

China's Shagang Group, Spain's Endesa in Carbon Credit Deal (05.01.2008)

Jiangsu Shagang Group, China's largest private steel producer, said it has signed a carbon credit agreement with Spanish utility Endesa SA involving three clean development mechanism (CDM) projects.

Under the agreement, Endesa will purchase carbon credits from a combined cycle power plant, a coke dry quenching project and a blast-furnace top pressure recovery turbine (TRT).

The three projects are expected to generate one million carbon credits per year, Shagang said.

The projects has been approved by the National Development and Reform Commission, China's economic planning agency. Approval is pending from the United Nations Development Program.

Under the Kyoto Protocol's clean development mechanism, clean energy projects in the developing world will have the right to sell credits to companies in developed countries, enabling the latter to meet their Kyoto commitments to reduce greenhouse gases.

Source: china.cdm