

Financing energy efficiency improvements through the EU ETS

Sanjeev Kumar

skumar@wwfepo.org

+32 (0)499 539731

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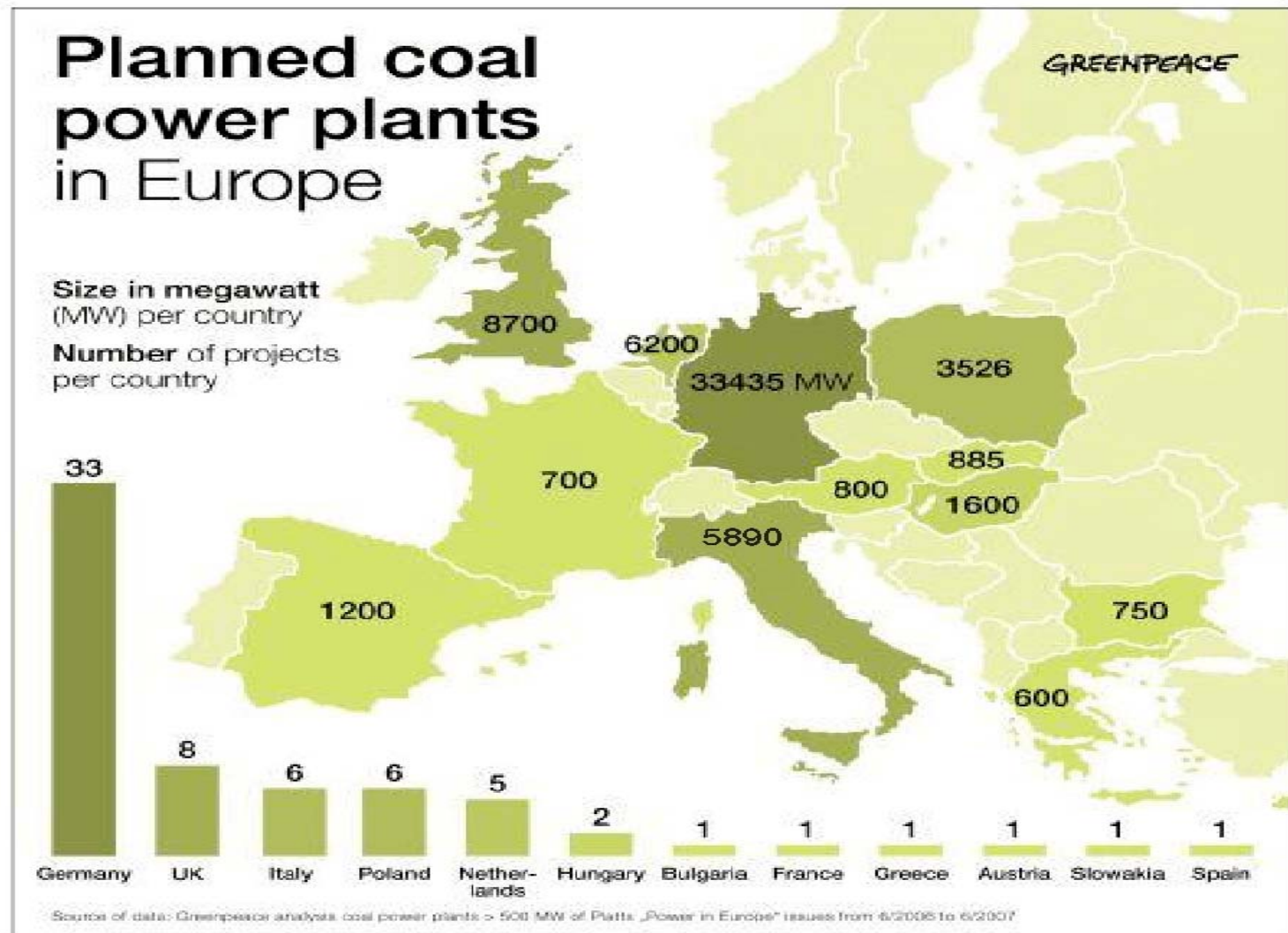
Windfall profits for the power sector

- Maximum of 71bn Euro windfall profit for power sectors in only **5** Member States!!!

Country	Expected windfall profit (2008-2012)
UK	8-15bn Euro
Germany	21-34bn Euro
Spain	2-4bn Euro
Italy	9bn Euro
Poland	4-9bn Euro



EU Climate policy simply isn't working..





Subsidies for coal:

- In 2005, eight member states granted coal State aid of €4.1 billion in total, or about €11 million per day.
- Germany and Spain granted the most aid - around 85 per cent of the total - with smaller amounts given by Poland, Czech Republic, Slovakia, Slovenia, Hungary and the UK.





Auctioning so far - Germany & UK

- Only 10% of permits auctioned in their power sectors. Substantially more income if all power sector permits auctioned.
- **Germany**
 - 40million Euro income annually for permit sales.
 - 30% of this income is earmarked for climate change support in developing countries.
 - Funding runs on a yearly basis.
- **UK**
 - First auction in November 2008. 17million Euro per year.
 - no indication on where the money will be spent so far.....





Auctioning revenue from 2013 onwards

- **More than 50bn Euro** revenue to be generated annually in power sector auctioning.
- Up to Member States to decide where these revenues are spent, BUT
- They have to report on where they spend 50% of these revenue in the following areas such as:
 - “measures to support energy efficiency and insulation or to provide financial support in order to address social aspects in lower middle income households...”
 - “encourage a shift to to low emission and public forms of transport”





What to do.....?

- Get mobilised!!! There is a lot of money and energy efficiency delivers more returns on every Eurocent spent....
- Contact German and UK governments (Environment and Finance ministries) to find out which energy efficiency measures can receive support, how much and when...
- As for a windfall profit tax in all liberalised energy markets,
or
- Ask governments in these countries to auction all permits to their power sector





Wake up!
It's time to fight Climate Change!



www.panda.org/climate

