



Dear Colleagues,

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

In this edition we have substituted some of our regular sections with reports on global warming and airline cap-and-trade inclusion; covering recent developments in each area that could have monumental effects on perception of greenhouse gas concentrations and climate change mitigation policy.

Kind regards,

Mark Chapman

### EUA Market Pricing

as of 7/1/2008

EUA 2008  
€28.70

EUA 2008  
week prior  
€27.55

EUA 2008  
month prior  
€26.45

EUA 2008  
year prior  
€21.68

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

### Market Developments Tracker

#### Carbon's Anticipated Domination of Global Financial Markets

June 30, 2008

Bart Chilton, head of the US Commodities Futures Trading Commission, believes that a US emissions market could lead to carbon's surpassing of all other commodities traded globally. The projected size of this futures market is US\$2,000B, which is considered a conservative estimate. Traders have increased confidence that a trading framework will develop during the next presidency as both candidates are in support of an emissions cap-and-trade scheme. In line with this new confidence is Barclays' launch of a new financial product on the NYSE that would allow investors to buy debt securities with performance linked to the bank's global carbon index.

### Conferences

EU EMISSIONS TRADING 2008  
7-8 July 2008, Brussels

CARBON MARKETS GOING GLOBAL  
9 July 2008, Japan

CARBON COUNTING 2008  
14-15 July 2008, Chicago

2nd US Carbon Finance Forum

[BusinessGreen.com](http://BusinessGreen.com)

## Global Warming Tracker

### North Pole Ice to Vanish for First Time in Recorded History

June 30, 2008

The National Snow and Ice Data Center in Boulder, Colorado has predicted that all ice will melt from the Arctic circle by this September or next summer at the very latest. The Northwest passage was free of ice last summer for the first time in known history. Both of these meltings are indicators of global warming and may actually lead to reduced emissions from shipping vessels that can take advantage of the shorter, newly-exposed routes. Scientists are not alarmed by the melting directly, as the ice was already floating and does not affect sea level rise, but there is concern over what the melting indicates about our planet's climatic response to global warming. Were North Pole oil reserves to be tapped, there would only be an increase in global warming.

[Daily Tech](http://Daily Tech)

## Airline Tracker

### EU Nearing Agreement on Inclusion of Airlines in Emissions Cap

June 30, 2008

Although not formally approved, the agreement to include airlines under an emissions cap has been reached in the EU. After 2012, all flights into, within and out of the EU will be subject to a deficit in pollution permits as only 95% of 2004-2006 emission levels will be acceptable. To achieve the 5% reduction in emissions, airlines will have a choice between not flying, purchasing permits from under-polluting airlines or offsetting their emissions through investment in greener aviation technologies. In each scenario, total emissions are reduced. At present, 85% of permits will be provided freely, while the remaining 15% will be obtainable only through auction - the cost of which is deemed highly unacceptable and unrealistic by both airlines and green groups.

[Euractiv.com](http://Euractiv.com)

## Investment Tracker

### Chilean Wind Farm to Receive \$140M Investment from SN Power

June 27, 2008

With 23 wind turbines, an installed capacity of 46MW and all necessary capital investment, the Coquimbo-based renewable energy project is poised to apply for registration and approval with the CDM Executive Board. Norway-based SN Power will be providing the financing through Norvind, its subsidiary of which it owns 80%. The remainder of Norvind is owned by Chile-based Centinela. The project's eligibility to generate and then sell a projected 65,000 carbon credits annually is the key factor for the investing party. This further underlines the importance of the CDM for attracting investment into an emerging market.

[Energy Business Review](http://Energy Business Review)

24-25 September 2008, New York

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



## Policy Tracker

### Australia Plans to Introduce Emissions Scheme Beyond 2010

June 30, 2008

If mis-executed, Australia's plans to take on an emissions cap-and-trade scheme in 2010 could lead to a decade-long economic burden for the country as a whole. Despite this possibility, and the definitive political opposition from the liberal party, Australia's Prime Minister Kevin Rudd is determined to keep Australia committed to emissions cap targets and to meeting them without delay. There is still some debate over what sources of energy and fuel will be included in the scheme, and whether funds generated should go explicitly toward research and development of renewable energy technologies or to businesses directly affected by the scheme. Green party leaders are seeking the inclusion of transport and forestry in the scheme.

[The Australian](#)

## Forestry Tracker

### Increasing Carbon Sequestration's Share of Global Trade

June 30, 2008

In an emissions trading scheme (ETS) report submission due this Friday, Australian National University professor Ross Garnaut is recommending that forestry in Australia be included in a national trading scheme to drive greenhouse gas policy. Presently under Kyoto, harvested wood products are perceived as a source of emissions by way of their production rather than as the carbon sinks that research findings are now showing them to be. The Australian timber industry is claiming that wood products are disadvantaged if not included in an ETS, where cement and steel producers are currently offered exemption from the scheme because of their exposure to trade and energy-intensive production processes.

[The Age](#)

## Cleantech Tracker

### Presidential Candidates' Stances on Green Investment

June 30, 2008

Environmental policy is a primary debate topic for US candidates seeking to take presidential office in 2009. Both Senators agree that a cap-and-trade framework in the US is mandatory, and differ mostly on the investment and emissions cap sizes necessary to sustain a functioning framework. Sen. McCain supports the giving of carbon permits to energy producers so that their savings from not purchasing the permits may be used for developing carbon-reducing technology. Sen. Obama's plan would be to auction 100% of the permits and deliver earnings to low income American families stressed by rising energy prices as well as to research and development groups capable of quickly producing renewable energy technology applications.

[CNNMoney.com](#)



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