

VOLUNTARY CARBON OFFSETS

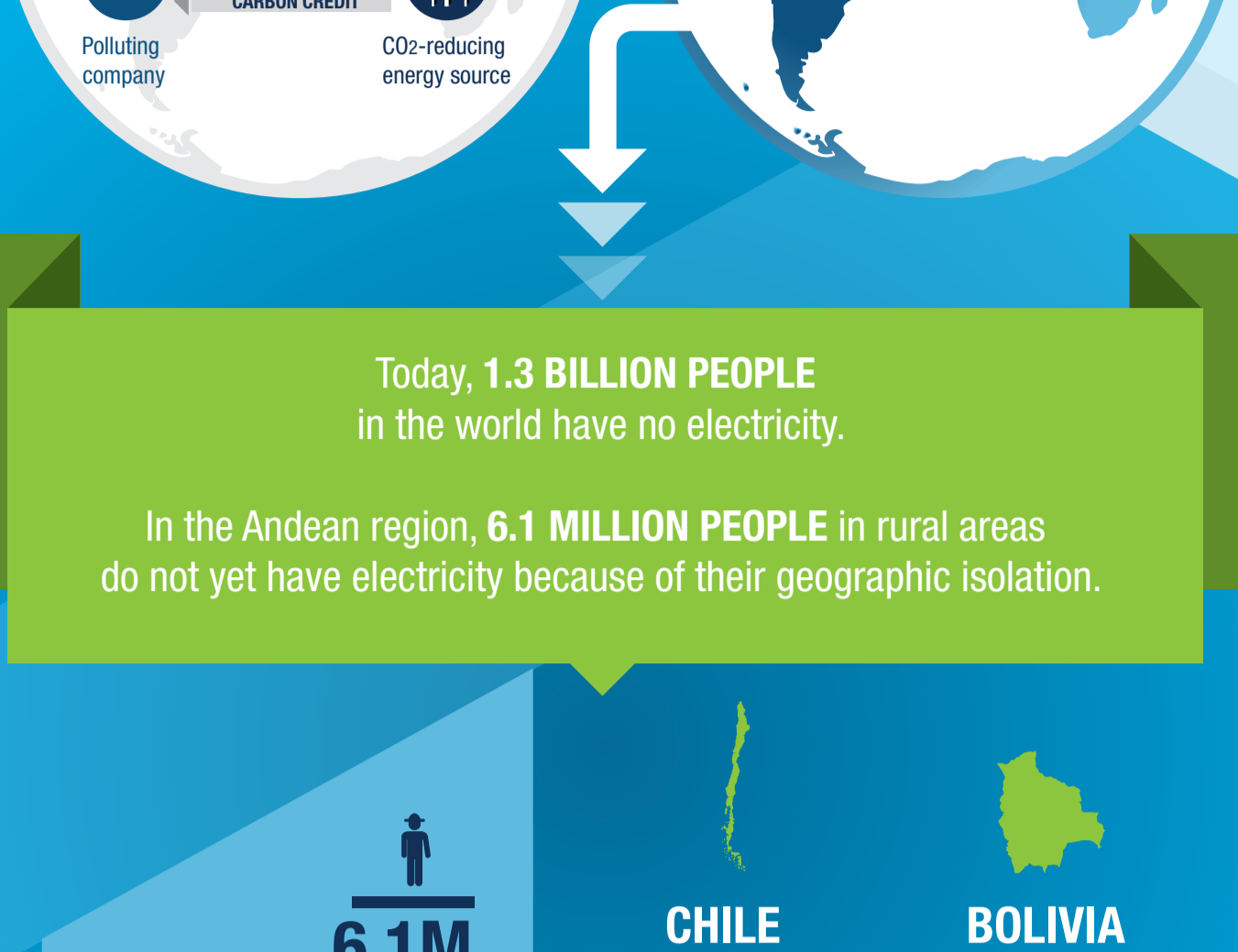
A new unit of exchange for climate solidarity

192 states have ratified the Kyoto Protocol, which establishes regulatory limitation on greenhouse gas (GHG) emissions.



CARBON CREDITS...

1 year's worth of electricity for a three-person household in France



Today, 1.3 BILLION PEOPLE in the world have no electricity.

In the Andean region, 6.1 MILLION PEOPLE in rural areas do not yet have electricity because of their geographic isolation.

6.1M inhabitants with no electricity in rural areas

Country	Inhabitants	With no access to electricity
CHILE	16.5M	0.1 M
BOLIVIA	10.5M	1.6 M
ECUADOR	15M	0.5 M
COLOMBIA	46.5M	1.5 M
PERU	30M	2.4 M

NEEDS OF PEOPLE IN RURAL AREAS

- LIGHTING
- RADIO
- REFRIGERATION & MOBILE PHONES

CURRENT SOLUTIONS POLLUTING AND WITH LOW EFFICIENCY

- CANDLES
- KEROSENE LAMPS
- DISPOSABLE BATTERIES
- CAR BATTERIES
- DIESEL GENERATORS

Annual energy consumption in rural areas: a lack of efficiency

RURAL RESIDENTS WITH NO ELECTRICITY

Barrel of Oil Equivalent → 800 KwH of usable energy → The annual consumption of 1.35 refrigerators

URBAN RESIDENTS WITH ELECTRICITY

Barrel of Oil Equivalent → 3,100 KwH of usable energy → The annual consumption of 5.43 refrigerators

Consequences on the ground

Country	Consequence
COLOMBIA	The fishermen of Isla Fuerte had to sell their entire catch the same day or discount their unsold fish.
CHILE	The Pisigahoque School had many electrical products (TV, computers, etc.) but could not use them for lack of electricity.
BOLIVIA	In Mizque, people throw their disposable batteries away in their environment, not knowing that they represented a pollution risk.

Solutions are available:

VOLUNTARY COMMITMENT OF COMPANIES: Key to the sustainability of electricity-access projects

A "voluntary" or "free" carbon market arose. On this market, volunteer companies are looking for meaningful projects to offset their CO₂ emissions and to support projects with proven social and environmental benefits.

Without the carbon market:



With the voluntary market:

PRICE

€10 CO₂ TEQs (conservative estimate)

- +€3 to €6 depending on the project's social and economic dimension
- +€3 to €6 as a result of a third party's recognition of the project's quality
- €5 per tonne of CO₂ (hypothetical market price)

COMPANY → **CO₂** → **CARBON CREDIT** → **COMPANY**

A third party ensures that the project continues to avoid emissions

To offset emissions with a high environmental impact, a company buys the project's carbon credits

State or international donors subsidize an electrification project

A private player uses the funding to install solar panels and ensures that the CO₂ emissions avoided as a result of the project are certified

Communities have access to electricity and can use the carbon revenues to maintain the panels in working condition

YEAR 1 → YEAR 10

Every year, the carbon revenues are used to maintain the equipment

THE PROJECT IS VIABLE IN THE LONG TERM. IT HAS A POSITIVE IMPACT ON THE COMMUNITY FOR A LONGER PERIOD OF TIME



A responsible company can buy carbon credits from an electricity-access program whose quality, sustainability, and social and environmental impacts are guaranteed



Going beyond carbon offsetting, it is time to invent a new unit of exchange that raises the value of a project's environmental and social impact that is a real vector of development for the poorest communities.

Read the full study conducted by Microsol and funded by the Rexel Foundation on <http://bit.ly/carbonsolidarity>