



## Solar Days

April 2009

Confidential not to be copied or distributed

# Agenda

- Carbon Offsets and Global Prescription for Reducing Emissions
- Market for Carbon Offsets
- How Carbon Offsets Work

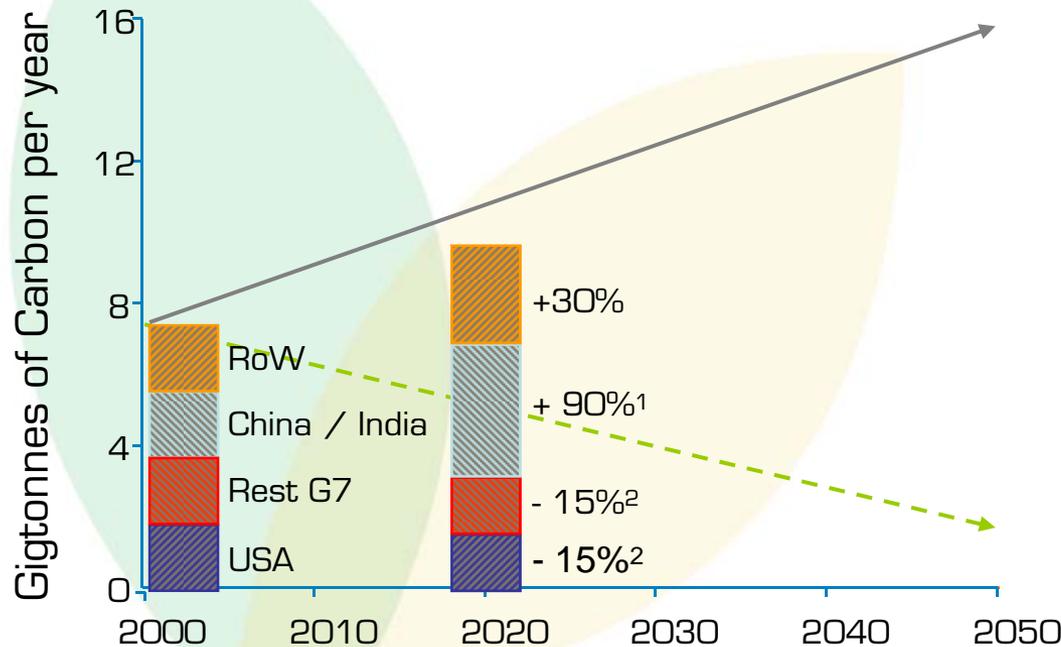
- Carbon Offsets and Global Prescription for Reducing Emissions
- Market for Carbon Offsets
- How Carbon Offsets Work

Society has chosen to measure its contributions to climate change through measuring carbon footprint

The carbon footprint is measured in terms of tons of carbon dioxide emitted and determined by adding up the impact of all greenhouse gases generated by a specified activity.



# Growth in the developing world presents a challenge for reducing carbon emissions



## 4 key levers to drive GHG reductions

1. Reducing demand for energy intensive goods
2. Increasing efficiency of energy intensive processes
3. Switch to low carbon power generation technologies
4. Take action on non energy emissions – avoid deforestation

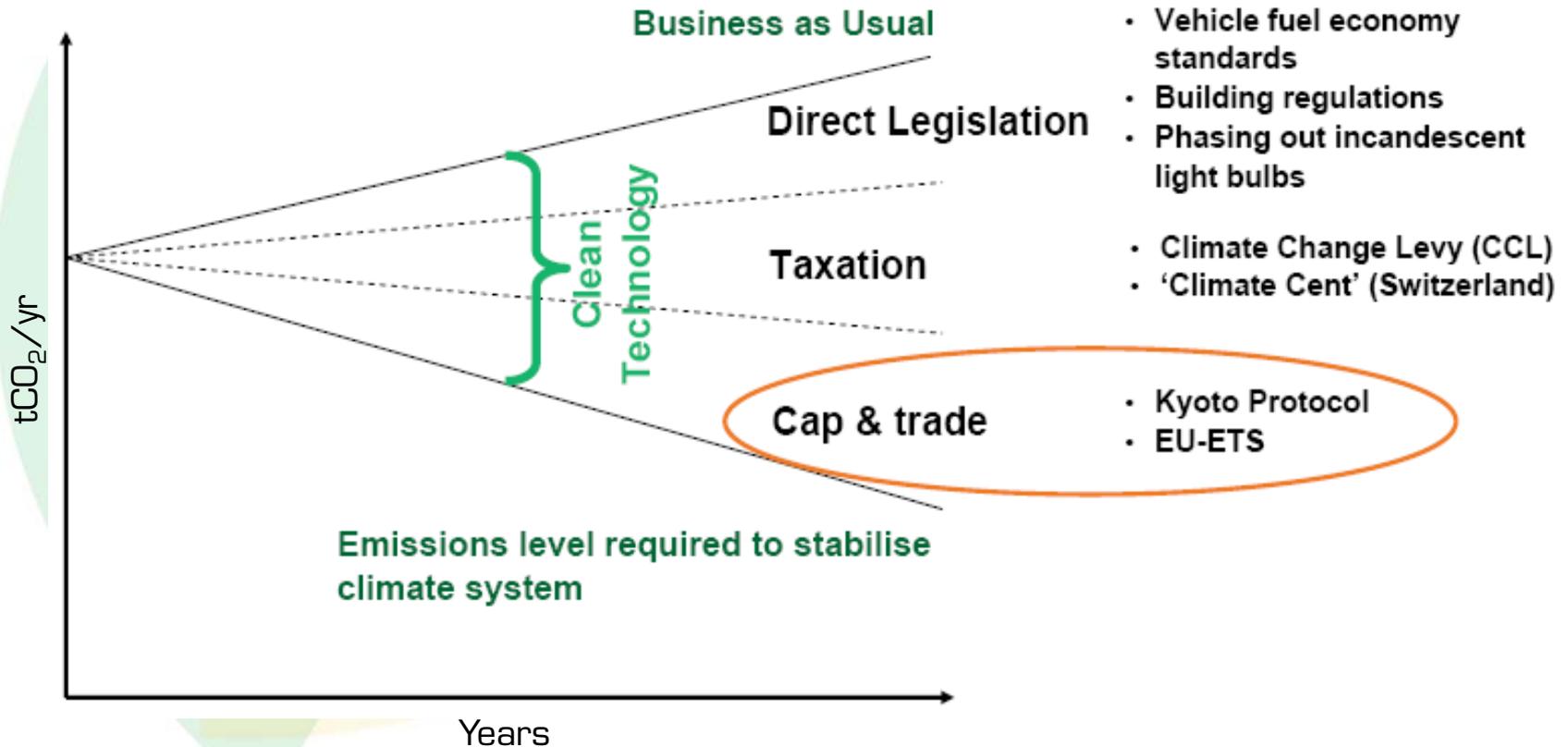
1. China's National Energy Strategy Policy aspires to limit growth in energy to half that of GDP. Under current projections that will double China's energy use by 2020 predominantly through coal fired power stations – Source: World Resources Institute. India – In the best case scenario in which renewable energy is expanded forty fold CO<sub>2</sub> emissions could rise from 1 gigatonne to 4 gigatonne per annum by 2031/2 – Source: Institute for Public Policy Research, Jan 08.

2. TCNC analysis including the optimistic assumption the US, Japan, Russia & Canada take on binding targets in line with European Union commitments.

## First steps have been taken

- Carbon footprint as a measure of greenhouse gases
- Information gathering globally and locally, as well as building global database of effective strategies to manage GHG emissions
- Government regulation of carbon
- Green building standards
- Awareness and need for action has driven the development of the **carbon market**

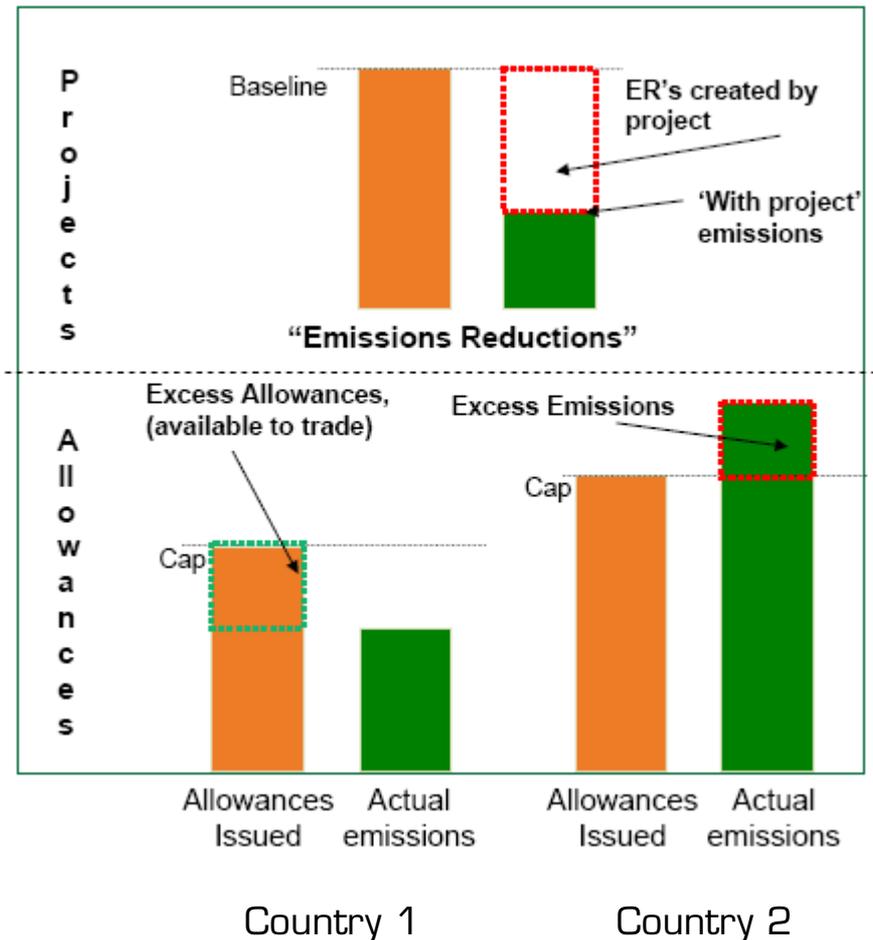
# The basic idea behind the carbon market



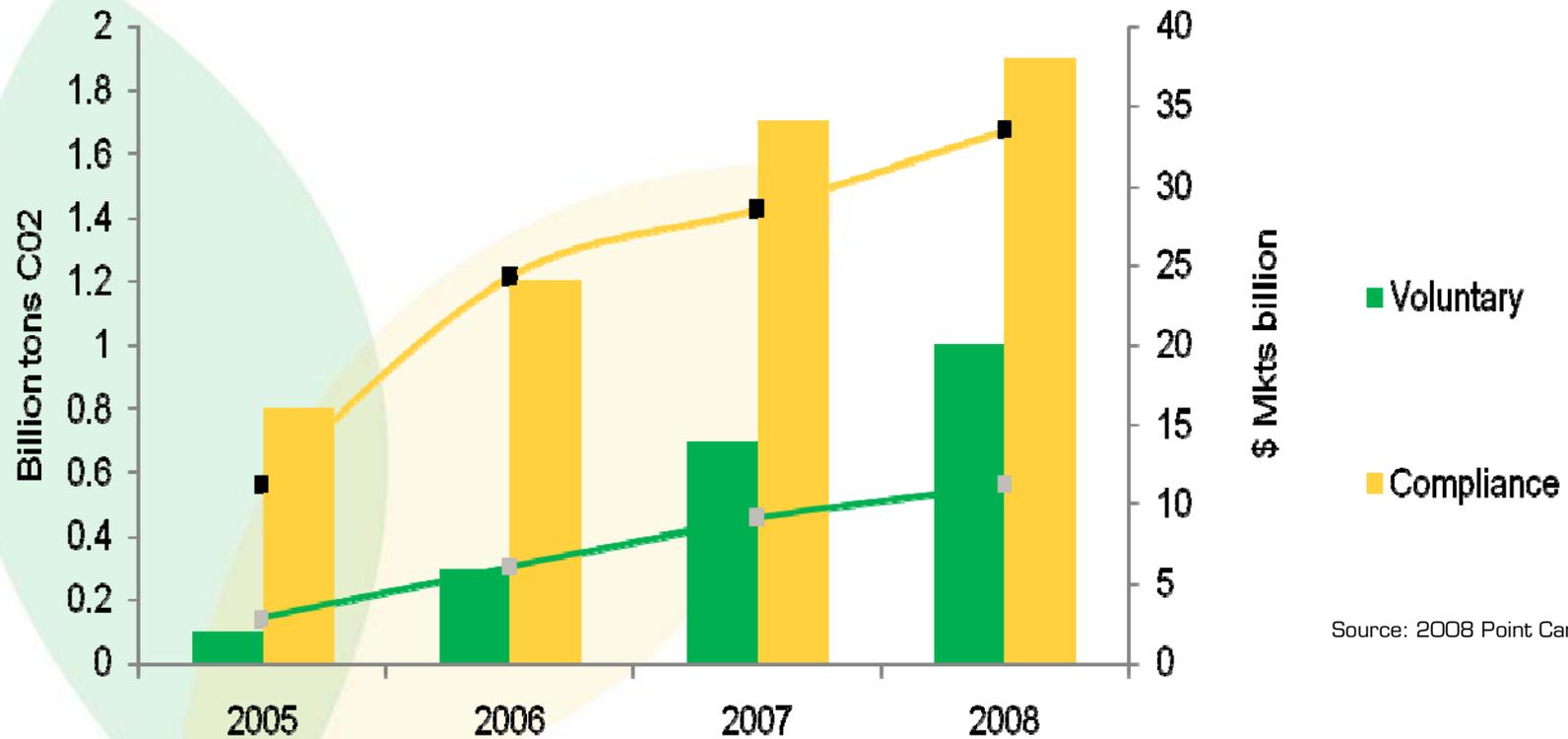
- Carbon Offsets and Global Prescription for Reducing Emissions
- Market for Carbon Offsets
- How Carbon Offsets Work

# Carbon offset instruments

- 2 types of carbon instruments:
  - Project-based credits
  - Allowances
- A project-based credit is an emission reduction compared to business as usual resulting from an activity (the 'project')
- Allowances designed for compliance purposes
- Both types of instruments created in units of 1tCO<sub>2</sub>e



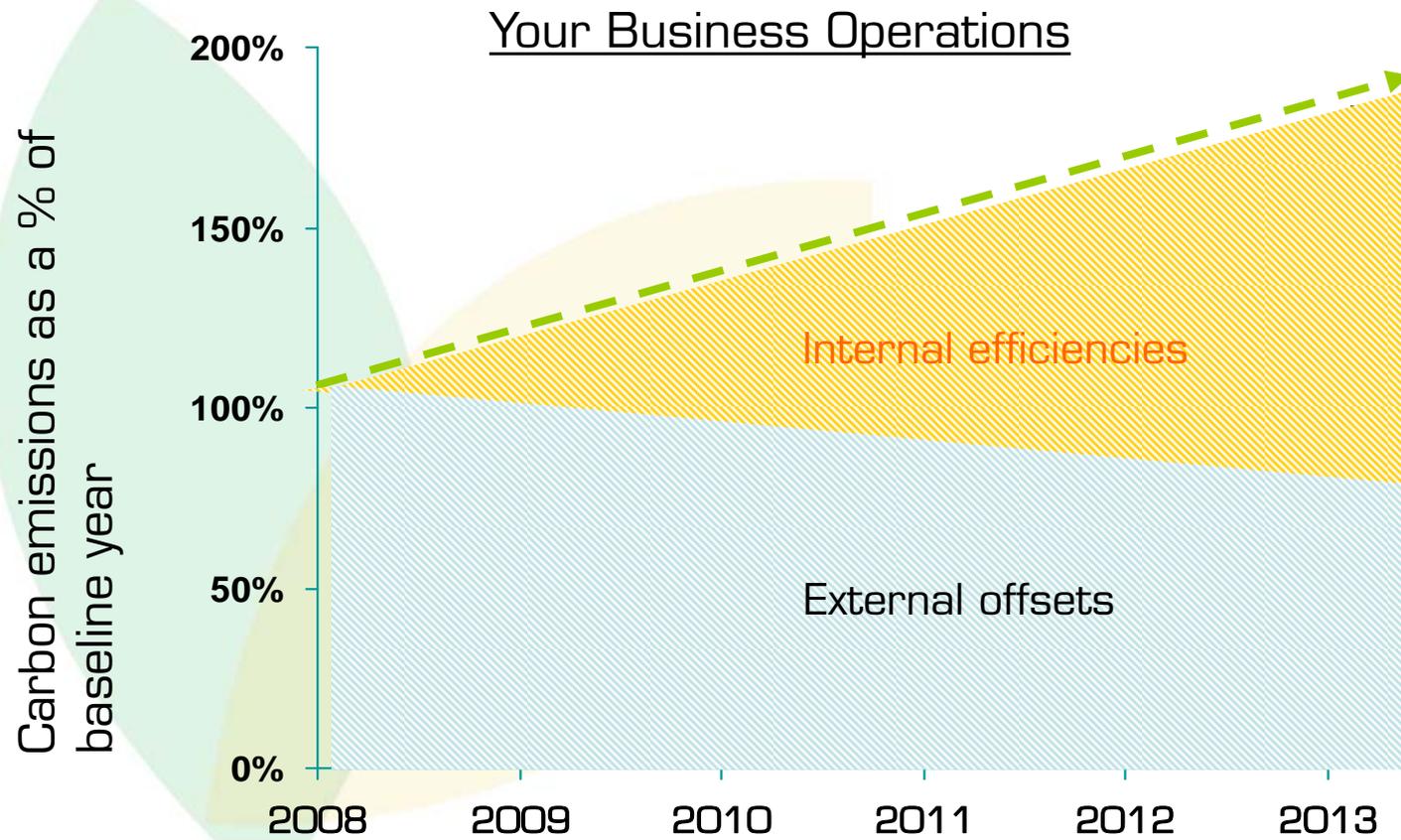
# The size of the market



Source: 2008 Point Carbon

- Carbon Offsets and Global Prescription for Reducing Emissions
- Market for Carbon Offsets
- How Carbon Offsets Work

# Credibly responding to climate change





# Using Offsets to Become Carbon Neutral

## Business as Usual

Existing Building

AED100,000/  
year electricity  
and water  
costs

Footprint  
2,000 tons  
per year

*Driven by:*  
Energy shortages  
High operating costs  
Old equipment

## Reduce Emissions

AED400K  
upgrade to  
HVAC

↓

200 ton  
CO2  
reduction

AED75,000/y  
ear electricity  
and water  
costs

Footprint  
1,800 tons  
per year

*Driven by:*  
Product differentiation  
New market development  
Investor relations

## Aim for Carbon-Neutrality

Footprint ZERO  
=  
Carbon-Neutral

# Examples of carbon offset projects

Energy Efficiency



Coal Mine Methane



Livestock Methane



Solar Power Generation



Hydro Generation



Wind Power Generation



## Contact

### **EcoVentures FZ LLC**

**Office 332  
Building 10  
Dubai Media City  
Dubai, UAE**

**Tel: +971 (4) 3901692  
Fax: +971 (4) 3904557**

**Email: [karan.yadav@ecoventures.ae](mailto:karan.yadav@ecoventures.ae)**