



Gazprom Marketing & Trading Global Carbon

OAO Global Energy Company

OAO Gazprom is the world's largest gas company concentrating largely on the production and transmission of natural gas and other energy commodities directly from source to the end-user. Gazprom possesses the richest natural gas reserves in the world which account for 17% of the world's total gas reserves and for over 60% of natural gas reserves in Russia. Gazprom's probable hydrocarbon reserves are estimated at 33.1 trillion cubic metres. Gazprom has been supplying gas to Europe for over 35 years. In 2009, 460 billion cubic metres (BCM) of gas was produced by Gazprom group out of which 140 BCM was delivered to Europe by Gazprom export.



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Combining Gazprom Group's extensive customer network with its natural Joint Implementation (JI) position in Russia and Eastern Europe, puts GM&T in a unique position in the global carbon market. GM&T Global Carbon further complements its carbon portfolio with continued origination of CERs from Clean Development Mechanism (CDM) projects around the world, including South America, China, India, South East Asia, The Middle East and Africa, as well as pioneering new markets such as Reduced Emissions from Deforestation and Degradation (REDD).

Providing our customers with the best value in monetisation of car-

bon opportunities is achieved through our fully integrated value chain. The Global Carbon team enables companies to unlock value from their assets by generating cost savings and carbon credit revenues. Gazprom and its partners deliver an end-to-end service from project identification right through to project development and carbon credit sales to our network of end-user compliance customers.

Gazprom and its strategic partners can deploy a range of innovative technology solutions. We have a particular focus on methane conversion technologies, as well as energy and fugitive emissions reductions at oil & gas facilities.

Gazprom Marketing & Trading

GM&T is headquartered in London and was established in 1999 to manage Gazprom's marketing and trading activities in the liberalised

markets of Europe. GM&T is responsible for the optimisation of Gazprom's energy commodity assets and downstream expansion through its marketing and trading network. With subsidiaries in Houston, Singapore, Paris, Berlin and Manchester (gas sales to UK SMEs), GM&T trades energy commodities including gas, power, oil, carbon and LNG. GM&T's net profit in 2009 was £114.7m. The company also increased its turnover from 2008 by 34 per cent to £9.2bn.



GM&T Global Carbon

Case studies around the world



Technology Partnerships

GM&T formed partnerships with technology providers, such as Dow Chemicals, to jointly provide optimal carbon savings in the oil, gas and coal sectors



Europe

Provision of carbon trading services, portfolio management services, balancing of compliance positions and cross-commodity structures.



Russia

GM&T purchased ERU's from projects submitted for the first JI tender by Sberbank



Japan

Exclusive route to market partnership with Marubeni.



Mexico

GM&T purchased carbon credits from one of the regions largest wind farms, leading the way for renewable energy development in Latin America.



Madagascar

GM&T is developing a solar panel lighting project involving the distribution of PV kits to thousands of homes, displacing the use of kerosene for lighting and improving domestic living conditions.



China

GM&T purchased carbon credits from two Programmes of Activities that were the first to receive host country approval, involving the installation of domestic biogas digesters, displacing coal burned for cooking and greatly improving cooking conditions in thousands of homes across the region.



Indonesia

GM&T became the route-to-market for one of the areas largest avoided deforestation projects which is being assessed against the first REDD methodology about to gain approval process of VCS

Innovation

GM&T is in a unique position to connect emissions reduction projects with downstream end- user compliance buyers, through a multi-commodity global marketing and trading

network. The strength of our team lies in our global reach and the ability to tailor a premium solution to meet the specific demands of any client with an interest in the carbon space.

Technology:

GM&T and its strategic partners are innovating in the fields of oil and gas and coal mine fugitive emissions, enabling companies to unlock value from their assets by generating cost savings and carbon credit revenues.



PoA and REDD:

Apart from identifying, developing and guiding regular stand-alone projects under both the CDM and JI through the regulatory processes, GM&T is also actively involved with developing pioneering projects such as Programmes of Activities and REDD.

Downstream:

GM&T's downstream team creates optimal solutions for secondary trades, including expertise in route to market agreements, structured and cross-commodity transaction, carbon portfolio optimisation and project sourcing, further strengthened by our global customer base and competitive pricing.



Post 2012 and emerging markets

With the post 2012 carbon landscape yet to be formed, GM&T's global carbon team is positioning itself to help organisations successfully navigate voluntary, pre-compliance and compliance markets as they continue to evolve and take shape.

Upcoming compliance schemes:

- USA
- Australia
- Japan

GM&T's regional offices are paving the way in preparing for emerging cap & trade schemes globally. We are enabling ourselves to provide innovative solutions and pre-compliance products to our customer base, for example through our involvement in the development of REDD projects. GM&T is also participating in China's first cap and trade scheme.



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