

Title of the measure:	GER4	Voluntary Agreement on CHP (Selbstverpflichtung der Wirtschaft zur Förderung der KWK)
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General description

On 25 June 2001, the Federal Government and the German Business have agreed on a *voluntary agreement for the promotion of CHP*, which is an addition to the voluntary agreement on climate protection of 9 November 2000. According to the commitment, industrial CO₂ emissions should be decreased by 45 million tonnes until 2010, of which 23 million by CHP as possible (but at least not fewer than 20 million tons). The voluntary agreement was a substitute for the originally planned quota scheme. The agreement was supported by a new CHP law, which entered into force on 1 April 2002 (GER9).

Impact evaluation

For the evaluation of the original impact of the voluntary agreement on the extension of CHP capacities in Germany and the resulting CO₂ reduction, a distinction has to be made between the autonomous extension of CHP due to economic calculations and the additional efforts due to the voluntary agreement. According to several studies (EWI 2000; Starrmann 20001; future cogen 1999; AGFW 2001), an autonomous extension of CHP capacities for economic reasons is very probable in the German industry up to 2010. This means that a considerable amount of the intended CO₂ reduction by CHP will already be achieved by the market. The profitability of industrial CHP is further enhanced by other measures, especially the Renewable Energy Sources Act, the CHP law (GER3) and the ecological tax reform (GER11 in Industry Sector), which raise the price of electricity from the utilities. Based on these studies and further information from industry, the additional impact of the voluntary agreement on the extension of industrial CHP is estimated to be relatively low in the evaluation of Markewitz/Ziesing (2004).

The additional impact of the voluntary agreement on CO₂ emissions is estimated in the order of 0-1 Mt up to 2010, which means a low or at most a medium impact of this measure in the industrial sector. According to a study conducted by the Forschungsstelle für Energiewirtschaft (FfE) 15,8 Mt CO₂ were saved thanks to CHP installations.

References

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