

Press release

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The United Nations issued the first Certified Emission Reductions (CERs) from a Gold Standard validated and verified project. The 4.5 MW biomass power project in rural India boasts sustainability benefits in the market to date.

Copenhagen - March 14 2007 – South Pole Ltd. announces the successful issuance of 77'294 CERs from the 4.5 MW Biomass based power generation unit at Malavalli Power Plant Pvt Ltd. The project has been successfully validated and verified by DNV as a Gold Standard (GS) CDM project, and the CERs to be issued are expected to be the first ever CERs of Gold Standard quality. The project is currently undergoing the final stage of Gold Standard review and is slated to become the first formal GS project when the Gold Standard label is awarded to the issued CERs on March 19th 2007.

“This project not only delivers emission reductions but also tangible contributions to sustainable development. Although relatively small in size, the project supports the local economy by creating 500 fulltime jobs,” said Dr. Christoph Sutter, Managing Director of South Pole Ltd. “We will sell these CERs for a premium price to interested buyers that are looking for the best available quality.”

“The Gold Standard is pleased to see projects like Malavalli in the market, as they reflect the spirit of the Kyoto Protocol and the underlying purpose of CDM. As the market is subject to increasing criticism regarding its ability to stem climate change, projects like Malavalli contribute to a long-term solution while keeping social equity and development imperatives in mind,” said Jasmine Hyman, Marketing Director for the Gold Standard Foundation.

The 4.5 MW biomass power project was implemented in rural India using different types of low-density biomass waste. Prior to the project, this waste was either burnt on the fields or left to decay. Malavalli project enables local farmers and labourers to become entrepreneurs in the procurement business. In order to ensure stakeholder participation, project promoters organised a platform called Grameena Udyog Samithi for local farmers. They also established Grameena Abhivrudhi Mandali, an NGO that manages power distribution, billing and revenue collection for the project.

Additional sustainability benefits include the implementation of a 100% ash utilization scheme involving the production of organic fertilizer that is subsequently redistributed to local farmers, thereby promoting organic farming.

The Malavalli Power Plant Private Limited sets a clear example of premium quality in the CDM and how Gold Standard projects can reduce greenhouse gas emissions and provide tangible sustainability benefits at the same time.

The CDM components including Gold Standard documentation were developed by South Pole Carbon Asset Management and the Swiss-based MyClimate Foundation, which is also the first buyer of CERs from this project. South Pole is currently selling 50,000 issued CERs as well as future CER streams from the project.

A short movie about the project can be watched at:
<http://www.southpolecarbon.com/movies.htm>

About South Pole Ltd.

South Pole Ltd. is a carbon asset management company sourcing and developing premium emission reduction projects that contribute significantly to sustainable development.

It was founded in 2006 by highly experienced carbon market professionals from McKinsey&Company, myclimate foundation, and 500 PPM GmbH. It builds upon the large CDM experience of its founders, who have advised successfully registered CDM projects with a forecasted volume of more than 100 million tCO₂e by 2012.

South Pole is systematically securing its Gold Standard project portfolio by implementing innovative applications of the CDM. This includes strategic collaborations with selected technology providers and programmatic CDM models. The company has offices in Zurich and Bangkok.

About The Gold Standard

The Gold Standard is a NGO initiative that provides a set of tools to develop emission reduction projects that result in real, additional emission reductions, promote the transition to sustainable energy systems and secure both local and global sustainable development benefits. The Gold Standard criteria are additional to the CDM requirements, but do not replace them. Projects applying the criteria are awarded with the Gold Standard label for premium quality carbon credits. To date, 38 NGOs internationally have endorsed the Gold Standard as formal supporters, including David Suzuki Foundation, Pembina Institute, WWF, REEEP, Greenpeace, and SouthSouth-North. Informal support was expressed by both business and government organisations.

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