

3rd New Values Master Class

On 22 February 2006

In the Lloyd Hotel, Oostelijke Handelskade 34,
Amsterdam, Netherlands

Theme

This year's Master Class Theme:

"Will Emission Trading survive the first trading period?",

The central issues will be:

- What has happened so far?
- How did prices develop?
- What was driving the market?
- And of course what can be expected in 2007 and in the second period (2008 until 2012).

The Theme will be highlighted from 4 perspectives:

- The environmental perspective: Do we have an environmental problem and does the ETS system contribute to solve this problem?
- The political perspective: The Carbon Market is a market created by the European Community. What can be expected during the second period and how will politics contribute to ensure the working of the market?
- The traders perspective. How does a professional trader see the Carbon Market? Why is it worth while to put effort into it? What are the expectations for 2007 and the second period?
- The analytical perspective. What has happened on the Carbon Market from an analytical point of view. How did the market develop and which were the drivers? What can be expected for the future?
- The New Values perspective. How has New Values developed, how will New Values anticipate the future and what can everyone expect from New Values.

Objectives Master Class

Because Carbon Trading is relatively new and many industrial companies are still hesitant to actively participate, an important target of the Master Class is not only to give information but also to provide the opportunity to learn from participants and to listen to their views and opinions, so we can all learn from each other and improve our understanding of this market's developments.

Programme elements

Enclosed, you will find the programme and the names of the speakers. Basically the programme consists of two elements:

- Market developments and its key drivers so far.
What has happened in 2006 on both the EUA market and the CER/ERU/Voluntary markets and what can be learned from this? What can we expect in 2007? What are the expectations for phase II and beyond?
- The New Values Proposition; the one-stop-Carbon-shop for industries
New Values offers much more than just EUA Spot trading. It provides industries with the possibility to buy and sell all Carbon related products and fully manage their Carbon portfolio in an easy manner and at low costs.
The workshops are intended to offer participants the opportunity to learn more about specific services (Intermediary Tool, Broker Function, Auction Platform) and products (CERs, ERUs, VERs, Secondary CERs) and explain how New Values and the Climex Alliance can support with trading these products.

Programme

Time	Subject
Wednesday 21 February 2007	
20.00	<p>Pre Master Class Dinner</p> <p>All participants for the Master Class arriving the night before are invited for an informal dinner at Panama Restaurant which is a 5 min. walk from the Lloyd Hotel.</p>
Thursday 22 February 2007	
09.00 – 09.30	Registration
09.30 – 09.40	<p>Welcome</p> <p><i>Axel Posthumus, New Values</i></p> <p>Introduction Moderator for the day: <i>Frank Sprenger, Sustainable</i></p>
09.40 – 10.10	<p>Mitigation of Climate Change from a Meteorological Perspective</p> <p><i>Arie Kattenberg, KNMI</i></p> <p>What is causing climate change? Is it really happening? Which measures are necessary to reduce global warming? What will be the effect of CO₂ emission trading?</p>
10.10 – 10.30	<p>Market Analysis</p> <p><i>Christoph Grobbel, McKinsey</i></p> <p>What has happened on the Carbon Market from an analytical point of view. How did the market develop and which were the drivers? What can be expected from the future?</p>
10.30 – 10.50	<p>Political/EU View</p> <p><i>Speaker not yet confirmed</i></p> <p>The Carbon Market is a market created by the European Community. What can be expected during the second period and how will politics contribute to ensure the working of the market?</p>
10.50 – 11.10	Coffee and Tea Break
11.10 – 11.30	<p>Traders Perspective</p> <p><i>Louis Redshaw, Barclays</i></p> <p>How does a professional trader see the Carbon Market? Why is it worth while to put effort in it? What are the expectation for 2007 and the second period?</p>
11.30 – 11.50	<p>New Values Viewpoint</p> <p><i>Axel Posthumus, New Values</i></p> <p>How has New Values developed, how does New Values anticipate on the future and what can everyone expect from New Values.</p>
11.50 – 12.15	<p>Panel Discussion</p> <p>Is the Carbon Market going to survive the first period? What will happen on the market? What will be the best strategy.</p>

12.15– 13.30	<p>Lunch</p>
	<p>WORKSHOPS</p> <p>New Values believes it is beneficial and important to manage your Carbon Portfolio and spread the risks over different products (EUAs, CERs, ERUs), even if you are only a medium sized compliance operator.</p> <p>The workshops will offer you the chance to learn more about the options and instruments available to do so and the related opportunities and risks.</p> <p>During the morning we will ask you to register for one of the following workshops:</p>
13.30 – 14.30	<p>Workshop 1: How to Manage your EUAs as an Asset and the Instruments to do so</p> <p><i>Speaker not yet confirmed</i></p> <p>Industries who have received EUAs are sitting on an enormous asset. Two years down in the first phase, most of these industries have not really started to be active yet. This workshop will look into the instruments available for managing your Carbon portfolio and the related opportunities and risks.</p>
	<p>Workshop 2: The Climex Platform Services; the Auction Platform, the Intermediary Function and Broker Function</p> <p><i>Axel Posthumus, New Values</i></p> <p><i>Roman van Woerden, New Values</i></p> <p>This workshop explains how a number of new services of New Values function and what they can offer you.</p> <p>The Auction Platform makes it possible to design your own auction and to trade (cleared) EUAs, CERs, ERUs and VERs in an easy way and with extra attention from participants.</p> <p>The Intermediary Function has been designed for multinational industries and parties who trade on behalf of others. It offers the possibility to create and manage sub-accounts.</p> <p>The Broker Function offers brokers and other parties the opportunity to clear trades over the platform.</p>
	<p>Workshop 3: Secondary CERs</p> <p><i>Louis Redshaw, Barclays</i></p> <p><i>Sascha Bloemhoff, New Values</i></p> <p>Buying CERs from CDM projects is a complicated process, which requires a lot of knowledge and the resources to acquire, contract and manage CDM projects which are located in Asia, Africa or Latin America. Secondary CERs offer smaller and inexperienced traders the possibility to buy CERs in a less risky and complicated way. This workshop explains how this works, what is important in the contract, what the risks are and how secondary CERs can be sold and bought over the Climex Platform.</p>

	<p>Workshop 4: The Ins and Outs of JI <i>Barna Barath, Vertis Environmental Finance</i> <i>Tames Rietdijk, New Values</i></p> <p>Information on the legal and technical aspects of JI. Current state of affairs in JI development, cycle and methodologies. Explanation of the differences between the EU JI countries and the non-EU countries. Possibilities for compliance industries and traders.</p>
14.30 – 15.00	Coffee & Tea Break
15.00 – 16.00	Repeat workshops 1, 2, 3 and 4
16.00 – 16.30	<p>Summary of the Day, What's Next and Closing <i>Frank Sprenger, Sustainable</i> <i>Axel Posthumus, New Values</i></p>