

In carbon credit trade, State firm tops world

Vadodara firm corners 20 per cent of world's total carbon credits, has clients in developed nations

ABHISHEK KAPOOR
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HELPING the environment and also making money. That's what a company from the State has done by becoming the world's largest carbon credit trading company by cornering up to one-fifth of the total available carbon credits under the United Nation's Clean Development Mechanism (CDM).

Vadodara-based Gujarat Fluorochemicals Limited (GFL) that manufactures refrigerant HCFC22 at its Halol plant in Panchmahals district, is likely to get upto Rs 400 crore per annum for the next 10 years just by selling its share of reduced emissions to industries in the developed world under the Kyoto Protocol.

Company sources are tight-lipped over revenue generation, but confirm that they are

numero uno in carbon trading, owing just to sheer scale of their operations. The company's Halol plant used to release up to 500 tonnes HFC 23, a potential green house gas (GHG) as by-product. This was pollution equivalent to six million tonnes of carbon dioxide (CO2) per annum.

On Thursday, the United Nations Framework Convention on Climate Changes (UNCCC) cleared 7,76,740

Certified Emission Reductions (CERs) for GFL shooting its share in total world carbon credits to 20 per cent, with a total of 3 million tonnes out of 16.5 million tonnes CERs to its name.

As buyers of the carbon credits, the company a list of clients in developed countries like Sumitomo Corporation (Japan), Rabobank Netherlands and Noble Carbon Credits Limited (Nether-

lands), Ineos Fluor Ltd and EDF Trading Ltd (UK), Enel Trade SpA (Italy), informs the UNFCCC website.

Immediately after India became a signatory to the Kyoto Protocol in 2002, the company decided to take benefit of carbon trading and prepared a project to incinerate the by-product. The technology, called thermal oxidation of HFC23, was imported

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from United Kingdom-based Ineos Fluor Limited and the project submitted to UNCCC.

GFL was also the first company in the world to do so. "We eventually got registered in May 2005 and started setting up the plan after rigorous approvals. In February this year, the technology was in place and now up to February 2016 we can trade our six million tonnes of CO2 equivalent emission reductions to developed countries every year," informed Executive Director Deepak Asher.

As all CDM projects should lead to sustainable

development in the host country, GFL plans to invest part of the earnings from carbon trading in environmental projects like water harvesting and social sector projects like vocational training.

With an improved capacity utilisation, the total CERs are likely to reach up to 8 million tonnes. Adds Asher: "It's a good opportunity for Indian companies to take advantage of technology and contribute to sustainable development across the globe. It proves in the end that environmental care can also be cost competitive."