

The Carbon Market:



Taking it to the Next Level

Carbon Expo 2007

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Overall Question

**“What will be required to take the
Carbon Market to the Next level?”**

**Please single out the main
challenge you see ahead.”**



Products: Sparks & Darks, Structured Products and CER Hedging...

- Karim Kanji, Barclays

The Carbon Market has certainly witnessed fast and innovative approaches to staying sharp in the carbon game. Which type of structures do you see trading in the market, and, what products are likely to enter the carbon arena in the short and long term future?



Players

- Miguel Albero, Grupo Santander

The successful development of the EU ETS would not have been possible without the support of the financial industry. How could financial players further improve their carbon services and play a role in maturing the market? Do you see new players entering the arena globally?



The Role of the Insurance Industry

- Ben Lashkari, Swiss Re

Who will pay for Rita and Katrina? Estimates point to destruction costs over 40 billion US\$. How does the reinsurance industry anticipate their involvement in such events?



Covering Risks: Counter-party defaults, undelivered credits...

- David Manuel, AIG

Not only does Climate Change lead to increased natural catastrophes, but the number of Carbon Risks involved for market participants have become apparent. What do you see as the major risks for players in the market, and, how could these risks be covered?



Project Investment

- Jose Luis Curbello, Cofides

Investing in CDM projects presents both opportunities and challenges. Could you identify the main developments required to make the market more attractive to investors? Is the CDM market already showing signs of maturity similar to other more established markets?