the, basically the reality on the ground is that financing is difficult to get unless you can somehow cobble multiple projects into one very large pool either at Topco or at an SPV level to go and approach institution investors And the folks that can do that have to have the track record. So there are some bright spots like for example, I point to imperative that's run by Scobie Mackay and KK and their team. They are fabulous and they just recently raised $150 million from Artemeter which is a GAW company and that shows to me that there is appetite and there is obviously other co-investors that will come in for deals like that, whether they be sovereign wealth funds or very large institutional investors like banks. So there is a part of the market that is there, but it's tricky right now without the price savings.

David Greely (16m 39s):
Yeah, that's really fascinating point because it's not something that's limited to carbon markets. I think if you look out across all markets, all companies seeking financing, there's this kind of missing middle problem of you have institutions that wanna write $50 million plus checks or else it's not really moving the needle on their returns and you have got companies that might only need five or 10 so they can't get the financing.

Rene Velasquez (17m 05s):
No, exactly. Where's that middle and it's a risk propensity. So the veggie capitalists have built that gap for a very long time across tech and FinTech and other sort of spaces, biotech, etc. Climate Tech had its moment, but because of the recent pullback and the policy shifts, there are very few pure play venture capitalists that are looking at carbon exposure and as a result that middle, like you said, is difficult to bridge and that's just the current reality. I think that as we start to see my thesis is this, I am actually concerned not about the current situation, I am worried about the long term because I do believe, and I have a very long bias on carbon, again talking my own book, but by 2040 it's very different paradigm that we then see companies will not be able to decarbonize in the manner that they believe that they could, right?

Rene Velasquez (17m 58s):
They are going to find that much more difficult than they set out to achieve and they will be relying on carbon reduction avoidance credits, but mostly on removals in that period and I am concerned about the lack of elasticity with regards to the response. So even when that signal comes in, let's assume it's 2030 that the project finance takes time to be realized, that then picks and shovels go into the ground, that there's a delay in effectively building out that pipeline and then we see even further delays within the certification of those outcomes coming through. So basically you put down the foot on the accelerator and you don't get a response for the next three years and that that creates really big swings in volatility. That's what I am thinking about but in the meantime, yeah obviously we are helping to try to get project developers to become more sophisticated financially to speak to the right folks, to be able to bridge the current situation.

David Greely (18m 53s):
Yeah, and I think people need to keep in mind that like any business, it takes multiple years and an industry takes multiple years to develop, particularly if you want to have the processes in place and the experienced participants that can produce what other people will consider high integrity, you know, you can't just do that from zero. You need to give people time to get all that in place.

Rene Velasquez (19m 17s):
There are lots of examples of that there, but that's a really astute observation we have had when those markets have formed and let's take AI or even renewables, right? The technology was fairly nascent and it took some time for the first kind of wave to emerge, right? Version 1.0 and then we started to see resolution of some of those technical delays in renewables. Let's take photovoltaics around 2007, 2008 we saw an increase with regards to the efficiency of a lot of those panels. And then we started to see stimulatory policy responses across Europe, Spain, Germany, particular then the US and then China came in and then effectively commoditized the creation of these panels and that led to this kind of compression with regards to pricing and then you had huge deployment and effectively followed what's called Swanson's law. In AI it's same thing like people have been working on AI as this problem, right?

Rene Velasquez (20m 06s):
For a very long time, 30 years and only now are we seeing the kind of the growth and acceleration real move forward. Carbon markets have been around for some time 20 years, but that's the kind of the first, first let's say version and now we have been going through this reconciliation as we call it, and we're coming out with version 2.0. There is this lag and what we need is essentially a realization that there's a dependency on it and that's where the demand will build right now involuntary that hasn't yet hit right, this demand signals not yet sticky enough, we need that to really catch into the gear for this thing to really start to move forward.

David Greely (20m 43s):
Yeah and you paint a picture of a market where you would expect going forward, there to be a lot of volatility, a lot of risk in terms of carbon prices with this kind of start, stop approach that's happening and not getting the investment that's needed and it brings me back to, you know, you mentioned earlier that many of these projects are more like a cottage industry and typically where do small businesses go to get finance? They go to banks and do banks like a lot of risk. No they do not. Is there any debt financing or do you see a path for more debt financing in some of these projects?

Rene Velasquez (21m 22s):
The answer to those two questions is very little, but yes, I do see that the potential, we've spoken to numerous banks, they have all expressed an interest in effectively exercising their loan book. Like they really want to deploy this capital and some of them have really enormous loan books that are available towards climate related initiatives. And many early on in kind of 2020 and 21 where we are looking at how they could really deploy that finance today. Again, it's this kind of situation around risk alleviation. They look at it very much in terms of that lens. And so they want it all, they're essentially saying great projects, you could build it at scale, fabulous. We can provide you debt financing, but you need to come back to us with the de-risking. And then the developer and their partner on the commercialization side might say, okay, great, how do we do that?

Rene Velasquez (22m 14s):
They say, well we need to have off take in place with some very reputable corporate buyers because ultimately we are taking their credit risk. Okay, so now you have to structure deals with a Microsoft and a Google and these types of big clients falsify them and then come back. And essentially how much of the total pipeline is now outlaid on terms of this de-risking? Then they do that analysis, okay, now there is sovereign risk associated with the country where the project activity exists. You have de-risked the commercial risk to a certain extent, there is still the sovereign risk, go and get us some insurance, right? So now you have to get sovereign risk insurance,

especially if corresponding adjustments are there and so on and so forth. And so essentially they want it all wrapped up in a beautiful package with a pretty pink bow on top and then they will unlock that financing and, and that's a really tedious route to go, but I understand it.

Rene Velasquez (23m 07s):
I think what we need is some catalytic financing, either through multilateral bank participation, sovereigns and others coming in, providing some level of guarantee around the types of projects that they will back and they look at it on a holistic basis to say, okay, show us a hundred different types of projects and we will rubber stamp effectively, you know, 10%, whatever it might be. But commercial banks can then take that paper and then effectively they can apply it and they start to become less stingy, let's say with that financing and then we can start to see more unlocking. There will be winners, there will be losers, they need also collateralization. That's where it's currently tricky right now because if there are any, aren't any assets, let's say you are planning a mangrove or a forest, it's not like they're familiar with these natural assets, right? They are familiar with airports and buildings, you know, something that they can, they can kind of take the keys back if you go under. And so a lot of the project developers might say, oh, you can get paid in a stream of carbon credits and then when the risk team to the banks try to price that, who's on the bid? And this is dislocation, right? So you, you need basically all the parts of the systems working, you need spot contracts, futures contracts, you need high level liquidity, et cetera. We are not necessarily seeing that. So it is a chicken and egg kind of thing, but it will be worked out.

David Greely (24m 22s):
Yeah, and it sounds like there are a number of pieces that sound very familiar from traditional natural resource markets. You know, I come from the energy side and it was very natural for energy companies, natural gas companies to get off, take agreements to lay off risk on the forward curve to kind of take the price risk out of the equation so that they could get that bank financing or debt financing. But as you said, it takes a financial ecosystem around it because you need a place to lay off the risk, you need insurance, you need a lot of these pieces that you are seeing it forming carbon markets, but it's not like it's been there for a long time. It's still relatively new. Do you see movement towards building out more of that financial infrastructure or is that the catalytic piece that you need some big first movers?

Rene Velasquez (25m 14s):
I think we are seeing it, and again I kind of refer to the bright spot I think on the, let's say durable CDR space. So think things like in enhanced rock weathering, direct air capture, these sorts of long duration assets with, with regards to sequestration of thousands of years BIOCHAR in the hundreds of years and then you start working down as you kind of go for these longer duration removals, there is appetite to go out there and well certainly there is demand on the off take side, but then as a result of that and the types of companies that are structuring these off takes to then provide that finance, it doesn't hurt that these are hard assets. Think CCUs, direct air capture things that have bells and whistles that have gauges that are there, they cannot be picked up and moved across and so banks I think understand that more from the project kind of financing piece.

Rene Velasquez (26m 05s):
I think when it comes to natural capital, I think that that's where it's a little bit tricky and ironically that's where the scale exists and so I think that bridging that gap is gonna be really tricky. I think the catalyst for that is ultimately this intersection with the Article 6 world. So as countries start to look at natural nature-based solutions as a natural resource essentially that they can export part of in order to trade with other countries, you then start to see sovereigns emerging as counterparties and that demand then flows into compliance markets in those other countries and so you start to see trade flow and you start to see bridges being built between country to country through this article six two bridge kind of creation. I think that that's really the catalyst and banks would obviously want to then take the paper of a sovereign, obviously there will be different ratings and different kind of costs for that finance, but that that I will I think start to unlock quite simply and the key piece is the corresponding adjustment. Once we start to see those start to flow and we start to see those better down in regulation, the bank's risk appetite really starts to emerge.

David Greely (27m 10s):
And I know you have taken a very entrepreneurial path in your own work and I was curious, what are you up to and how are you navigating the carbon markets these days?

Rene Velasquez (27m 22s):
Yeah, no, great question. I seem to be wearing lots of hats, Dave. I left a very comfortable job at a really great company after having built being part of a team, building up really great infrastructure and that that company was expansive and in order to pursue this

entrepreneurial journey. So what am I doing? The first thing that I did was to set up our own specialist advisory and, and portfolio management trading firm. It's called Valitera. So I work with three wonderful partners and we build a small team. We believe small is beautiful, we really want to focus on delivering high quality and services and really delivering value to our clients. The word value, it resonates a lot with us. It's actually called part of our name. People ask me, where did you get the name Valitera and its value, impact and earth. And we wanted the name to effectively be translated into multiple languages, Spanish talent and French, whatever it might be.

Rene Velasquez (28m 12s):
And we wanted something different that didn't have the word carbon in it. So we spent a lot of our time there speaking with both buy side and sell side clients, helping them to on the buy side to access and understand better the market. And so we provide market intelligence and then we help them to construct portfolios and effectively go out there and execute them. It's a playbook that's been run a number of times and I spent my career effectively doing that and essentially we are leveraging our expertise. So that's what I call the analog solution that I've been focusing on and it's been really great. We have an awesome team and a global presence I might add. And then the digital piece, it's funny roundabout way how it came about it, but effectively I came in as an angel investor to this, this startup and where the founder had this dream of building out effectively the Robin Hood for carbon markets.

Rene Velasquez (28m 57s):
Effectively his ambition was to democratize carbon markets. A few months in after writing the check, and ironically my partners ALS and I also wrote the checks. I said to the founder, Hey who is going to be running this and he said, I was hoping you could. So now I am also the CEO of company called Carbon Trade. Carbon Trade, and we are building exactly what I mentioned. Essentially we're starting up with the first product, which is a mobile app with the ambition to democratize access and participation in carbon markets. And we are trying to innovate and build that out. So we now announce that we'll come out of self-mode. We begin a beta testing pro process, I guess, or program, however you want to determine it in the next few days. And, and then we'll continue to iterate and build that and we hope to have something launched sort of by the end of the year.

Rene Velasquez (29m 41s):
There are some regulatory hurdles that we will need to overcome. So that's that and then part two of that kind of journey, I will keep listeners in, in suspense, but it follows that same trajectory around democratization. There are more folks than just the, the mom and pop and individual investors, but there are other folks that want to gain access to this market and find it very difficult too, just because we have as a market, made it difficult to access effectively. It's geared towards enterprise institutional investors. We have, I think, avoided or distanced ourselves or ignored retail and we have ignored SMEs. So I think to the detriment of liquidity and our thesis is that we want bring them back. We want to make the market accessible to everybody. We've seen some corollaries for that and we think that the timing is, is right to build that business. So that's what I'm spending my time on.

Rene Velasquez (30m 26s):
Like you, I also believe in distributing content to a wide audience with the ambition to help to share the knowledge, to make the market more accessible and quite selfishly, if anything that I would say or that other guests that I interview say can effectively motivate a young person to step into the market, maybe that young person is transformative and helps to come up with an idea to sort of bring the market forward. So I've got the carbon exposure project that keeps me busy, and then we just launched another one over Zoom call this week in carbon, so I'm pretty busy in the meantime, also raise a 4-year-old, and so ask me how much I sleep.

David Greely (31m 05s):
The last thing I wanted to ask you and, and the reason I asked you the prior question is because I think there are still a lot of young people, many being young people, or at least younger than you and I, who want to get involved in climate work, who want to get involved in carbon markets, carbon financing, project development, and I think that path has become less certain, more ambiguous, more difficult to access for many. So I was curious if, if you were to give advice for folks who now want to get involved, what would that advice be?

Rene Velasquez (31m 40s):
This is such a key area of passion for me. What I would say is focus on the problems that really resonate, that are either existential or that you think that you can provide value in terms of providing a solution for focus on solving those problems and you will find a very rewarding career path. Focus on the money lasts, right? The money comes, right? If you chase excellence and if you chase problem solving, investment comes great opportunity. Just focus on having fun. If you are young, turn out to live a very expensive lifestyle and

just focus on solving the problems. Cover markets as per our conversation, we have highlighted at this really amazing inflection point. They are growing, they need greater participation, challenging new ideas, challenging the status quo. We need new blood and some of that is disruptive, but some of that is really constructive. And I, I really think that because the young people I'm talking, you know, gen Z and eventually Gen Alpha, they are the ones that inherit the world right after you and I are gone, which may not be for a while, but ultimately they are the ones who inherit the planet next.

Rene Velasquez (32m 50s):
And if ourselves, our generation, our predecessors have left it in a much warmer context, they have now a vested interest to try to rectify that solution. So come up with solution, focus on that. Help to accelerate the energy transition, help to accelerate the growth in carbon markets, help to whatever motivates you, make something and deliver something we change.

David Greely (33m 14s):
Thanks again to Rene Velazquez, Managing Partner at Valitera. We hope you enjoyed the episode. We will be back next week with another episode of Carbon Frontiers 2025. We hope you will join us.

Announcer (52m 32s):
This episode is presented by Base Carbon, a financier of projects involved primarily in the global voluntary carbon markets. Base Carbon endeavors to be the preferred carbon project partner in providing capital and management resources to carbon removal and abatement projects globally and where appropriate will utilize technologies within the evolving environmental industries to enhance efficiencies, commercial credibility, and trading transparency. For more information, visit basecarbon.com. Base Carbon, sensible carbon investing.
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