

# There's money to be made in carbon credits

*India has a potential of \$10 billion, climate meet told*

## CONVENTION ON CORPORATE RESPONSE TO CLIMATE CHANGE

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SANJAY BAID/HT

Delegates at the "Convention on Corporate Response to Climate Change" in Palampur on Saturday.

**Aman Sharma**  
 Palampur, June 9

THE THREAT posed by climate change can be turned into a huge business opportunity by corporates while helping cleaning up the planet and reversing the damage caused to environment.

Speaking to mediapersons here today at the "Convention on Corporate Response to Climate Change", World Council for Corporate Governance (WCCG), UK,

president Madhav Mehra said even though the per capita carbon emission in India was one of the lowest in the world, the country was yet to get its due.

Calling upon the need to focus on renewable sources of energy and to cut down on use of fossil fuels, Mehra said agricultural waste, which held a power generation potential of 80,000 MW, was being wasted in India. "This huge potential is required to be

to be tapped in the right earnest," he said.

Former Planning Commission Member and World Environment Foundation chairman S.Z. Qasim said farm products could be used to produce ethanol, which could generate power. He suggested a national policy could be formulated in this regard.

When asked about the changes the WCCG had brought about at the ground level, Mehra said they were acting as a catalyst to

### What are carbon credits?

CARBON CREDITS are a tradable commodity under a permit scheme that came into being under the Kyoto Protocol, a treaty signed by around 140 countries to cut down greenhouse gas (GHG) emission. The credits provide a way to reduce GHG emissions by giving them a monetary value. The concept of carbon credit rewards those countries which meet their targets and provides financial incentives to others to do so as quickly as possible. One credit is equal to 1 tonne of carbon dioxide reduced.  
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bring awareness among people regarding environment issues.

Claiming there was a huge disparity in carbon trading, the WCCG president said for 1 tonne of carbon credits, the US was paid \$300, while it was merely \$13 for India.

"India has a potential of \$10 billion worth of carbon credits, but is unable to capitalise the advantage owing to lack of information. It is for this reason that the World Environment Foundation (WEF) is proposing to set up an India Climate Exchange, which would collaborate with both the Chicago Climate Exchange and the European Climate Exchange to ensure that Indian companies got a good price for their carbon emission reduction," Mehra said.

Citing a few examples, he said medium-sized companies in India like SRF or Gujrat Flourochemicals, had registered their projects under the Clean Development Mechanism (CDM) and the carbon credits gained by these companies were in excess of their respective turnover.