

European Carbon Fund signs 2.5 million CERs ERPA in Brazil during French President Chirac's State visit

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During his two day State visit to Brazil, French President Jacques Chirac was accompanied by five government ministers and a small delegation of business leaders, including Philippe Germa, Managing Director of IXIS Environnement & Infrastructures (Caisse d'Epargne group), the management company of €143m European Carbon Fund.

On Thursday May 25, the French President's State visit was the occasion for the European Carbon Fund to sign two contracts with leading meat and processed food Brazilian producer SADIA and its non-profit environmental institute (Sadia Sustainability Institute) for a forward purchase of 2.5 million CERs. Through the Institute, Sadia develops and finances CDM projects which consist in the capture and reduction of greenhouse gas emissions (mostly methane) from animal waste in some 800 swine farms in Brazil.

This official signature ceremony, which took place in the presence of French and Brazilian authorities, confirmed the European Carbon Fund's strong interest in Brazilian CDM projects. Karen Degouve, ECF investment manager for Latin America confirmed: "Following our CER transaction with Rhodia in Brazil in February this year, we are very proud to sign these new ERPAs in Brazil with such a prestigious company as SADIA, and intend to sign a few other contracts in the coming weeks."

During the State visit, Philippe Germa also signed exclusivity agreements with several Brazilian CDM developers.

*The **European Carbon Fund (ECF)**, is the first carbon fund structured and operated by major financial institutions, including Caisse des Dépôts and Fortis acting as co-sponsors. ECF is an investment vehicle registered as SICAV under Luxembourg law. Managed by IXIS Environnement & Infrastructures, the fund had raised € 142.7 million at the end of 2005. Since the beginning of 2006, ECF has successfully purchased and/or structured 12Mt CO₂, in various landmark operations.*

***IXIS Environnement & Infrastructures** is a certified management firm specialized in project finance. It manages several investment funds in the environment (FIDEME €46 million / ECF €142.7 million) and infrastructures (FIDEPPP €200 million) sectors. In its capacity of manager, it is in charge of ECF's investments and divestments. It is a wholly owned subsidiary of NATIXIS.*

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