



Carbon Asset  
Development

Project Finance



# Carbon Asset Development

## Integrated Carbon Solutions

First Climate is a global leader in the purchase, development and management of carbon assets and in the provision of carbon investment advisory services. We provide integrated solutions for the entire spectrum of stakeholders in the carbon market – from project developers, sellers of carbon credits, investors and financiers to governments, industry and corporate clients. First Climate's global network of offices, subsidiaries and partners allows us to identify and develop high quality climate protection projects globally.

First Climate is active both in project development and as a buyer and manager of emission reduction credits on behalf of investors, corporate clients and for our own portfolio.

We are also a leading provider of climate neutral services and advisor on corporate offsetting strategies. We originate and purchase Verified Emissions Reductions (VERs) verified according to the highest internationally recognized standards such as Gold Standard and VCS, and retire them on behalf of our clients.

## First Climate mainly develops the following projects types:

- ▶ Renewable energy (hydro, wind, bio fuels, biomass and solar)
- ▶ Energy efficiency in infrastructure and industrial processes
- ▶ Waste to energy
- ▶ Fuel switch

## Effective generation of carbon credits

We ensure from the outset that your project will qualify for carbon credits so that resources are allocated effectively. We have expertise in a range of baseline and monitoring methodologies, including pioneering methodologies to allow new project types to qualify for credits. We work with you to develop bankable contractual and financial structures and ensure your project attracts funding. First Climate has exclusive access to dedicated equity funds and an extensive network of contacts and partners in the financial markets. We also finance carbon related development costs such as Project Design Document (PDD) and validation and registration fees through our Carbon Credit Development Facility (CCDF). Our in-country offices and subsidiaries have local knowledge and can provide technical and project management support as well as ongoing monitoring.

Through our trading operations, we maximize the pricing of your carbon credits with a range of flexible pricing and payment structures. We always provide an ample choice of reliable buyers to purchase your credits.

## Finding suitable and sustainable projects

We ensure that the project generating your carbon credits is appropriate for your specific requirements, effectively developed and monitored. We review the quality of the asset and developer to ensure long term sustainability of the carbon credits.

## Maximizing returns and minimizing risks

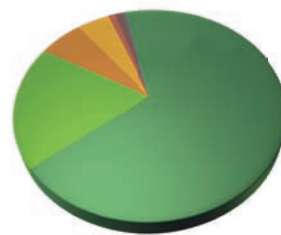
We aim at maximizing the returns on your equity and help structure suitable exit options. Through effective contractual structuring, regulatory mechanisms, and the careful selection of business partners, we minimize the risks on your equity.

## Effective debt management

We ensure that the project is effectively managed from a debt perspective, backed by suitable security arrangements and meets applicable financial ratios and tests. We aim to standardize the financial and contractual structures across projects so that they can be bundled to achieve critical funding size. Active involvement by First Climate from the start minimizes the due diligence burden on the project and the developer. In the development of the project, we aim to ensure adherence to the Equator Principles on environmental and social policies and processes.

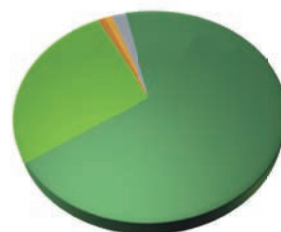
## Projects under contract by type

### CDM/JI Projects



- Renewable energy (68%)
- Energy efficiency (19%)
- Waste to energy (6%)
- Fuel switch (4.5%)
- Landfill gas flaring (1%)
- Cement industry (1%)
- Forestry (0.5%)

### VERs



- Renewable energy (69%)
- Energy efficiency (27%)
- Waste to energy (1%)
- Fuel switch (1%)
- Others (2%)

As of September 2008





## Competence Areas

First Climate has expertise in the entire project cycle from identification and assessment of the emission reduction potential, methodology development and contractual structuring through to project implementation and monitoring. Our experience in the carbon market paired with technical, commercial, and financial know-how ensures that developed projects are viable and sustainable. First Climate has worked with a number of leading technology providers, project developers, equity investors and financial institutions in providing comprehensive carbon solutions.

### Project Appraisal

First Climate has developed both high-level and comprehensive assessment techniques and financial models to determine project viability and project suitability to generate carbon credits.

### Registration and Certification Support

Our team of experts will guide you through the registration process under the Kyoto Protocol, assist with documentation, and facilitate certification under different voluntary market standards.

### Methodology Development

We develop new baseline and monitoring methodologies for a range of technologies to enable new project types to qualify for the carbon market. Examples include a new methodology for the production of biodiesel from dedicated plantations which was approved by the CDM Methodologies Panel in September 2007, and a methodology for N<sub>2</sub>O abatement in the industrial sector.

### Technology Support

Through our experience with viable technologies and alliances with various European technology suppliers, First Climate can advise on appropriate technology solutions.

### Project Structuring

We develop bankable contractual and financing structures to attract equity and debt financing. We assess and mitigate project risks through judicious contractual structuring and careful selection of supply chain partners.

### Purchasing Credits

Our trading operations offer a range of pricing mechanisms and payment structures.

### Technical, legal and financial due diligence

Our experts assist in conducting detailed project due diligence for equity investors and debt providers.

### Equity and Debt Financing

Through our extensive network in the financial market and exclusive arrangements with dedicated carbon funds, we provide access to financing sources for projects and assist in financing negotiations and documentation.

### Post-registration Operations

After successful registration under the Kyoto Protocol, we offer ongoing support for monitoring, verification and issuance of carbon credits.

**firstclimate**<sup>2</sup>  
your carbon solutions partner

- ▶ A reliable partner with a solid track record in the voluntary and compliance carbon markets
- ▶ Comprehensive and integrated solutions for the complete carbon project cycle and for all stakeholders
- ▶ Pioneer in methodology development for new project types
- ▶ Strong presence in both buyer and seller markets
- ▶ Attractive purchasing conditions oriented to current market prices, flexible payment structures and pricing mechanisms, and reliable buyers
- ▶ Financing of carbon related management costs, such as PDD development, validation and registration fees through our Carbon Credit Development Facility (CCDF)
- ▶ Access to dedicated carbon equity funds and an extensive network of domestic and international financial institutions

## Contact

### Carbon Asset Development

#### Germany

First Climate (Germany) GmbH  
Industriestr. 10  
61118 Bad Vilbel - Frankfurt/Main  
Germany  
Phone: +49 6101 5565820  
Fax: +49 6101 5565877  
E-Mail: [cad@firstclimate.com](mailto:cad@firstclimate.com)

#### Switzerland

First Climate (Switzerland) AG  
Stauffacherstrasse 45  
8004 Zurich  
Switzerland  
Phone: +41 44 298 28 00  
Fax: +41 44 298 28 99  
E-Mail: [cad@firstclimate.com](mailto:cad@firstclimate.com)

#### United States of America

First Climate LLC  
1401 New York Avenue NW, Suite 1225  
Washington, DC, 20005  
USA  
Phone: +1 202 331 33 63  
Fax: +1 202 331 33 83  
E-Mail: [washington@firstclimate.com](mailto:washington@firstclimate.com)

#### Latin America

First Climate (Latin America) Ltda.  
Isidora Goyenechea 3162, Piso 7  
Las Condes  
Santiago 6760215  
Chile  
Phone: +56 240 65 00  
Fax: +56 240 65 55  
E-Mail: [chile@firstclimate.com](mailto:chile@firstclimate.com)

#### China

First Climate (Beijing) Ltd.  
Shimao Mansion  
Building A, N°807  
Jia 92 Jianguo Road, Chaoyang District  
100022 Beijing  
PRC  
Phone: +86 10 85 80 03 16  
Fax: +86 10 85 80 03 17  
E-Mail: [china@firstclimate.com](mailto:china@firstclimate.com)

#### United States of America

First Climate LLC  
315 Montgomery Street, 8th Floor  
San Francisco, CA 94104  
USA  
Phone: +1 916 847 91 46  
Fax: +1 415 829 43 04  
E-Mail: [sanfrancisco@firstclimate.com](mailto:sanfrancisco@firstclimate.com)

### Project Finance

First Climate (Switzerland) AG  
Stauffacherstrasse 45  
8004 Zurich  
Switzerland  
Phone: +41 44 298 28 00  
Fax: +41 44 298 28 99  
E-Mail: [pf@firstclimate.com](mailto:pf@firstclimate.com)

