

# **Training Programme on Carbon Finance and Trading**

**Organized by TERI**

**19–22 May 2008**

**India International Centre Annexe**

The objective of this training programme is to provide the Indian corporate houses with an understanding of the future opportunities and issues that shall be affecting the carbon finance and trading. This would ensure that the corporate houses are better prepared for any sort of unforeseen changes and better equipped to take benefit of the opportunities arising from the market in future.

This training programme is the first of its kind in India and covers the whole spectrum of carbon finance and trading, including the potential future variants of global carbon markets, and their implications on the Indian business. The programme will have representation from key players of the industry to ensure a judicious mix of theoretical as well as practical aspects involved in the topic. Participants will also undergo hands-on training that will make them better prepared in the identification of potential opportunities in their respective organizations.

## **Day 1**

### **19 May 2008: Understanding the climate change challenge and environmental commodity markets**

The first day of the course will introduce the participant to the climate change challenge, the international processes, and the opportunities offered to the developing countries, particularly to India, by these processes. The participants will also be introduced to the basics of the environmental commodity markets and successful examples of such markets from all over the world. Evolution of carbon markets, including CDM (Clean Development Mechanism), would also feature in the talks.

09:30–10:00	Registration/tea
10:00–10:10	Welcome Remarks <i>Dr. Y P Abbi, Senior Fellow, TERI</i>
10:10–10:20	Introduction to the training programme <i>Dr. Vivek Kumar, Associate Fellow, TERI</i>
10:20–11:30	Climate change and its impacts on business <i>Prof. Lloyd C. Irland, Lecturer and Senior Research Scientist, Yale University</i>
11:30–12:00	Tea/coffee
12:00–13:15	Mechanisms for addressing climate change (UNFCCC, Kyoto Protocol, CDM) and India in the climate change debate <i>Dr. Vivek Kumar, Associate Fellow, TERI</i>
13:15–14:00	Lunch
14:00–15:00	Introduction to environmental commodity markets <i>Prof. Lloyd C. Irland, Lecturer and Senior Research Scientist, Yale University</i>
15:00–15:30	Tea
15:30–16:15	Status and trends of global carbon markets <i>Mr. Charles J. Cormier, Sr Carbon Finance Specialist - South Asia Region, The World Bank</i>
16:15–17:00	CDM project cycle and developments in India <i>Dr. Y P Abbi, Senior Fellow, TERI</i>
17:00–17:30	Discussion

## **Day 2**

### **20 May 2008: CDM – Walk through PDD exercise**

The second day of the course is designed to enhance understanding on the carbon market, particularly the CDM. Addressing the issues involved in PDD (project design document) development would set the tone for the day's deliberations. The participants will also be introduced to the issues in validation and verification of CDM project and what constitutes a good project. The second half of the day would

involve hands-on exercise on CDM PDD (Project Design Document) development. Selected business opportunities introduced by the participants will be discussed, and the participants will be trained on how these opportunities could be transformed into a CDM project.

09:30–11:00	Issues in PDD preparation – baseline design, monitoring and verification, environmental impacts, sustainable development, stakeholder comments  <i>Dr. Y P Abbi, Senior Fellow, TERI</i>
11:00–11:30	Tea/coffee
11:30–12:30	Issues in PDD validation, verification and examples of good and bad PDDs  <i>Mr. Ramesh Ramachandran, DNV</i>
12:30–13:30	Lunch
13:30–17:30	CDM project development – hands-on exercise  <i>Dr. Y P Abbi, Senior Fellow, TERI</i>

### **Day 3**

#### **21 May 2008: Negotiating a carbon deal**

Day 3 of the programme will deliberate on carbon finance, the concept, and the related issues. Key areas of concern vis-à-vis the negotiations leading to the signing of ERPA (Emission Reduction Purchasing Agreement) and carbon transactions would be highlighted. The role played by carbon exchanges in carbon trading and other environmental markets will also be discussed extensively. The module will also showcase opportunities offered by voluntary carbon markets.

09:30–11:00	Carbon finance and potential carbon finance opportunities <i>Prof. Lloyd C. Irland, Lecturer and Senior Research Scientist, Yale University</i>
11:00–11:30	Tea/coffee
11:30–13:00	Negotiating carbon transactions, including ERPA <i>Dr. Inderjeet Singh, Senior Manager, PricewaterhouseCoopers Pvt. Ltd</i>
13:00–14:00	Lunch
14:00–15:00	Role of carbon exchanges in carbon trading and other environmental markets <i>Mr. K. Shanmugam, Chief Economist, MCX</i>
15:00–15:30	Tea
15:30–16:30	Voluntary carbon market opportunities <i>Mr. Prabhat Upadhyaya, Research Associate, TERI Dr. Mohit Gera, Senior Fellow, TERI</i>
16:30–17:00	Discussion

#### **Day 4**

#### **22 May 2008: Tracking developments with carbon markets – implications on businesses**

The concluding day of the programme will discuss the role of carbon finance in promoting sustainable business initiatives in developing countries besides contributing towards mitigating climate change. For greater benefits, it is important to explore the possibility of integrating carbon finance with project finance, and, thus, catalysing EST (Environmentally Sound Technologies) deployment and significant GHG (greenhouse gas) emission reductions. Implication of potential carbon taxes in industrialized countries on Indian business will also be covered.

09:30–11:00	Role of carbon finance in catalysing sustainable business practices, including EST deployment <i>Dr. Pradeep K Dadhich, Senior Fellow, TERI</i>
11.00–11.30	Tea/coffee
11.30–13.00	Potential variants of low carbon development measures (carbon tax, incentives – regulatory or voluntary) <i>Dr. Prodipto Ghosh, Distinguished Fellow, TERI</i>
13:00–14:00	Lunch
14:00–15:30	Carbon market in future climate change regime, Cap and trade mechanisms and their implications on businesses in developing countries <i>Prof. Lloyd C. Irland, Lecturer and Senior Research Scientist, Yale University</i> <i>Dr. Prodipto Ghosh, Distinguished Fellow, TERI</i>
15:30–16:00	Tea
16:00–17:00	Participants' feedback and valedictory

\* Speakers to be confirmed