



Dear Colleagues,

Carbon Credit Capital is pleased to send you its *Markettracker*, which will provide an edited bi-weekly snapshot of global climate change news.

## Market News

### Market Developments Tracker

#### European Energy Auction and New Values merge their activities into Climex, a leading spot CO2 exchange for EUAs and CERS

February 14, 2008

Euets.com and New Values have consolidated into Climex. Euets.com offers CO2 allowance trading for operators in the Czech Republic, Hungary, Poland and Slovakia. The merger will bring liquidity and simplicity to the second trading period of the European Union Emissions Trading Scheme (EU ETS). Barna Barth, CEO of Vertis Environmental Finance, which is a shareholder of Climex, says the spot trading will offer a cheaper alternative for the Central and Eastern European region to comply with the EU ETS. In addition, this merger is expected to bring full price transparency to carbon transactions.

*(Source: Climex Press Release)*

### Renewable / Alternative Energy Tracker

#### APS plans 280-MW solar power plant

February 21, 2008

Arizona Public Service (APS) plans to construct the Solana generating Station, a 280-MW concentrating solar power plant, by 2011. When operating at full capacity, it is expected that the Solana Generating Station will produce enough energy to serve 70,000 APS customers. The value of the energy supplied by the plant will be approximately US\$4 B over 30 years.

### Market Pricing EUA as of 2/26/2008

EUA 2008  
€21.28

EUA 2008  
week prior  
€21.70

EUA 2008  
month prior  
€21.03

EUA 2008  
year prior  
€15.15

*\*Source: Point Carbon - The prices above are equivalent to one metric tonne of carbon dioxide emissions*



[\(Source: Environmental Leader\)](#)

## Energy Efficiency Tracker

### IFC and China's Industrial Bank sign risk sharing agreement for energy efficiency

February 25, 2008

The International Finance Corporation has signed a risk-sharing agreement with China's Industrial Bank. The IFC will provide the Bank with a total of US\$210 M, with a first financing phase of US\$100 M so the Bank can begin granting loans to small and medium-sized businesses that are implementing energy efficiency projects. These energy efficiency projects are expected to reduce carbon dioxide emissions by 5 million tons annually.

[\(Source: Chinaview.cn\)](#)

## Project Tracker

### Fortis, UNDP announce first projects for MDG Carbon Facility

February 21, 2008

The United Nations Development Program (UNDP) and Fortis, a Dutch-Belgian finance group, announced the first four projects of the Millennium Development Goal (MDG) Carbon Facility. These four projects will fall under the Clean Development Mechanism and are expected to generate 15 million carbon credits during the Kyoto Protocol's first commitment period. Three of the projects are methane capture projects located in Uzbekistan, Macedonia and Yemen, while the fourth is a renewable energy project in Rwanda. The UNDP will help developing countries conceive emission-reducing projects, while Fortis will trade the generated carbon credits. All proceeds from the purchases will return to the developing countries and communities to help them finance the development of their economies, health, education, environment and equality.

[\(Source: Point Carbon\)](#)

## Investment Tracker

### US investors pledge \$10 B for renewable energy

February 14, 2008

Among several U.S. institutional investors at a United Nations summit, the California Public Employees' Retirement System, state treasurers or comptrollers of 11 U.S. states and other players pledged to invest US\$10 B in green technologies over the next two years. This investment commitment "reflects the many investment opportunities that exist today to put a dent in global warming pollution, build profits and benefit the global economy," said President of CERES and director of the Investor Network on Climate Risk, Mindy Lubber.

[\(Source: Reuters Interactive\)](#)

## Policy Tracker

### Korea to decrease CO2 emissions with the "Act on Climate Change"

February 24, 2008

The government of Korea has joined the fight against climate change with its recent legislation. Aspects of the "Act on Climate Change" are that it will develop an emissions trading market by 2009, increase the percentage of energy derived from renewable energy sources to 5% by 2012 and 9% by 2020, lend assistance in reducing industrial, home and vehicle emissions, and increase carbon capture through forestation efforts amounting to as much as 12 MtCO<sub>2</sub>.

*(Source: [ecoworldly.com](http://ecoworldly.com))*

## Forestry Tracker

### Voluntary market carbon credits paid from first rainforest project of its kind

February 2008

In pilot stage, the first avoided deforestation project in Indonesia has earned independent validation from the Climate, Community and Biodiversity Alliance (CCBA). The approved Indonesian project covers 770,000 hectares and the credits generated over 30 years have an estimated valuation of \$300-500 M, avoiding carbon dioxide emissions that would normally have resulted from logging and clearing for palm oil plantations. To protect the forest, the project plans to utilize locals as forest monitors, and will remunerate their efforts with carbon credits valued at US\$26 M over 30 years, thereby avoiding 100 million tons of carbon dioxide. "The project shows how solid partnerships with local communities are likely to deliver real reductions of greenhouse gas emissions by conserving a globally significant tract of rainforest," said the director of the CCBA, Joanna Durbin. The carbon credits of both projects can only be earned in the voluntary market since the United Nations does not approve of reduced emissions from deforestation and degradation (REDD) projects in the current Kyoto period of 2008-2012. Inclusion of REDD is being discussed for post-2012, at which point the project is likely to undergo full-scaled Kyoto introduction.

*(Source: [carbonpositive](http://carbonpositive))*

## Conferences

### [IQPC - Timberland and Investing Latin America Summit](#)

Sao Paulo, Brazil, 3/3/08 - 3/5/08

### [ACIORE - Washington International Renewable Energy Conference \(WIREC\) 2008](#)

Washington, D.C., USA, 3/4/08 - 3/6/08

[Point Carbon - Carbon Markets Insights Copenhagen](#)

Copenhagen, Denmark, 3/11/08 - 3/13/08

[Green Power Conferences: Biodiversity & Ecosystem Finance](#)

New York, New York, USA, 3/27/08 - 3/28/08

[Global Climate Change Associates - Introduction to Carbon Markets & Emissions Trading](#)

New York, New York, USA, 4/1/08

[The 7th Annual Wall Street Green Trading Summit](#)

New York, New York, USA, 4/2/08 - 4/3/2008

Please contact Stephen Donofrio at [sdonofrio@carboncreditcapital.com](mailto:sdonofrio@carboncreditcapital.com) with information about additional upcoming conferences you would like us to share with our readers.

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