



T@W: Sustainable Energy Technology at Work

Promoting Sustainable Energy Technology in Carbon Markets
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Business Opportunities for Sustainable Energy Technologies in Asia - Workshop and Partner Matching Event

10 March 2008, Copenhagen, Denmark



The economies in Asia are facing a great challenge for ensuring a sustainable development, not least with regard to their energy supply and meeting climate goals. The Clean Development Mechanism/CDM is a key driver of ensuring the desired development, a process offering unique opportunities for European market actors.

The European FP6 project T@W: Sustainable Energy Technology at Work explores these business opportunities in Asia with focus on India, China, Malaysia and Thailand. The aim of the T@W project is to facilitate co-operation between EU ETS companies and the European RTD environment, with the overall objective of enhancing penetration of the European sustainable energy solutions and know-how on these emerging markets.

Introduction

T@W arranged a workshop and partner matching event on 10 March 2008, co-organised and hosted by the Confederation of Danish Industries.

The T@W workshop covered the latest and most relevant issues regarding the development of carbon markets and the possibilities for technology transfer. Speakers from the European Commission, Danish Confederation of Industries and funding and financial organisations including the European Investment Bank took part, as well as speakers presenting their experience from CDM projects in China, India, and Malaysia.

The highlights of the conference were:

- 'Hands on' presentations of CDM market development and related business opportunities in Asia - building on Facilitation Workshops in Asia that took place in January and February 2008
- Presentations of leading financial institutions on CDM/sustainable energy financing investments

The conference enabled a proactive dialogue, including a Q&A session for participating companies identifying how, if specific business opportunities arise, the 'Technology at Work' project can assist companies in exploring these options. This included discussion with qualified local partners close to the markets in the targeted Asian countries. The workshop was wound up with a Partner Matching session, where interested parties had the opportunity to discuss their interests with relevant stakeholders from the financial sector, the Asian market or Technology suppliers. Follow up from these discussions will be made by respective partner.

1. Workshop Chair, Mats Rydehell, KanEnergi Sweden AB



KanEnergi Sweden AB is part of an international consulting company. The consultancy services are specialised on issues related to energy, the environment and sustainable development.

2. Welcome address by the meeting host Anders Stouge, Director of Danish Energy Industries Federation under Danish Confederation of Industry (DI), Denmark



Mr Stouge welcomed the participants to the workshop. Stouge gave a brief background to the challenges that are facing the economies in Asia for ensuring a sustainable development. This not least with regard to their energy supply and meeting climate goals.

Mr Stouge claimed the Clean Development Mechanism/CDM as a tool and a key driver of ensuring the desired development, a process offering unique opportunities for European market actors.

3. Introducing the T@W project and it´s efforts in paving the way for EU actors in the CDM markets in China, India, Malaysia and Thailand. Nils Daugaard, ECNet, Denmark



Mr Daugaard explained the starting point and the objectives for the T@W project. The introduction was followed by a description of the T@W intervention in EU ETS and Asian CDM markets. An update of the state of activities in Asia was given. Mr Daugaard also shared with the audience the plans for future activities within the project.

The next project period will put focus on energy efficiency, including promotion of concepts like Programmatic CDM.

4. EU competence and interest in Asian CDM / Sustainable Energy Market, Thomas Bouquet, COGEN Europe



Mr Bouquet spoke about the prospects for bringing in play EU know-how and competencies in the field of co-generation at the Asian markets According to Mr Bouquet, european cogeneration technology is suitable for all types of applications, from large-scale centralised installations providing heat and electricity to large industrial sites and exporting electricity to the grid all the way to small-scale applications. Cogeneration technologies are adapted to all types of fuels, from fossil fuels (coal, oil, natural gas) to renewables, including local fuels such as palm oil. The Asian market opportunities are huge, and nowhere near realizing the full potential today.

Mr Bouquet also explained the CDM project cycle, plus the key CDM methodologies. According to Mr Bouquet, the CDM market creates a win-win situation for as well manufacturers as project developers.

5. The CDM / Sustainable Energy Market in Malaysia, Wan Nadia Binti Kamarudin, PTM, Malaysia



Mrs Wan Nadia provided the audience with an update of CDM market development and opportunities for EU companies. Starting by explaining the Malaysian energy policy and the CDM institutional framework, the approval process for CDM projects in Malaysia and the CDM development in Malaysia.

The audience was presented CDM potential projects and SET opportunities. Current CDM potential in Malaysia are associated with energy (biomass, biogas, hydro) and waste management (landfill gas, MSW, composting). There are opportunities for EU companies to promote new innovative, environmental friendly technologies, including biomass and biofuel technologies.

6. The CDM / Sustainable Energy Market in China and India, Vilhjalmur Nielsen, ECNet, Denmark



Mr Nielsen provided the audience with a summary of registered projects and the expected average annual CERS from registered projects till 2012. Furthermore, the CDM rules in China were presented, along with a list of identified CDM projects. Mr Nielsen also explained the EU-China technology transfer potential, and exemplified with identified projects. The focus of renewable energy activities in India was explained, and approved projects presented. Finally, the challenges for CDM in India were discussed.

7. Opportunities in the Carbon Market: The Gold Carbon Capital Fund, Christoph Grobbel, South Pole Carbon Asset Management Ltd



South Pole Carbon Asset Management Ltd. is an asset management boutique specialized in international carbon credit markets. The diversified CDM portfolio contains about 100 projects in over 20 countries. The company takes care of the UNFCCC procedures of emission reduction projects against a share in the resulting emission credits; in many cases it helps arranging financing, technology, etc.

8. International Finance Corporation of the World Bank Group, Pranab Ghosh, Carbon Finance Group, World Bank



IFC is owned by 179 member countries, and provides loans and equities for viable private sector projects. Further IFC is considered the market leader in environmental and social standards. IFC provides a transparent linkage to secondary market CER prices for robust CDM projects. Mr Ghosh explained how sellers as well as buyers can benefit from selling CERs to IFC. IFC can also “monetize” future CER revenues.

9. Carbon Markets and Finance, Itaru Shiraishi and Hiroshi Tomita, Fortis Bank



The representatives from Fortis explained the principles of the Kyoto protocol, the carbon market structure and how the CDM and JI mechanisms work. The benefits of incorporating CDM/JI into ones project were presented. The nature of carbon finance for a typical CDM project was also explained.

Observations concerning the market beyond 2012 were shared with the audience.



10. Carbon Finance: EIB and Kyoto Mechanisms, Kristin Lang, European Investment Bank (EIB)



The EIB is the European Union’s financing institution, aimed to provide long-term finance for projects implementing the EU’s policies. The EIB shareholders are the 27 member states of the European Union.

After informing about EIB and the policy context, Lang provided examples where EIB had contributed to lending in Asia. Finally, different types of Carbon Funds were explained.

11. Aspects of CDM for the European Commission in relation to technology transfer, José Garcia Fluxa, European Commission, Directorate-General for Energy and Transport



Mr Fluxa spoke about the EU Renewable Energy policy. After going through the background, the pillars and the policy proposals Mr Fluxa moved on to explaining the directives and the National Action Plans. Administrative reforms, the question of grid access and the promotion of biofuels were also presented to the participants of the workshop.

To see the slide presentations and for further information, please visit www.setatwork.com

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