



COMMODITY FUTURES TRADING COMMISSION

17 CFR Part 38

RIN 3038-AF63

Withdrawal of Commission Guidance

AGENCY: Commodity Futures Trading Commission.

ACTION: Notice of withdrawal of Commission Guidance.

SUMMARY: The Commodity Futures Trading Commission (the “Commission” or “CFTC”) is withdrawing final guidance published on October 15, 2024, titled “Commission Guidance Regarding the Listing of Voluntary Carbon Credit Derivative Contracts.”

DATE: The Commission is withdrawing the final guidance published at 89 FR 83378 (October 15, 2024) as of September 10, 2025.

FOR FURTHER INFORMATION CONTACT: Rahul Varma, Acting Director, (202) 418–5353, rvarma@cftc.gov, Division of Market Oversight, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street NW, Washington, DC 20581.

SUPPLEMENTARY INFORMATION:

Background

On October 15, 2024, the Commission published in the *Federal Register* final guidance for designated contract markets (“DCMs”) regarding the listing of voluntary carbon credit (“VCC”) derivatives contracts.¹ Specifically, the final guidance outlined factors for consideration by DCMs when addressing certain provisions of the Commodity Exchange Act (“CEA”), and CFTC regulations thereunder, that are relevant to the design and listing for trading of VCC derivatives contracts (the “VCC Guidance”). The VCC Guidance was intended to assist DCMs with understanding how the Commission’s existing regulatory framework applies to VCC

¹ Commission Guidance Regarding the Listing of Voluntary Carbon Credit Derivative Contracts, 89 FR 83378 (Oct. 15, 2024).

derivatives contracts. The VCC Guidance was also intended to help DCMs advance the standardization of such products in a manner that promotes transparency and liquidity.²

Withdrawal of Final Guidance

The Commission is withdrawing the VCC Guidance as section 5c of the CEA and Commission regulations in parts 38 and 40 already set forth the regulatory framework for listing VCC derivatives contracts.

After careful review, the Commission believes that the VCC Guidance provides limited value to DCMs when listing VCC derivatives contracts. The VCC Guidance, which is explicitly non-binding,³ does not create new compliance obligations or product listing standards for DCMs. As such, the VCC Guidance has not provided DCMs with any new regulatory structure or standards that resulted in the advancement of market transparency or liquidity for VCC derivatives contracts.

Further, VCC contracts should be evaluated in the same manner as any other derivatives contract listed on a DCM. The Commission's review of VCC derivatives contracts is consistent with its well-established approach for reviewing all derivatives contracts as set out in parts 38 and 40 of the Commission's regulations. As a result of issuing the VCC Guidance, the Commission believes that it placed a disproportionate focus on a particular class of derivative contracts, which could lead to confusion and inconsistencies in DCMs' implementation of the CEA and Commission regulations, as well as the Commission's application of the product listing regulatory frameworks in parts 38 and 40 of its regulations. A uniform regulatory framework for listing contracts on a DCM, as already established in the Commission's regulations, best serves market transparency, expectations, fairness, and integrity.

Executive Order 12866

² *Id.* at 83378 and 83385.

³ *Id.* at 83400.

The Office of Management and Budget has determined that this action is not a significant regulatory action as defined in Executive Order 12866, as amended, and therefore it was not subject to Executive Order 12866 review.

Pursuant to the Congressional Review Act,⁴ the Office of Information and Regulatory Affairs has designated this rule as not a “major rule,” as defined by 5 U.S.C. 804(2).

Issued in Washington, DC, on September 11, 2025, by the Commission.

Robert Sidman,

Deputy Secretary of the Commission.

NOTE: The following appendix will not appear in the Code of Federal Regulations.

Appendix to Withdrawal of Commission Guidance – Commission Voting Summary

On this matter, Acting Chairman Pham voted in the affirmative. No Commissioner voted in the negative.

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⁴ 5 U.S.C. 801 *et seq.*