



EU-China CDM Facilitation Project

BUSINESS FACILITATION CONFERENCE

COLOGNE, GERMANY

6 MAY 2008

SUMMARY REPORT



1. Conference Background

1.1 Overview

The China-EU CDM Business Conference was held in Cologne, Germany on 6 May 2008 at Wolkenburg Gastronomie GmbH. The conference was a one-day event, gathering Chinese senior CDM officials and project development entities with European project investors, developers, Carbon Emission Reduction (CER) buyers and technology providers to exchange information and promote direct business cooperation. The China-EU CDM Business Conference is part of a series of conferences and workshops conducted by the EU-China CDM Facilitation Project. The EU-China CDM Facilitation Project aims to strengthen the Clean Development Mechanism (CDM) as a central pillar within China's path to sustainable development and explore the future areas for EU-China climate change partnership.

The conference offered a communication platform for Chinese and European carbon market players to achieve business cooperation; connecting European carbon credit buyers, CDM project investors, developers and technology providers with officials and projects in the world's largest carbon market – China. The participants benefited from:

- First-hand information on China's latest policy and market status in response to climate change;
- Presentations of more than 15 concrete quality CDM project opportunities covering various technologies and provinces;
- Direct communication with Chinese officials and project development institutions to realise project-level cooperation in energy conservation and emission reduction; and
- An opportunity to establish business relations.

1.2 Objective

The Business Conference's overall goal was to promote business cooperation on the project level between experienced Chinese institutional CDM project developers and European companies, providing the opportunity for the introduction of quality Chinese CDM projects to potential European potential buyers; and facilitating direct business talks afterwards.

1.3 Organisers

The China-EU CDM Business Conference was organised by EU-China CDM Facilitation Project, a project financed by the European Commission, in close cooperation with Chinese partners, the



International Cooperation Center (ICC) of the National Development Reform and Development Commission (NDRC) in China. The conference was co-organised by M&P China, a company of the M&P Group.

1.4 Participants

The majority of participants came from Europe and China, representing both the private and public sectors. Participants were from a wide range of backgrounds: strategic investors, financial investors, CER buyers, technology providers, project developers, consulting firms, government agencies, and high-level government officials.

Please see Appendix I for a detailed list of participants.

1.5 Agenda

Please see Appendix II for detailed agenda.

2. Presentations

The conference presenters and their organisations play key roles in CDM development and have contributed to EU-China CDM relations. The presentations offered insight to current and future activities involving EU-China CDM planning and cooperation. The complete set of conference presentations can be downloaded from the EU China Facilitation Project Website:

<http://www.euchina-cdm.org/business%20facilitation%20presentations.php>

2.1 EU-China Cooperation in CDM

Peter Zapfel of DG Environment of the European Commission provided a presentation on the status and future of CDM, entitled, “The CDM Today and Tomorrow.” The presentation highlighted the role the EU leadership plays in CDM/JI policy and climate change policy post-2012. He explained the pros and cons of CDM’s current design, and ways it can be improved. He also discussed the prominent role the EU and China share in CDM, as well as the importance of broadening CDM/JI projects globally.

Project Team Leader, **Nannan Lundin** of the Swedish Environmental Research Institute (IVL) discussed the EU-China CDM Facilitation Project in the context of CDM in China. The presentation focused on the ways that the project has begun to strengthen CDM as a driving force in China’s path to sustainable development. She emphasised the importance of post-2012 policies for CDM to continue to thrive in China.



Matthias Zoellner presented on European government's support of China's CDM market. Mr. Zoellner discussed the European Investment Bank's loan program for Climate Change mitigation projects, outlining the criteria and funds available for qualified projects. He announced two funds that the EIB launched in cooperation with the World Bank, and detailed the focus areas that the funds and the loans will target.

2.2 CDM Policy and Progress in China

Wang Shu of the National Development and Reform Commission delivered a speech titled, "CDM Policy & Progress in China." Mr. Shu's main topic was the CDM approval process in China. He offered a comprehensive description of the managing governmental bodies of CDM in China, and an overview of projects that have been implemented in China. He concluded with an outline of elements that assist projects successfully receive approval.

2.3 Experiences from International Actors

Martin Collins of Natsource gave a presentation entitled, "Cooperation with Chinese Project Owners in CDM." His topic centered around challenges and opportunities of project investment in China's CDM market. The presentation discussed the fundamentals of successful cooperation with Chinese Project owners. Mr. Collins stressed the importance of working with partners that have similar interest and qualified experience; many projects have failed because of different goals and inexperienced partners. He also emphasised the importance of communication throughout the life cycle of projects to enhance the efficiency of projects.

Hubert Runge from Paper Technology Specialists gave a presentation on the achievements in paper industry technology, and approaches that can be utilised for CDM; the title of his presentation was, "CDM in Paper Industry." The lecture focused on the energy efficiency that new technologies realised and the ways the paper industry could adopt the technologies to greater reduce carbon emissions. Mr. Runge summarised the procedures that can be adopted to enhance project development in the paper industry with regards to CDM, particularly in China.

Project co-organiser, **Florian Schmied** of the M&P Group presented on the CDM Joint Working Group, and the title of his presentation was, "China CDM Joint Working Group." Mr. Schmied highlighted the areas that the CDM Joint Working Group is prioritising in China and the obstacles that many projects encounter in China. The Joint Working Group founded the International Climate Change Society to help further the development of CDM projects, especially in China. The Joint Working Group and the International Climate Change Society offer services to ensure the success of CDM projects in China.



Project partner, **Dr. Guenther Schock** of the TÜV Rheinland Group gave a presentation entitled, “CDM Project Validation and Verification in China.” The presentation focused on the role that the EU-China CDM Facilitation Project plays in Chinese applicant entity capacity building, as well as CDM project validation and verification in China. Dr. Schock provided an overview of Applicant Entities (AE) currently in China and the strides the EU-China Facilitation Projects has made to double the number of AEs in China. He ended with an optimistic summary and outlook of the future growth of Chinese AEs.

2.4 Local perspectives from project developers and project owners

Duan Zhongling from the Department of Science and Technology of Shandong Province gave a presentation on CDM progress in China, particularly in Shandong province. The title was, “Science and Technology support to CDM and Progress in Shandong Province.” The three main topics of his lecture were: CDM progress in China, science and technology support to CDM, and CDM progress in Shandong province. He highlighted the important accomplishments in the three areas and the ways the Chinese government was working on improving project monitoring. Shandong province has several projects in the pipeline, the majority focused on wind farms and energy efficiency in industry.

Zheng Feng of the Shanxi Air CDM Technique Center provided a presentation on Shanxi CDM project development and project information. Mr. Zheng provided an overview of the resources in Shanxi and noted that Shanxi has a preference for projects that utilised their vast methane gas reserves. The projects that are currently in the pipeline centre around Shanxi’s huge industries, and many of the projects are waste gas recovery projects in the coke and metal industries. Mr. Zheng highlighted the importance of ventilation air methane for the future of CDM projects in Shanxi province. He also discussed the difficulties that many projects are facing, and made a call for more international cooperation.

Dong Huiqin from the Hebei CDM Project Office gave a presentation called, “CDM in Hebei.” Ms. Dong provided a brief introduction of Hebei CDM and the services that the company provides. She also showcased the current CDM projects being implemented in Hebei, along with potential CDM projects in Hebei province. Most of the current and future projects are waste gas recovery projects, examples are: the waste gases utilization for combined cycle power plant at Handan Iron & Steel Group Co., Ltd and the Hebei Quzhai cement plant 9000kW waste heat recovery project.

Li Rundong of Liaoning Key Laboratory of Clean Energy & Institute of Clean Energy and Environmental Engineering gave a presentation entitled, “Current Situation and Future Prospect of CDM Projects in Liaoning Province.” The lecture summarised Liaoning province’s CDM project development and project information. Mr. Li also gave an overview of the international



CDM tendencies and the types of projects the NDRC approves. He concluded with a detailed synopsis of projects currently being implemented and proposed projects in the pipeline. Projects in Liaoning tend to be diversified and focused on a wide array of sectors; however wind projects and energy efficiency projects are the most abundant.

3. Summary

3.1 Conclusion

The China-EU CDM Business Conference successfully brought together experienced Chinese institutional CDM project developers and European companies to exchange CDM experiences and facilitates promising future business opportunities. Moreover, the conference presenters provided comprehensive summaries of the CDM project activities that are currently ongoing in China and the policies and that will affect China-EU CDM development today and post-2012; providing a successful start to the first of two EU-China CDM Facilitation Project business facilitation conferences.

EU-China relations are crucial to furthering the development of CDM and establishing a post-2012 climate change framework. However, CDM development and a post-2012 framework can only be achieved through continued European and Chinese stakeholder cooperation. By working to accomplish the same goals, knowledge gaps can be filled with greater ease than by the EU and China working unilaterally and climate change targets can be reached. The EU-China CDM Business Conference has been a good start to building this bridge.

3.2 Recommendations

There is no one size fits all solution to climate change and the issues of climate change are multifaceted and tumultuous. Thus, it is important for EU-China CDM Project's Business Facilitation efforts to continue to addresses the problems that impede CDM development in China and work towards an achievable post-2012 climate change framework.



Appendix I: Participants List

Company	Name
AgCert Intl`plc	Mr. Yuda Saydun
Asja Ambiente Italia S.p.A.	Mr. Alberto Manzone
Asja Renewables (Shenyang) Co.Ltd.	Mr. Cui Jian Shuang
Baraka Global Advisors	Mr. Henry H. C. Woo
BASF SE	Mr. Iven Clausen
Beiten Burkhardt Beijing Representative Office	Ms. Susanne Rademacher
Belgian Ferderal Public Service Health	Ms. Sarah Kuen
Better World Foundation	Mr. Frederick Nubed Nomi
BP	Mr. Carlos Barrera
Bunge Investment	Mr. Francois Gigante
Bunge Investment	Mrs. Pan Pan
Carbon Resource Management	Mr. Nick Clarke
Carbon Resource Management	Dr. John Green
Carbon Saver Ltd	Mr. Glenn Wilkinson
CDM Project Center of Shandong Province	Mr. Liu Zaosheng
CEZ, a.s.	Mr. Jan Balac
CEZ, a.s.	Mr. Martin Cmíral
Chinese Embassy in Belgium	Mr. Ren Shiping
Clayton Utz	Mr. Graeme Dennis
Climate Change Capital	Tang Weimin
Climate Change Capital	Mr. Lee Moscovitch
Climate Focus	Ms. Kale Lieberg
CO2 Solutions	Mr. Alfonso Lanseros Valdés
Constellation Energy	Mr. Mark Meyrick
Deutsche Investitions- und Entwicklungsgesellschaft mbH	Mr. Volker Schwab
DHV	Mr. Andrik Mols
DHV	N.N.
Division of Environmental Health and Monitoring, PRC	Ms. Wan Yue
Drax Power Limited	Mr. David Loveday
Drax Power Limited	Mr. Damien Speight
Dresdner Kleinwort Ltd	Mr. Martin Beckmann
Dresdner Kleinwort Ltd	Mr. Gary Robinson
DuPont de Nemours	Ms. Alicia I. OLO
Econergy International Corporation	Mr. Phil Doyle
Econergy International Corporation	Ms. Huang Xifei
Ecoprogresso	Ms. Fengzhen Chen



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Ecoprogresso	N.N.
Edison S.p.A.	Ms. Cecilia Scaffidi
Eneco	Mr. Alexander Savelkoul
Eneco	Mr. HAI Jiang
Eneco	Mr. Robert Sprij
Enecore Carbon Ltd.	Mr. Stuart Cerne
Enecore Carbon Ltd.	Mr. Andrea Rumiz
Enecore Carbon Ltd.	Ms. Jessica Zhang
Energie und Management	Mr. Kai Eckert
Energieagentur NRW	Mr. Van Loon
Energieagentur NRW	Ms. Yan Wang
EnviroMarket Ltd	Mr. Simon Petley
Essent Energy Trading	Ms. Ma Xiaoke
EU-China CDM Facilitation Project	Ms. Nannan Lundin
EU-China CDM Facilitation Project	Ms. Maria Chiara Femiano
European Commission	Mr. Peter Zapfel
European Commission	Mr. Peter Zapfel
European Investment Bank	Mr. Matthias Zöllner
European Investment Bank	Mr. Matthias Zöllner
FC2E Spanish Carbon Fund	Ms. Maria-José Montero
FC2E Spanish Carbon Fund	Mr. Federico Vallès
Finnish Carbon Procurement Programme	Mr. Juha Seppälä
Finnish Carbon Procurement Programme	Mr. Pekka J. Salminen
First Climate Group	Mr. Marcello Balasini
First Climate Group	Mr. Dominic Lüdin
Germanischer Lloyd Certification GmbH	Mr. Markus Weber
GreenStream Network GmbH	Mr. Norbert Heidelmann
Hebei CDM Project Development and Project Information	Ms. Dong Huiqin
Holcim	Ms. Catherine Martin-Robert
ICC, National Development and Reform Commission China	Mr. Zhang Xiaochong
Icecap Ltd.	Mr. Greg Dunne
Icecap Ltd.	Mr. Paul Zexu Zhang
IDEAcarbon	Ms. Fernanda Gusmao
IETA	N.N.
IETA	N.N.
IETA	N.N.
IFFES International Foundation for Environment and Safety	Mr. Erich Bayerl
International Finance Corporation / Carbon Finance Unit	Ms. Michelle Abboud
IVW Engineering Office for Transport Planning and Water Management	Mr. Eberhard Hoffmann
Liaoning CDM Project Development and Project	Mr. Prof. Li Rundong



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Information	
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M&P China / Translator	Ms. Li Lu
M&P Group Germany	Dr. Mathias von Tucher
Macquarie	Mr. Bill Kentrup
MAN Roland Druckmaschinen AG	Ms. Tuen Hang Lau
Mull und Partner Ingenieurgesellschaft mbH Hagen	Mr. Christoph Richter
Mull und Partner Ingenieurgesellschaft mbH Hagen	Dr. Gerald Kollmann
Mull und Partner Ingenieurgesellschaft mbH Köln	Dr. Jürgen Margane
National Development and Reform Commission	Mr. Wang Shu
National Development and Reform Commission, ICC	Mr. Zhang Sijia
Natsource Europe Ltd.	Mr. Martin Collins
Natsource Europe Ltd.	Ms. Miranda Nevin
New Carbon Finance	Mr. Philip Verey
New Carbon Finance	Ms. Maria Carvalho
New Carbon Finance	Mr. Manon Dufour
Noble Carbon Credits GmbH	Mr. Olaf Kallinich
Noble Carbon Credits Limited	Mr. Wang Zheng
One Carbon	Mr. Cohl
One Carbon	Mr. Bartolucci
One Carbon	Mr. Chiocchetti
One Carbon International B.V.	Mr. Anton van 't Slot
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Oxara Energy Group	Mr. Michael O'Neil
Peony Capital	Ms. Emma Guli
Platts Emissions Daily	Mr. Frank Watson
Point Carbon	John McGarrity
Point Carbon	N.N.
Private	Mr. Walter Jimenez Sanchez
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Provincial Science and Technology Department of Shangdong Province	Mr. Duan Zhongling
PTS Paper Technology Specialists	Mr. Hubert Runge
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Pure Carbon Services	Mr. Richard Focken
Rabobank International	Mr. Gavin Templeton
Rabobank Nederland	Ms. Dai Hui
Rhodia Asia Pacific Pte Ltd	Mr. Yap Seng Heng
Roaring 40s	Mr. Matthew Groom



RWE Power AG	Mr. Antonio AGUILERA Lagos
Sempra Energy Europe Ltd.	Mr. John Metzler
Sempra Energy Europe Ltd.	Ms. Ming Holkam
Sempra Energy Europe Ltd.	Ms. Emma Phillips
Senergy Ltd.	Mr. Dr. John McCurry
Shanxi Air CDM Project	Mr. Zheng Feng
Sindicatum Carbon Capital	Ms. Giulia Sartori
Stadt Köln	Dr. Norbert Walter-Borjans
Statkraft	Mr. Wim Luyckx
Swedish Energy Agency	Mr. Kenneth Möllerstein Ph.D.
Swedish Energy Agency	Mr. Michael Rantil
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Traditional Financial Services Ltd., TFS Energy	Ms. Suzanne Chew
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Translator	Mr. Peter Wang
Translator	Mr. Jin Tian
Tricorona, Carbon Asset Management	Mr. Christer Holmgren CFA
TÜV Rheinland Group	Prof. Dr. Günter Schock
TÜV SÜD Industrie Service GmbH	Mr. Sebastian Randig
UNFCCC	Ms. Jie Zhang
Unión Fenosa Generación, S.A.	Mr. Ignacio Gistau
Vattenfall Europe Gen. AG & Co. KG	Mr. Hans Dieter Hermes
Vestas Wind Systems A/S	Mr. Lars Bach Jensen
Zeroemissions Technologies, S.A.	Mr. Elias Izquierdo Lazaro



Appendix II: Agenda

Cologne, Germany May 6th, 2008	
08:30am-09:00am	Registration
09:00am-09:05am	Opening Ceremony Moderator: Mr. Zhang Sijia , Division Director, Information and Consulting Division, International Cooperation Centre (ICC), National Development and Reform Commission (NDRC), China
09:05am-09:10am	Speaker: Dr. Norbert Walter-Borjans , Deputy Mayor of the City of Cologne, Head of Economics and Properties
09:10am-09:15am	Speaker: Mr. Zhang Xiaochong , General Director, International Cooperation Centre (ICC), National Development and Reform Commission (NDRC), China
09:15am-09:20am	Speaker: Dr. Mathias von Tucher , Shareholder and Managing Director, M&P Group, Germany
09:20am-09:35am	Speaker: Mr. Florian Schmied , Managing Director, M&P Environmental Consulting Ltd., Beijing, China CDM Joint Working Group Topic: The China CDM Joint Working Group: Bringing Buyers and Sellers Together.
09:35am-09:50am	Speaker: Mr. Peter Zapfel , Directorate C: Climate Change & Air DG Environment European Commission
09:50am-09:55am	Session 1 – China CDM Market Overview Moderator: Mr. Zhang Xiaochong , General Director, International Cooperation Centre (ICC), National Development and Reform Commission (NDRC), China
09:55am-10:10am	Speaker: Mr. Wang Shu , Senior Project Officer, National Climate Change Coordination :Committee, National Development and Reform Commission, China Topic: The CDM Approval Process in China: The NDA and further relevant Authorities.
10:10am-10:25am	Speaker: Dr. Wan Yue , Project Officer, Division of Environmental Health and Monitoring, Ministry of Environmental Protection, PRC Topic: China's Environmental Policy and Priority Areas.
10:25am-10:40am	Speaker: Mr. Duan Zhongling , Division Director, Rural and Social Division, Provincial Science and Technology Department of Shandong Province Topic: Science & technology support to CDM and progress in Shandong province
10:40am-11:00am	Coffee Break



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11:00am-11:15am	Speaker: Dr. Nannan Lundin , Project Team Leader, EU-China CDM Facilitation Project Topic: The EU-China CDM Facilitation Project.
11:15am-11:30am	Speaker: Mr. Matthias Zöllner , Managerial Advisor for Environmental Issues, European Investment Bank (EIB) Topic: European Government Support of China's CDM market.
11:30am-12:00am	Speaker: Mr. Martin Collins , Global Managing Director of Project Origination, Ms. Miranda Nevin, Origination, Natsource Europe Ltd. Topic: Challenges and Opportunities of Project Investment in China's CDM Market.
12:00am-12:15am	Speaker: Prof. Dr. Günter Schock , TÜV Rheinland Group, EU-China Facilitation Project Topic: CDM Project Validation and Verification in China.
12:15am-12:30am	Speaker: Mr. Hubert Runge , Business Unit Manager Consultancy, PTS Paper Technology Specialists, Germany Topic: CDM Project Opportunities in the Chinese Paper Industry.
12:30am-14:00pm	Buffet Lunch
14:00pm-14:05pm	Session 2 – Regional Overview and Project Presentation Moderator: Mr. Florian Schmied, Managing Director, M&P Environmental Consulting Ltd., Beijing, China
14:05pm-14:35pm	Speaker: Mr. Zheng Feng , Director of Shanxi Air CDM Technique Center Topic: Shanxi CDM Project Development and Project Information.
14:35pm-15:05pm	Speaker: Mr. Liu Zhaosheng , Director of CDM Project of Shandong Province Topic: The CDM Areas and Progress in Shandong Province
15:05pm-15:45pm	Coffee/Tea Break with Business Dialogue Arranged
15:45pm-16:15pm	Speaker: Ms. Dong Huiqin , Deputy Director of Hebei CDM Project Office Topic: CDM in Hebei Province



EU-China CDM Facilitation Project

16:15pm-16:45pm	Speaker: Prof. Li Rundong , Director of Clean Energy Key Lab, Institute of Clean Energy and Environmental Engineering, Liaoning Province Topic: Liaoning CDM Project Development and Project Information.
16:45pm-17:00pm	Conference wrap-up and Closing Remarks
17:00pm-18:00pm	Business Dialogue
18:00pm	End of the Conference