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Carbon credit market

CERs to rise 75% this year; India accounts for 43% of

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In the backdrop of an increasing threat of global climate change, the worldwide carbon credit market is expected to grow by nearly 75 per cent in 2008.

"The carbon market size, which was 40 billion Euro in 2007, is likely to grow up to 60-70 billion Euro in 2008," said Rajesh Srivastava, managing director, Rabo India Finance, speaking at an international conference on carbon credits on Friday.

The revenue size of the global carbon credit market

was about 5 billion Euro in 2006 and grew to 40 billion Euro last year.

Carbon credits or Certified Emission Reductions (CERs) are given through the Clean Development Mechanism (CDM) Executive Board - the highest international body under the Kyoto Protocol - to register projects and issue credits to industrialised countries investing in clean projects in developing countries.

The financing country uses these credits to offset its carbon emissions and meet its emission reduction target under the Kyoto Protocol. On the other hand, the

recipient country gains from an increase in investment in its renewable projects.

India, at present, holds nearly 43 per cent (28 million tonnes) of the certified carbon credits issued so far by the CDM Executive Board. The country is also actively participating in CDM projects. Of a total of 1,047 projects registered by the CDM Executive Board till May 5, about 32 per cent are registered in India alone, the highest among all other eco-conscious nations. This has directed investments in renewable energy and energy efficiency projects.

set for big leap

emission reductions issued by global body

CLEAN AND GREEN



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- The revenue size of the global carbon credit market was about €5 billion in 2006 and grew to €40 billion last year
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- The financing country uses credits to offset its carbon emissions and meet its emission reduction target under the Kyoto Protocol