



# **Carbon Tracing**

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## **Building the Carbon Economy**

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CADER Conference 2010  
The Power of Aggregation



# The Politics of Climate Change

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## US:

- Kerry-Lieberman-Graham US Senate Legislation
- California's AB 32 and the drama
- Western Climate Initiative, RGGI and others

## Global Markets:

- China
- India
- Europe

# Needs and Requirements

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- **Transparency:** Market transparency
- **Verification:** No effective, generally accepted financial verification or rating processes. Lot's of “footprints” with no dollars!
- **Valuation:** Buyers and sellers need the true value and rating of carbon assets – credits, allowances, offsets and projects
- **Integrity:** Price fluctuation and double counting were epidemic under Kyoto
- **Credibility:** Francis Sullivan, environment adviser at HSBC, said he found “serious credibility concerns” in the offsetting market
- **Setting a Price on Carbon:** We cannot move forward without establishing a price on carbon

# Reality

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- **Corporations:** Recognize that their valuations will be based on their ability to comply and sustainability programs.
- **Compliance:** Imperative and will be part of year end audits throughout the world
- **Economics:** Driving recovery requires participation in the global trading of these new carbon-based commodities

# What is missing?

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- Trusted sources for the global carbon markets
- Analytics, decision support, real-time and historical data, best practices, verification and rating tailored for this market
- US standards and leadership