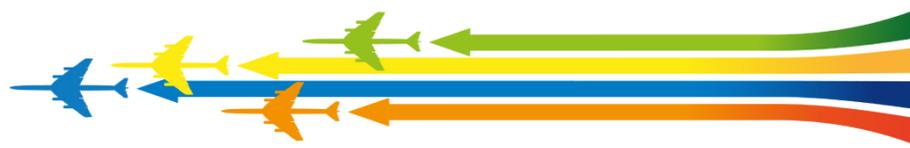




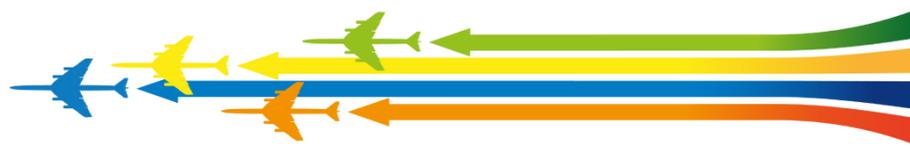
ICAO

UNITING AVIATION

E-GAP

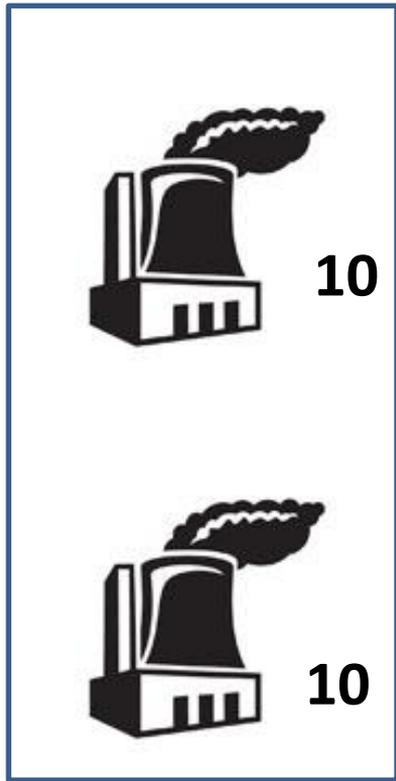


ICAO Global Aviation Partnerships on Emissions Reductions (E-GAP) Multiplying Environmental Action



Market-Based Mechanisms (MBMs):

Before the Cap



Total emissions: 20

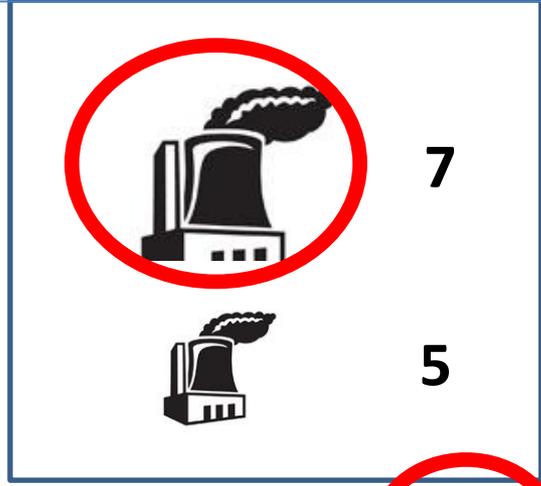
Core Concepts

The Cap (example):
Each polluter must cut pollution by half

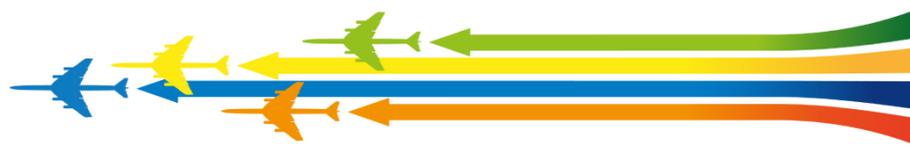


Allowance units: 10

Uh-Oh! What if one polluter can't cut enough?



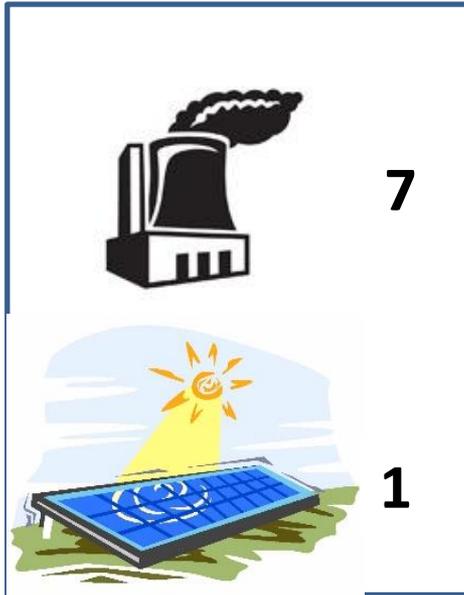
Total emissions: 12



MBM Core Concepts: The Trade

If one can't cut enough...

and another innovates and cuts its emissions below its cap...



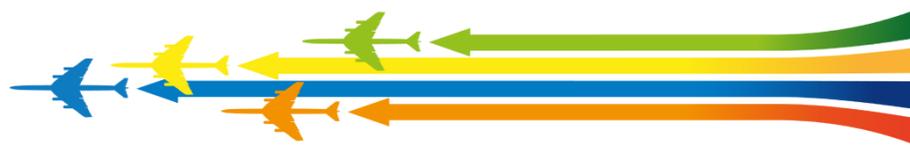
The innovator can transfer surplus allowance units...

...which the other can use to “offset” emissions above its cap...
2 allowances

Total Emissions: 8

...so both comply!



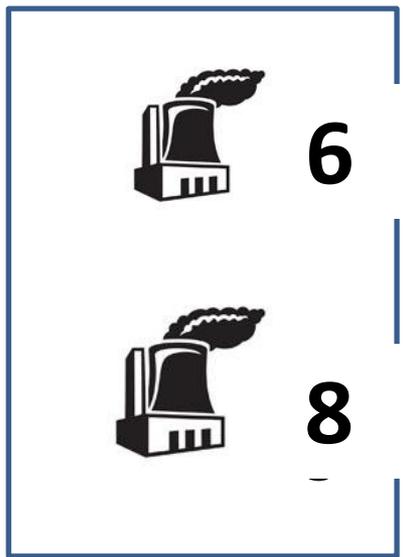
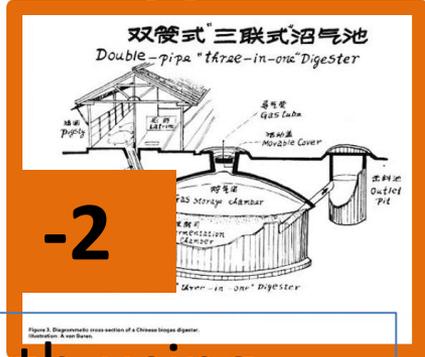


MBM Core Concept: Offsetting

Industry cap= 10
(example)

To meet the cap...

-2



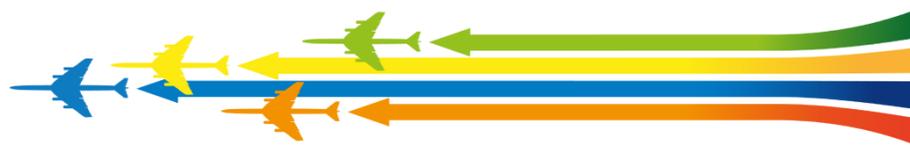
- ...Offset emissions growth using
- Allowance units
 - offset credits from projects that cut emissions below what would have otherwise occurred
 - reduce emissions from deforestation (REDD+)

-2



Total: 8 (net)





COMPLIANCE MARKETS

VOLUNTARY MARKET

ALLOWANCES
Emissions trading schemes
Eg. EUA, AAU, CAA

OFFSET CREDITS
Approved offset crediting systems
Eg. CDM, JI, CA offsets

OFFSET CREDITS
Validated offsetting projects
Eg. Gold standard, VCS, ISO-14064

Auction

Exchange traded
Eg. (SPOT), ICE (DER)

OTC
Eg. CPEQ

OTC
Eg. CPEQ

Exchange traded

OTC

Exchange traded
Eg. CTX

Emissions Unit Buyer



CPEQ Environmental Markets Trading Platform

- During the conference, the presentation will be online and cover the following:
 - Why a CPEQ Platform (EMTP)?
 - What products are traded on EMTP?
 - Who can post an Invitation to trade?
 - How do I get a User ID?
 - Is EMTP just for Quebec participants?
 - Is the process anonymous?
 - What are the fees to use EMTP?
 - Are requests to buy or Sell on EMTP binding?
 - Is the Platform regulated?



The Environmental Markets Trading Platform

Number of Allowances		Number of Offset Credits	
Bid	Offered	Bid	Offered
70000	100000	10000	12780
Best price for an Allowance		Best price for an Offset Credit	
Best bid	Best offer	Best bid	Best offer
CAD 13.00\$	USD 12.69\$	USD 10.30\$	USD 11.90\$

Various instruments exist to protect the quality of the environment and prevent its deterioration. The regulatory tools are the best known, but governments also resort to best practices guides, pollution prevention plans, subsidies granted conditionally on compliance with environmental standards, royalties and taxes.

During the past decade, we have also seen that the logic of the markets has been applied to serve the environment, granting companies a limited quantity of emission rights for a substance, with the possibility of [trading](#) these rights. Companies that succeed in reducing substance emissions beyond the fixed thresholds are able to sell their surplus rights, while companies that are unable to reduce their emissions below the fixed threshold must procure such emission rights on the market. These are cap-and-[trade](#) mechanisms, another economic instrument used to protect the quality of the environment and prevent its deterioration.

One of the first models of this kind was adopted in 1995, by the United States, to fight air pollutants. The U.S. federal authorities enacted the Clean Air Act in 1990. Its provisions to curb acid rain addressed the reduction of sulphur dioxide (SO2) and nitrogen oxide (NOx) emissions, by instituting emissions quotas applicable to the American [energy](#) sector.

- WCI REGULATED MARKETS
 - Posted requests
 - Add a request to buy/sell
 - Your posted requests
 - FAQ
 - Other resources
- OTHER REGULATED MARKETS (TO BE ANNOUNCED)

For any question or comments or to advise of any unreasonable or fraudulent use of the platform please communicate with us at 514-393-1122 or info@cpeq.org

Major Sponsors





Posted requests

Type	Vintage (year)	Category	Trier par	Order
- Any -	- Any -	- Any -	Unit price	Asc

Appliquer

<p>Buy</p> <p>10 000 Units X USD 10.30\$</p> <p>Year : 2015</p> <p>Quebec Offset credits</p> <p>Project for destruction of CH4 from landfill site</p>	<p>24 AUGUST 2015</p> <p>NO 2015-30</p>
<p>Sell</p> <p>7 500 Units X USD 11.90\$</p> <p>Year : 2015</p> <p>California Offset Credits</p> <p>Ozone Depleting Substances Compliance Offset Protocol</p>	<p>18 AUGUST 2015</p> <p>NO 2015-30</p>
<p>Buy</p> <p>50 000 Units X USD 12.61\$</p> <p>Year : 2015</p> <p>Emission Units</p>	<p>21 NOVEMBER 2014</p> <p>NO 2014-21</p>



REQUEST TO BUY / SELL

WCI CARBON MARKET

A request to buy or sell can only be posted if you hold an account at CITSS.

**All fields are compulsory*

Type
 Sell Buy

YOUR CONTACT INFORMATION

Company name	Contact name
<input type="text"/>	<input type="text"/>
Telephone	
<input type="text"/>	
(514-123-4567)	
Email	Verify Email
<input type="text"/>	<input type="text"/>

CARBON CREDITS

CITSS account	Username CITSS
<input type="radio"/> Emitter <input type="radio"/> Participant <input type="radio"/> Distributor	<input type="text"/>
Quantity	Currency
<input type="text"/> Units	<input type="text" value="CAD"/>
	Unit price
	<input type="text"/> €
Category	
<input type="text" value="- Select a value -"/>	



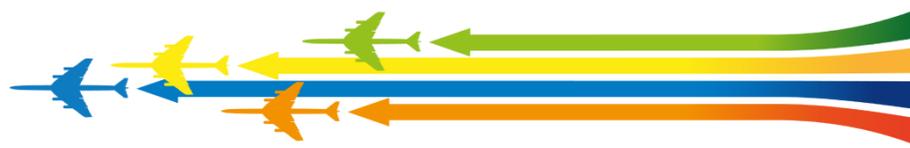
ICAO

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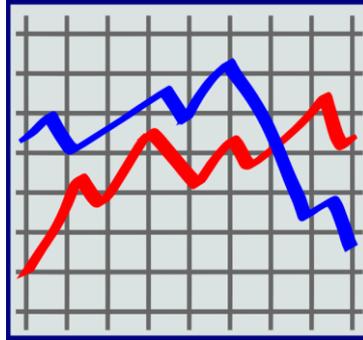
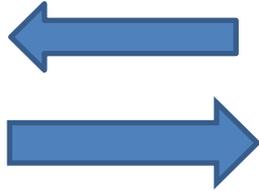
E-GAP



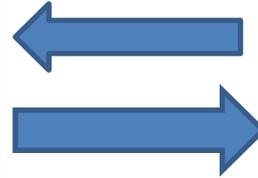
A real transaction
(Volunteers, please!)



Buyer



Broker (Account Holder)



Seller
CA1114-1119



Category
Select a value

[XLS] [2013 Compliance Report - Air Resources Board](#)



The emissions units Annie purchased have been retired!
(Cleaner air)



[For more information:](http://www.arb.ca.gov/cc/capandtrade/guidance/chapter5.pdf)

<http://www.arb.ca.gov/cc/capandtrade/guidance/chapter5.pdf>



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UNITING AVIATION

E-GAP



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UQÀM

ICAO Global Aviation Partnerships on Emissions Reductions (E-GAP) Seminar
ICAO Headquarters, Montréal, 16 to 17 September 2015

ENV2015