

About SETatWork

SETatWork assists European industries to gain access to the carbon markets by improving energy performance by offering an information platform and a wide range of activities within training, promotion and matchmaking for industry, technology suppliers and actors in the global Carbon Market. Learn more on www.SETatWork.eu

Profile

With the Kyoto Protocol the European Union committed itself to reduce Greenhouse Gas Emissions by 8 per cent between 2008 and 2012 compared to 1990 levels. Germany took over the biggest share within the EU and pledged itself to reduce its greenhouse gas emissions by 21 percent. As latest figures show Germany achieved a relative emissions reduction of 23.9% in 2008 compared to the base year emissions of 1990/1995.

With the Integrated Energy and Climate Programme the German government aims at reducing GHG emissions by even 40 per cent in 2020 compared to 1990 levels. In order to achieve this target, measures and laws in the field of energy efficiency, renewables, transport and biofuels have already been or will be implemented.

ETS in industry

In Germany 1,665 companies are obliged to take part in the EU Emissions Trading System. The power and heat sector plays a very crucial role as 1,109 companies of all participating companies belong to the energy sector in 2008. This sector faced a strong gap in coverage as the verified emissions exceeded the allocated emissions allowances by 45 per cent. Contrarily a closer look on the participating industrial operators shows that the amount of distributed emissions allowances outnumbered the amount of verified emissions. However some industrial sectors like refineries, cement, paper and steel processing also saw a coverage gap in 2008.

Consequently, the power and heat sector has highest potential for the implementation of new emissions saving projects. But also industrial sectors like refineries, cement, paper and steel processing have high potential for new projects.

Sustainable Energy Technology Providers

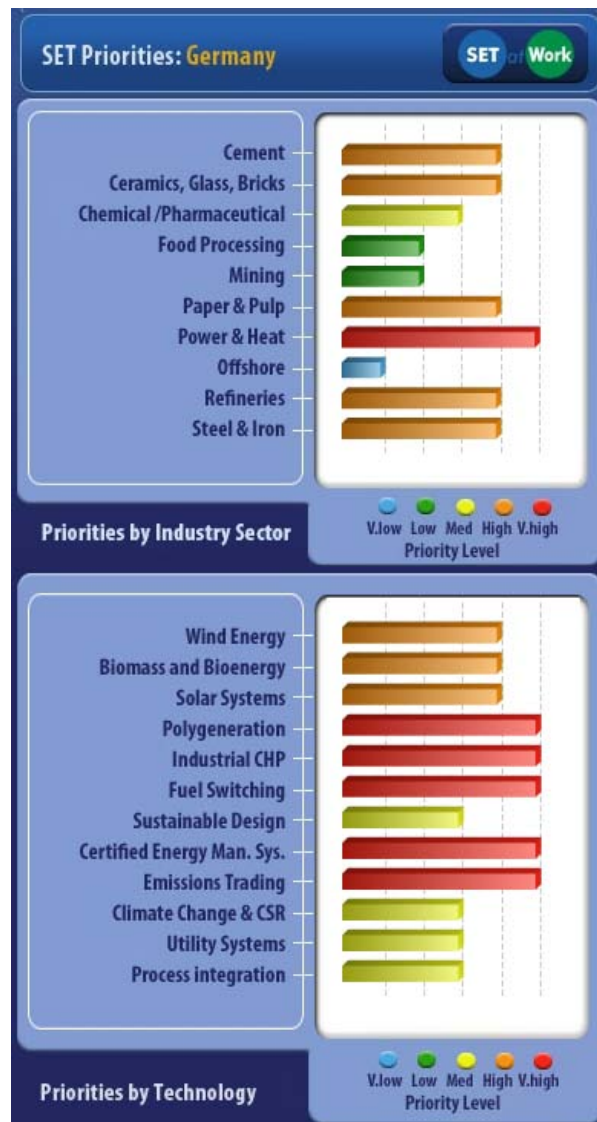
SETatWork carried out a survey on training needs and priority technology with German plant operators participating in EU ETS. The results show that fuel switch and energy efficiency measures as well as information about the carbon market system are in great demand.

These results are backed by figures of Deutsche Emissionshandelsstelle (DEHSt) on approved and endorsed JI projects in Germany in 2009: 13 out of 37 projects have been approved and endorsed in the field of fuel switch and energy efficiency, 10 in N₂O destruction, 6 in mine gas processes and 4 in the field of biomass.

The upcoming project workshops and trainings in Germany (please see dates for your diary) will hence focus on these identified priority topics.

The DEHSt survey also shows that technology priorities for CDM projects supported by German plant operators differ partly from the JI portfolio. Wind and hydro power are most relevant technologies followed by biomass and fuel switch.

Technology providers in these fields can take the opportunity and participate in future match-making events in CDM markets in India, Thailand or Chile.



The main target industries in Germany for SETatWork, indicated with very high and high in the figures above, have the highest amounts allocated for EU allowances of German industries compared to the number of companies and show the highest chances for the realisation of new projects.

The key technologies in Germany indicated as very high offer the most opportunities regarding new projects; this can be seen in the numbers of applications for projects and planned new projects.

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State of the Carbon Market

After a supply surplus during the first EU ETS period, the amount of allocated Emissions Allowances has been considerably reduced.

The German emissions budget comprises 453 million t/a for the second trading period which implies a decrease in German Emissions Allowances by 23 per cent. 40 million t/a of the budget are foreseen to be auctioned.

With the Energy and Climate Package the EU has shaped the EU ETS for the time after 2012. From 2013 on, an European Emission Budget will replace the national allocation plans and the auction mechanism will play an increasingly crucial role in the allocation of EUA.

However the future of the German carbon market will be defined by the outcome of the post-2012 negotiations in Copenhagen. If within 2010 an international agreement can be arranged, the EU will extend the emission reduction target from 20 to 30 per cent. At the same time more credits generated in international offset projects are allowed to be used by operators covered by the EU ETS. Due to the possibility to bank EUAs to the next period the two trading periods can be considered as one period 2008-2020.

Good Practice

One of the first JI projects in Germany is the fuel switch programme called "Ökobonus", initiated by Bayerngas. With the early conversion of heating systems to gas industrial as well as private clients of Bayerngas can participate in the programme. In 2008 562 t CO₂eq could be saved.

LANXESS AG plans to reduce emissions of the greenhouse gas N₂O from apidic acid production to almost zero emissions. The amount of emissions reductions till 2012 is expected to be around 3.3 million tonnes CO₂.

These good practices are promising approaches that can be replicated by other companies. For example RWE set up a climate bonus programme for heat pumps similar to the "Ökobonus".

Stakeholders and Initiatives

There exist many relevant stakeholder and initiatives in the German carbon market like chambers of commerce, association, banks and training service providers.

In order to implement successfully the project targets, SETatWork cooperates with the Munich Chamber of Commerce and Industry, KfW Bank as well as companies and associations like Bayern innovativ and co2ncept plus that are active in the field of energy and innovation.

In future a co-operation with the initiative "Partnership for Climate Protection, Energy Efficiency and Innovation" run by the Federal government and the Association of German Chambers of Industry and Commerce is planned.

SETatWork Contact for GERMANY:



ZREU is a unit of KEWOG Städtebau GmbH, an international consulting company, with the overall aim to promote and implement the sustainable use of energy on a broad basis and to actively influence technological progress and innovation. ZREU as member of the OPET-Network since its very beginning is involved in international transfer of energy efficiency and RE technologies and dissemination and exploitation activities, as well as marketing of EU RTD results for more than 15 years.

Key competence and skills in relation to SETatWork:

- International business co-operation and technology transfer;
- Promotion and dissemination of successfully demonstrated technologies;
- Organisation of workshops and conferences on innovative energy technologies and ETS market prospects;
- Development of training material and courses on energy efficiency and renewable energy;
- Verification audits for JI projects, set up of CO₂ emissions inventories for ETS companies, presentations and industry training on European CO₂ emissions trading scheme;
- Market surveys and sector/country analysis;
- Management and co-ordination of EU-RTD projects

ZREU is responsible for the market observance work package and the task project assessment tools of the RUE project identification, Tools & Networking work package. In addition, the organisation of the ETS training material production will be an important part of the ZREU work.

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Details of other partners can be found at: www.setatwork.eu/partners.htm

Dates for your diary

Personal contact: Please visit SETatWork at Bright Green, **12-13 December 2009**, at project stand no. 90.

25 February 2010, KfW Frankfurt **Energy efficiency measures and Emissions Trading – Training workshop for German enterprises covered by the EU ETS**

Together with Future Camp and KfW, ZREU will organise a training about the carbon market and the Emissions Trading system. Special focus will be given to measures in the field of energy efficiency like energy management systems and cogeneration of heat and power.

Representatives of KfW, Future Camp, Hessen Agentur and Audi will provide insights into the carbon market, programmatic Joint Implementation projects as well as energy efficiency measures in the automotive industry.

10 March 2010, IHK München **Business-to-business (B2B) matchmaking event for more innovation & less CO₂ - for Sustainable Technology Suppliers and German enterprises covered by the EU ETS**

SETatWork and IHK Munich will jointly organise a B2B event in order to promote the implementation of innovative and sustainable technologies in companies that participate in EU Emissions Trading System.

Priority will probably be given to the following technology fields:

- Energy Management
- Building Automation Technology
- Heating, Ventilation & Air-Conditioning (HVAC)

Match-making events in CDM markets in Thailand and India will be organised during 2010.

For further information about these events contact: Larissa Wagner – Email: l.wagner@kewog.de