## SNC-LAVALIN'S GHG BUSINESS PLAN

REGIONAL CLIMATE CHANGE INVESTMENT
CONFERENCE
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## **PRESENTATION OUTLINE**

- SNC-Lavalin: brief overview
- What does the Kyoto Protocol mean for SNC-Lavalin?
- SNC-Lavalin's GHG business plan
- Climate change issues in SNC-Lavalin projects
- Project financing
- Conclusion





## **SNC-LAVALIN**

- Founded in 1911
- A world leader in engineering and construction
- Over 16 000 employees
- Annual revenues: Over CAN\$ 3 billion
- Permanent offices in more than 30 countries
- Projects in more than 100 countries
- Public company (TSE)





## MAIN OFFICES OF SNC-LAVALIN GROUP







## WHAT DOES THE KYOTO PROTOCOL MEAN FOR SNC-LAVALIN?

### Opportunities!

- International operations
- Identification of trans-national possibilities
- Studies
- Demonstration projects
- Compliance monitoring and other new businesses

#### Threats...

- Slowdown in some of our traditional businesses
- Other countries competing for same opportunities
- Recession???





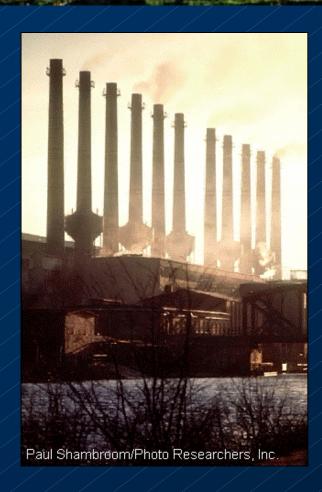
## **SNC-LAVALIN'S GHG BUSINESS PLAN**

- Largest environmental issue
- Kyoto Protocol:
  - Significant issue in many SNC-Lavalin projects
- Added value to projects and clients
- Integrate GHG issues in projects' analysis
- Build an ERCs portfolio for partners/clients: added value for all parties involved.
- Increase partnerships with regards to climate change technologies





## SNC-LAVALIN'S GHG BUSINESS PLAN (cont'd)



#### All divisions are concerned:

- Chemical
- Industrial
- Power
- Infrastructure
- Facilities Management
- Etc.

#### Environment:

- Baseline and additional studies
- JI project design
- GHG management and audits
- GHG emissions inventories and measurements
- CO<sub>2</sub> sequestration





## CLIMATE CHANGE ISSUES IN SNC-LAVALIN PROJECTS

- Energy Division
  - Hydroelectric projects
  - Cogeneration projects (GHG offsets)
  - Energy from waste and fuel substitution (emission reduction credits)
  - New fields
    - Climate change risk assessment
    - Coal gasification
  - Alternative sources of energy



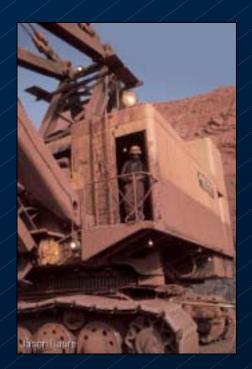




# CLIMATE CHANGE ISSUES IN SNC-LAVALIN PROJECTS (cont'd)

#### Industrial Division

- New or refurbished plants = emission reduction credits
  - Petrochemical, refineries
  - Ethanol plants
  - Cement plants
  - Iron facilities
  - Smelters
  - New technologies such as aluminum inert anodes
  - Norsk Hydro: SF<sub>6</sub> substitution
- Energy efficiency
- GHG capture and sequestration







## CLIMATE CHANGE ISSUES IN SNC-LAVALIN PROJECTS (cont'd)

### Transportation

- GHG emissions inventories & reduction strategies for road projects
- Mass transit and public transportation projects
- Vehicles I & M and scrap-it programs
- Green vehicles: hybrid cars and buses





## **PROJECT FINANCING**

### SNC-Lavalin Capital

- Structuring of Financing in Canada and Abroad for Projects to be Carried out by the Company and for Third Parties
- SNC-Lavalin Investment
  - Investment of the Company's Funds and Management of its Participation in Special-purpose Companies
- SNC-Lavalin Insurance
  - Minority Participation in Associated Risk Insurance for the Company's Projects





## CONCLUSION

- GHG management needed to
  - Evaluate actual and future emissions
  - Evaluate clients business risks
  - Develop a strategic plan
- Kyoto Protocol: Business opportunity
- SNC-Lavalin can be your partner to successfully develop your project
- Good projects are easy to finance
- Winners: pro-active companies



