

PRESS RELEASE

Winners announced in annual *Environmental Finance* magazine market survey

Top brokers, dealers, service providers named in fast-growing environmental markets

London, 13 December, 2006: The readers of *Environmental Finance* magazine have voted Barclays Capital the best trading company in Europe's fast-growing carbon emissions trading scheme (ETS). Evolution Markets took Best Broker honours, with CO2e and TFS Energy sharing runner up, while consultancy ICF International was voted Best Advisory company.

UK-based EcoSecurities was voted Best Project Developer in the Kyoto Project Credits category, which covers the Kyoto Protocol's Clean Development Mechanism and Joint Implementation markets. CO2e won Best Broker, and US carbon asset manager Natsource took Best Trading Company, in this category.

Among other service providers in the EU ETS, Clifford Chance was voted Best Law Firm, the Best Verification Company award was taken by SGS, and the European Climate Exchange was voted Best Exchange.

Volumes in the EU ETS have risen dramatically this year, with some €18.8 billion worth of carbon dioxide allowances traded in the first nine months of the year, according to World Bank figures. This compares to around €8.2 billion in 2005 and, with the European Commission at the end of November slashing proposed carbon targets for the next phase of the scheme (2008-12), activity in the market looks set to rocket.

Elsewhere, broker Evolution Markets was voted Best Broker, North American Carbon Markets, where interest in carbon trading is beginning to build following plans announced in 2006 to establish greenhouse gas markets in California and nine North-eastern states. Evolution also won a slew of placings in the US non-carbon markets – the 'grand-daddies' of emissions trading schemes, first set up in the 1990s to tackle acid rain and smog.

The survey – in its seventh year – also covered other environmental markets, including those for renewable energy certificates (green certificates) in North America, Europe and Australasia, and the rapidly growing weather derivatives markets.

In weather derivatives, investment bank Merrill Lynch and reinsurance giant Swiss Re vied for honours in the Best Dealer positions, while TFS Energy once more swept the board in the broker categories.

"Environmental markets look set for steady growth in the coming years, with a global carbon trading system seen as a key tool to address greenhouse gas emissions," said Mark Nicholls, editor of *Environmental Finance*, noting that Sir Nicholas Stern's recent review of the economics of climate change emphasised the importance of just such an emissions trading system.

"Thousands of companies across Europe will face challenging greenhouse gas reductions from 2008, given the hard line that the Commission has taken on the emissions targets proposed by

member states,” Nicholls added. “Emissions trading will be vital to help them meet these targets at least cost – and our readers have identified those companies likely to be best placed to help them.”

More than 900 companies voted in the annual survey, conducted for the seventh time by *Environmental Finance*, the leading international magazine covering environmental markets, investment, and risk management. Around 2,000 companies known to have an interest in environmental markets were e-mailed during October and November, and asked to vote in those markets in which they have direct experience.

The results are to be published in the December 2006-January 2007 issue of *Environmental Finance* magazine. The full results, accompanied by articles which provide background and context about the various markets, can be downloaded from www.environmental-finance.com/envfin/06survey.pdf

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