

## 16.03.06 MGM to guarantee delivery of 25 per cent of its project portfolio

**MGM International, which develops projects through the Clean Development Mechanism and aggregates carbon credits generated from greenhouse reduction schemes, will next week launch a carbon portfolio which will guarantee the delivery of certified emissions reductions.**

MGM has enlisted the support of Morgan Stanley as 'payment agent' meaning the investment bank will provide support for all transactions.

MGM said the portfolio will buy CERs from sellers and then immediately sell these carbon credits to buyers at the same prices and conditions, which the company said would boost profits for sellers and lower transaction risks for buyers.

"Buyers benefit because they acquire the carbon credits they need to meet their emission reduction targets, from projects in several countries and industries, and not from an individual project that carries higher non-delivery risk," said Marco Monroy, CEO of MGM.

The project developer said that 25 per cent, or around 10 million, of its first tranche CER portfolio - which stands at 40 million carbon credits - would be sold as guaranteed delivery.

MGM develops projects mainly in Latin America in sectors such as fuel switching, renewables, landfill gas and destruction of potent greenhouse gases such as nitric acid and HFC-23.

*London*