



Bundesministerium
für Umwelt, Naturschutz
und Reaktorsicherheit

JI/CDM – interim results for Germany

Franzjosef Schafhausen

**Federal Ministry for the Environment, Nature
Conservation and Nuclear Safety, Berlin**



Bundesministerium
für Umwelt, Naturschutz
und Reaktorsicherheit

Common but differentiated responsibility





Kyoto Targets

Vertragspartei (Annex I Staat)	Ziel
Belgium, Bulgaria, Denmark, Germany, Estonia, European Union, Finland, France, Greece, Ireland, Italy, Latvia, Lithuania, Liechtenstein, Luxembourg, Monaco, Netherlands, Austria, Portugal, Romania, Sweden, Switzerland, Slovakia, Slovenia, Spain, Czech Republic, United Kingdom	minus 8 %
USA	minus 7 %
Japan, Canada, Poland, Hungaria	minus 6 %
Croatia	minus 5 %
New Zealand	plus/minus 0 %
Norway	plus 1%
Australia	plus 8 %
Iceland	plus 10%



CO₂ – Trends 1990 - 2004

Country groups / Countries	Changes 1990 - 2004	Changes 2003 - 2004
OECD	+ 16 %	+ 1,3 %
EU15	+ 4,5 %	+ 0,7 %
Non Annex I	+ 75 %	+ 9%
China	+ 95 %	+ 15 %
CIT	- 36 %	+ 1,6 %
World	+ 25 %	+ 4,5 %



EU bubble

EU Member State	„burden sharing“ target
Luxembourg	- 28 %
Danmark	- 21 %
Germany	- 21 %
Austria	- 13 %
UK	- 12,5
Belgium	- 7,5 %
Italy	- 6,5 %
Netherlands	- 6 %
Finland	+/- 0 %
France	+/- 0 %
Sweden	+ 4 %
Ireland	+ 13 %
Spain	+ 15 %
Greece	+ 25 %
Portugal	+ 27 %
EU	- 8 %



Great Number of EU Member States are „short“ !

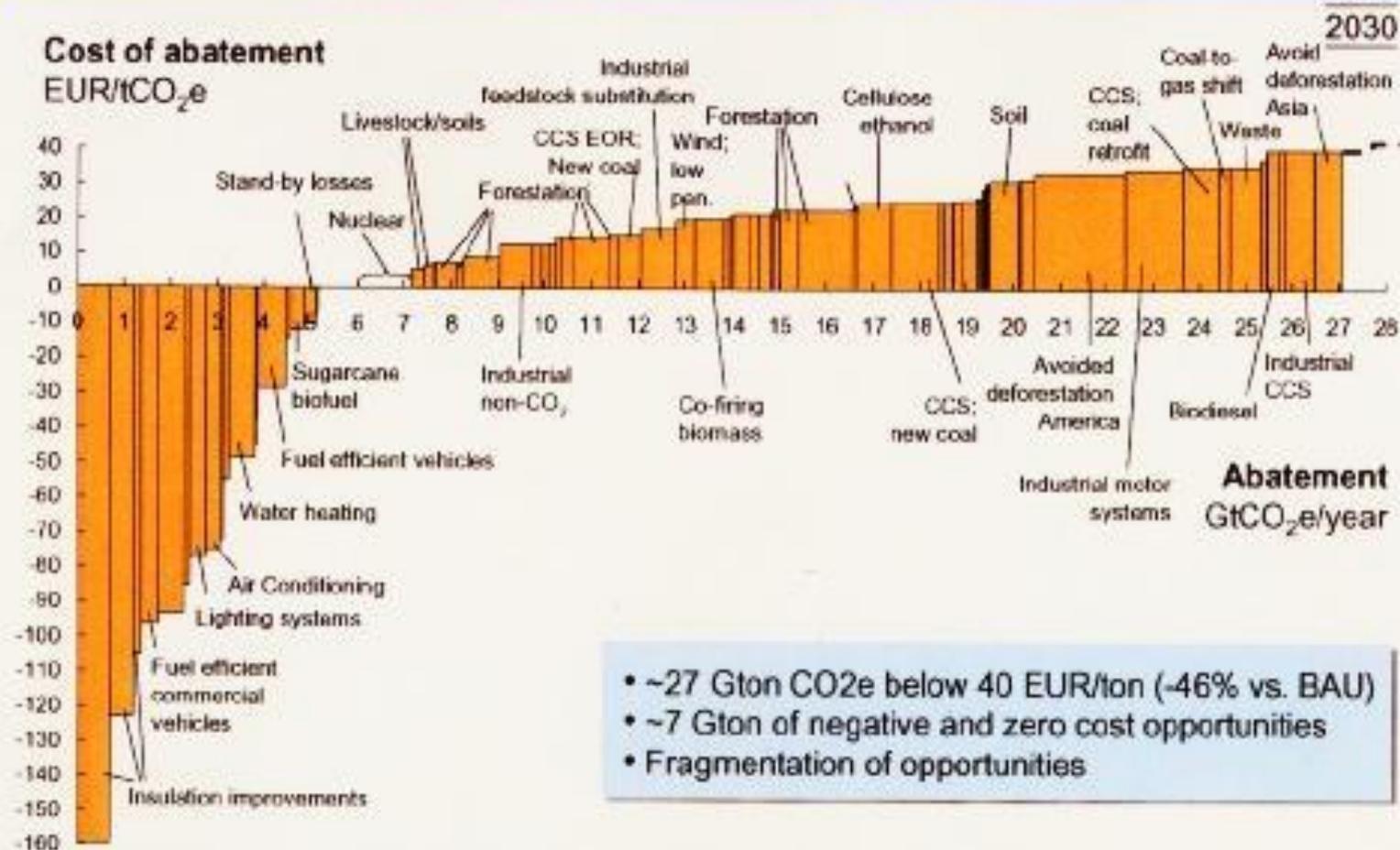
EU-Mitgliedstaat	THG-Emissionen Basisjahr	THG-Emissionen 2005	„burden sharing“	Zielgröße 2008 - 2012	Zielabweichung in Mio. t	Zielabweichung in %
Belgium	146,9	150,2	- 7,5 %	135,9	- 14,3	- 9,5
Denmark	69,0	63,7	- 21 %	54,5	- 9,2	- 14,4
Germany	1230,3	993,6	- 21 %	972,0	- 21,6	- 2,2
Finland	71,2	69,8	+/- 0 %	71,2	+ 1,4	+ 1,9
France	570,8	562,8	+/- 0 %	570,8	+ 8,1	+ 1,4
Greece	108,8	136,5	+ 25 %	136,0	- 0,5	- 0,3
Ireland	55,6	69,9	+ 13 %	62,8	- 7,1	- 10,2
Italy	519,8	583,9	- 6,5 %	486,0	- 97,9	- 16,8
Luxembourg	12,7	14,2	- 28 %	9,2	- 5,0	- 35,4
Netherlands	213,0	219,8	- 6 %	200,2	- 19,6	- 8,9
Austria	79,0	94,1	- 13 %	68,7	- 25,4	- 27,0
Portugal	60,1	83,9	+ 27 %	76,4	- 7,5	- 9,0
Sweden	72,5	69,0	+ 4 %	75,4	+ 6,5	+ 9,4
Spain	287,2	441,6	+ 15 %	330,2	- 111,4	- 25,2
United Kingdom	764,5	657,6	- 12,5 %	668,9	+ 11,4	+ 1,7
total	4.261,4	4.210,4	- 8	3.918,2	- 292,3	- 6,9



Accession Countries are „long“

EU-Mitgliedstaat	THG-Emissionen Basisjahr	THG-Emissionen 2005	Kyoto Ziel	Zielgröße 2008 - 2012	Zielabweichung in Mio. t	Zielabweichung in %
Estonia	42,6	21,2	- 8,0	39,2	+ 18,0	+ 84,7
Latvia	25,9	10,8	- 8,0	23,8	+ 13,0	+ 119,9
Lithuania	50,9	20,8	- 8,0	46,9	+ 26,0	+ 124,8
Malta	2,2	3,2	-	-	-	-
Poland	459,8	387,0	- 6,0	432,2	+ 45,2	+ 11,7
Slovakia	73,4	52,4	- 8,0	67,5	+ 15,1	+ 28,7
Slovenia	20,2	20,1	- 8,0	18,6	- 1,4	- 7,2
Czech Republic	196,3	148,1	- 8,0	180,6	+ 32,5	+ 21,9
Hungaria	122,3	84,8	- 6,0	114,9	+ 30,1	+ 35,5
Cyprus	6,0	9,0	-	-	-	-
Total Accession Countries	999,6	757,7		923,7	+ 178,4	+ 23,9
Total EU - 25	5.261,0	4968,0		4.841,9	- 113,9	- 2,3

Global cost curve of GHG abatement opportunities beyond business as usual





Bundesministerium
für Umwelt, Naturschutz
und Reaktorsicherheit

The EU



EU - Targets

EU Council, 9 March 2007:

Binding Target: 20 % reduction in GHGs by 2020 versus 1990

Conditional: 30 % reduction in GHGs by 2020 versus 1990, provided other industrialised countries are willing to make comparable reductions



Bundesministerium
für Umwelt, Naturschutz
und Reaktorsicherheit

The German case



The national target in Germany

- **For Germany, a 30 % reduction in GHGs by 2020 translates into minus 40 %**
- **Compared with the present day, this requires a reduction in GHGs of 270 million t/a compared with the emissions volume in 2006!**



The current situation

Germany's climate protection target: 21 % reduction in greenhouse gas emissions in the period 2008 – 2012 versus 1990

Status as at end of 2006: minus 18 %



Drivers for the Climate Change Policy in Germany

- **The „Energy Summit“ chaired by Chancellor Dr. Angela Merkel (start of the process: April 3rd 2006 – interim Summit: October 4th 2006 - final Energy Summit: July 3rd 2007)**
- **Decision on Emissions trading, NAP II, 2008 – 2012 (Cabinet April 18th 2007, Deutscher Bundestag June 22rd 2007, Bundesrat July 6th 2007)**
- **Decision by the EU Council on Climate Change on March 9th 2007**
- **G 8 Summit at Heiligendamm on June 8th 2007**



Germany's cap is very ambitious!



Derivation of the "cap"

Budget
2008-2012

All GHG's: **973,7 Mio. t CO₂eq.**

CO₂ ↔ Nicht CO₂

CH₄, N₂O, F-gases:
127 Mio. t CO₂ Äq.

CO₂: **846,7 Mio. t**

Energy and Industry:
499 Mio. t

Energy + Industry
(Cap)

Others
46 Mio. t

EU ETS
453,1 Mio. t (Cap)



NAP II – Macroplan "cap"

	Cap 2005-2007 First trading period	Cap 2008-2012 Second trading period
Total cap	495 million t/a	453.1 million t/a
Reserve	3 million t/a	25 million t/a
Budget for incumbents	495 million t/a	453 million t/a 23 million t/a reserve 11 million t/a additional installations = 419 million t/a. - 40 million t/a auction = 379 million t/a



The Meseberg decision – 29 Cornerstones to combat Climate Change



The integrated Climate change and Energy Programme - Highlights

1	Improvement of the CHP-Act and the Voluntary Agreements on CHP	25 % power generation by CHP
2	Expansion of power generation by renewables	25 – 30 % power generation by renewables
3	Development of CCS – construction of 2 – 3 demonstration plants	Next step: Legal framework
4	Smart metering	Optimisation of power consumption
5	Clean power generation (low NO_x power plants)	
6	Energy Management in small and medium sized companies	Using the unexploited potential to enhance energy efficiency
7	Economic incentives to promote CO₂-reduction and energy efficiency	Support programmes outside buildings



The integrated Climate change and Energy Programme - Highlights

8	Energy efficient products and services	Use of standards, consumer friendly labelling etc.
9	Feed in of biogas to natural gas grids	Target setting, specification of special provisions
10	Improvement of existing building codes	Energy efficiency requirements to be raised by an average of 60 % (2012)
11	Operation costs of rental accomodation	right to withhold payment
12	Substitution of electric heating systems	Replacement of night storage heaters ²⁰



The integrated Climate change and Energy Programme - Highlights

13	Energy-efficient modernisation of social infrastructure	Refurbishment of schools, day nurseries
14	Renewable Heating Act	14 % renewable energies share of heat consumption
15	Energy efficient modernisation of federal buildings	2006 – 2009: 500 Mio. € budget
16	CO₂ strategy for passenger cars	average CO₂-emissions form new cars 120 g/km
17	Expansion of the biofuel market	20 % biofuels by volume by 2020



The integrated Climate change and Energy Programme - Highlights

18	Reform of vehicle tax based on CO₂	Differentiation of tax rates related to CO₂-emissions
19	Energy labelling of passenger cars	EU-wide labelling
20	Development of the Highway toll for Trucks	Differentiation of toll rates by emission classes
21	Emissions Trading on Aviation	
22	Emissions Trading on Maritime Shipping	
23	Reduction of emissions of HFC's	Chemical Climate Protection Ordinance (air conditioning, refrigeration systems)



The integrated Climate change and Energy Programme - Highlights

24	Procurement of energy efficient products and services by the Federal Government	Technical guidelines to form the basis for procurement decisions
25	Energy research and innovation	Development and implementation of a High-Tech Strategy
26	Electric Mobility	New batteries, new power storage systems
27	JI and CDM	Support programmes, Energy Efficiency Export Strategy
28	Reporting on Energy and climate policy by German embassies	
29	Transatlantic climate and technology initiative	Closer transatlantic cooperation and consultation on climate Protection



Implementation of Meseberg

- Update of Acts and Ordinances

CHP-Act, Renewables Act, Building Codes, Act on Biofuelquotas, Vehicle Tax Act, Ordinance on Heating Costs, Chemical Climate Protection Ordinance, Fuel Quality Ordinance

- New Acts and Ordinances

Renewable Heat Act, Feed in Act on Biogas, Energy Act on grid reconstruction (off shore wind), Legal requirements on CCS, Ordinance on the liberalisation of metering, Ordinance on clean power generation, Sustainable requirements on biofuels, Ordinance on labelling of passenger cars

- Other measures:

Technical requirements on procurement, guidelines on programmes on subsidies (buildings, SME's, production processes etc.)



Results of the Meseberg decision

- **The Meseberg decision will be able to reduce the GHG-emissions by 35 to 36 % by 2020 (base year 1990)**
- **In absolute terms: 213 Mio. t of GHG - emissions**
- **There is a gap of 5 – 4 % - 57 Mio. t of GHG - emissions**



Status of the flexible mechanisms in Germany



CDM/JI (status October 2007)

	total	CDM	JI abroad	JI in Germany
Project pipelines with applications for	137	66	6	65
Letter of endorsement	30	4	6	20
Letter of approval	107	62	-	45



Bundesministerium
für Umwelt, Naturschutz
und Reaktorsicherheit

	total	CDM	JI abroad
Südafrika	3	3	
Indonesien	5	5	
Brasilien	5	5	
Thailand	1	1	
Costa Rica	1	1	
Kolumbien	2	2	
Chile	1	1	
China	10	10	
Indien	22	22	
Ägypten	1	1	
Aserbaidshjan	1	1	
Paraguay	1	1	
Ukraine	1		1
Bulgarien	1		1
Polen	1		1
Malaysia	6	6	
Korea	1	1	
Israel	1	1	
Madagaskar	1	1	
Armenien	1	1	
Russland	1		1
Litauen	1		1
Ecuador	1	1	
Guatemala	1	1	
Philippinen	1	1	28
Estland	1		1



Fields of Activities/Overview

- **Bilateral cooperation**
- **Memoranda of Understanding (Basrec, Egypt, Peru, Mexico, Tunisia, Azerbaidshan).**
- **Development of project portfolios with host countries**
 - **Networking and institutional contacts**
 - **Systematic cooperation with political decision makers, business sector and service providers in the host country**
 - **Mobilisation of german actors in Host Countries**
 - **Developing strategies to open the market for projects ready for implementation**



National Framework

Use of CERs and ERUs under the ETS and the German law:

**22% of the EU ETS cap = 90 Mio. Certificates p.a. = 450 Mio.
Certificates in 2008/12**



National Framework/Competences

Federal Ministry for Environment responsible for promotion of CDM/JI and its further development on international and european

level

**Competent authority (German DFP/DNA)=
German Emissions Trading Authority (DEHSt)
within the Federal Environment Agency (UBA)**

based on the Rules of ProMechG:

- **approval of JI and CDM project activities**
- **authorization of private entities**
- **registration of national projects**
- **checking verification reports**
- **performing CDM/JI Database, website and other information tools**



Financial Contributions to Funds

KfW Carbon Fund - established as PPP

- **Initial contribution (4 Mio €)**
- **first tranche: overall capital brought in at 80 Mio €**
- **Second tranche EIB/KfW: 100 Mio. €**

BASREC Fund - (*Baltic Sea Regional Energy Cooperation*) multilateral Fund

- **Initial contribution (5 Mio €)**
- **Partners: Poland, Estonia, Latvia, Lithuania and Russia**
- **No plans to use CERs/ERUs for meeting the emission reduction target (-21%)/Priority given to domestic action**



Tools of the CDM-Initiative

- **Pre-Check (update being prepared)**
- **manual (update being prepared)**
- **CDM/JI-Brochure (new edition just released)**
- **CDM/JI-data base (being installed at DEHSt, access via internet)**
- **JIKO-Info**
- **web portal: www.jiko-bmu.de**
- **web based CDM-platform for Latin America**
- **Exportinitiative „Renewable Energies“**
- **Exportinitiative „Energy Efficiency“**



Recent activities of BMU

- **German-Russian Economy Meeting/ JI TerraTec in Leipzig (March 2007)**
Contractor: dena
- **JI- Biomass – Workshop with Russia, Ukraina, Romania, Bulgaria and Poland**
TerraTec in Leipzig (March 2007)
Contractor: GfA Invest



Thank you for your attention!

Franzjosef Schafhausen

Deputy Director-General “Environment and Energy”

**Federal Ministry for the Environment, Nature
Conservation and Nuclear Safety**

Tel.: +49 30 28550 3660

Fax: +49 30 28550 10 2349

Franzjosef.Schafhausen@bmu.bund.de