

# JI-CDM-Services – Experiences from examples in China, Cyprus and Germany

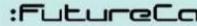
Carbon Expo Side Event

"Germany's activities on the CDM/JI market"

Hosted by the Federal Ministry for the Environment and the German Emissions Trading Authority"

Thursday, May 3, 2007 Room 3

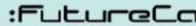
Dr. Roland Geres, FutureCamp



## FutureCamp – the Company at a Glance

- \_ FutureCamp Ltd is
  - an independent company, founded in 2001
  - a MBO of the former Mannesmann Pilotentwicklung
  - located in Munich (main office), Berlin and Bottrop
  - staffed by an interdisciplinary team of 18
- Our focus is to
  - deliver consultancy and services on EU-ETS, JI and CDM (core business)
  - deliver consultancy on innovation methodologies and processes
  - develop new businesses ("incubator"), based on new technologies in the sectors energy, materials, health
- Part of FutureCamp are
  - FutureCarbon Ltd, Bayreuth (Hydrogen Storage Systems, Carbon Nanomaterials)
  - Hepanet Ltd, Munich (Health, Lever Dialysis Services)

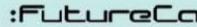




## Services in Emissions Trading and Kyoto-Mechanisms

- \_ EU Emissions Trading
  - CO<sub>2</sub> Inventories, Monitoring
  - Application for allocation of EU allowances
  - Management System & Compliance Tools
  - Strategic Consulting, Trading Support
- \_ JI, CDM and similar projects
  - Use as strategic element
  - Feasibility studies & PINs, Expert reports
  - Evaluation and development of baseline and monitoring methodologies, PDDs
  - Implementation of internal processes (Monitoring, quality!)
  - Support of negotiations with state authorities, stakeholders, validators, potential buyers and financial institutions
- Carbon Offsetting Services
- Development of new products and services, Deployment and Market introduction
- Climate Strategy Development





### References in JI/CDM and VER project activities

- Preparation of PINs and PDDs, Steering of CDM / JI projects, incl. sale of credits
- Several programmatic/sectoral JI and national project activities
- \_About 30 JI, CDM and VER project activities in different stages:
  - PIN, PDD, under Validation
  - Registered Projects, running Projects
  - Closures of ERPAs, Procurement
- Technologies: Coal mine methane, energy efficiency, fuel switch, wastewater treatment, renewable energy (biomass, geothermal, wind), building sector, transportation
- Countries: China, Cyprus, Ecuador, Germany, Hungary, Italy, Pakistan, Poland, Romania, Russia, Turkey, Ukraine
- Participation at UNFCCC conferences and methodology expert workshops
  - Participation in official Working Groups

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## Example 1: CDM in China - supporting Steag`s China Activities

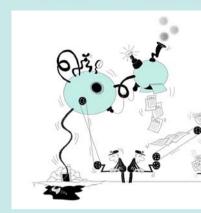
- Contributing to definition and implementation of an integrated strategic approach to CDM coal mine methane projects in China,
- Supporting the ERPA negotiations including amount of CERs, price, schedule, responsibilities of each party, liabilities etc.,
- Ongoing: Negotiating CDM-specific aspects in the Joint Venture contract, Developing the PDD, Preparing the validation audits and supporting the validation process, supporting communication with the authorities, e.g. for obtaining LoEs and LoAs

#### **Results:**

Successful market entry through combination of our customers

outstanding technological skills with CDM

Political support through German Government





## Example 2-Part 1: Mari Wind Farm Project

- First registered CDM project within the EU, project owner: WINCONO Cyprus
- First wind project in Cyprus Technology Transfer
- Establishing and promoting the use of grid-connected renewable energy technologies
- Emission reductions: 16,993 t CO<sub>2</sub>e/a
- A total of 8 wind turbines with a capacity of
  - 1.5 MW each → total capacity of 31.5 MW
- Methodology applied: AMS.I-D.
- Crediting period: 7 years
- Validation in March 2006 (TÜV SÜD)
- Registration in December 2006
- Additional benefits
  - Creation of local employment
  - Improving the infrastructure



Picture. Wincono Cypr



## Example 2-Part 2: Alexigros Wind Farm Project

- First large-scale CDM wind project in Cyprus and second registered
  - CDM project within the EU
- Expected to generate 55,000 CERs annually
- A total of 21 wind turbines with a capacity of 1.5 MW each  $\rightarrow$  total capacity of 31.5 MW
- Emission reductions: 55,559 t CO<sub>2</sub>e/a
- Methodology applied: ACM0002
- Crediting period: 7 years
- Validation 03/2006, Registration 12/2006
- \_ Results:



- CDM revenues decisive for "bankability"
- Very relevant synergies and cost reductions through "doing two projects at once" –ongoing developments on bundling and programmatic approaches important!



## Example 3: JI-projects in Germany

- Example projects in the application process for JI:
  - Fuel switch and energy efficiency in medium heating and energy units, Fuel Switch and energy efficiency in small heating units (both programmatic)
  - N2O Destruction
  - Methane Destruction and Utilization in small biogas plants
- Administrative approach: Case by case, no general decisions, hopefully less time consuming in the future

Energy Efficiency Doguiroments of applicable laws

- Critical Issues on additionality "judgement":
  - Relationship JI (public) subsidies and instruments like EEG



#### Contact

Dr. Roland Geres

FutureCamp GmbH

Chiemgaustr. 116

D - 81549 Munich

Germany

Fon +49 (89) 68 008 -330

Fax +49 (89) 68 008 -333

Roland.geres@future-camp.de

www.future-camp.de

→You find us at CarbonEx in Hall 11.1, Stand B058, "German Pavillon"