

News March 2006

The following are summaries of news stories from the March 2006 print edition of [Environmental Finance](#) magazine

Carbon buyers look east

The anniversary of the entry into force of the Kyoto Protocol last month was marked with the first steps towards establishing its Joint Implementation (JI) system. This market mechanism could unlock hundreds of millions of tonnes of carbon emissions reductions from, among other countries, Russia and Ukraine, analysts say.

But, while carbon market specialists welcomed the first meeting of the JI Supervisory Committee, and are enthusiastic about the mechanism's potential, they are already raising concerns about a lack of funding for the committee.

MGM close to landmark carbon credit deal

Carbon project developer MGM International is finalising negotiations to sell a portfolio of carbon credits representing some 40 million tonnes of carbon dioxide reductions. The Latin America-based company – working with investment bank Morgan Stanley – is hoping to reach agreement with several buyers by early March for this first tranche of the MGM Carbon Portfolio. It brings together certified emission reductions from 8–10 Clean Development Mechanism projects, predominantly in Latin America.

Price negotiations were still under way as of mid-February, but the portfolio is likely to be worth some €400 million–500 million, making it one of the largest carbon deals concluded.

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