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Climate Change, ETS, Green Finance [M2013-17]

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EU

Virgin Hyperloop will open a Railway Infrastructures development center in Malaga, Sept 3 '18

Virgin Hyperloop One has signed an agreement with the Railway Infrastructures Administrator [Adif] for the creation of a center for testing and developing advanced technology in the Spanish state-run company's experimental premises located in the municipality of Bobadilla [Malaga]. This is the first development facility the company has opened in Europe. It will cover a total area of 19,000 m² in which it will develop, test and certify components and subsystems designed to improve the safety and reliability of Hyperloop systems...

It is no coincidence that the location selected is the second largest aerospace conglomerate in Spain with over 9,000 companies from the transport and logistics sectors currently working in the area, and 20,000 employees engaged in R&D projects. The US company plans to employ between 200 and 300 skilled professionals specializing in technology, and also expects its center to stimulate the creation of indirect jobs by generating a broad ecosystem of partners and providers.

http://www.investinspain.org/invest/en/press-room/Business/news/NEW2018796990_EN_US.html?utm_source=email&utm_medium=invest&utm_content=27092018&utm_campaign=virgin+hyperloop+will+open+a+d+development+center+in+malaga

Renault wants to build a 60 MWh energy storage system with used electric car battery packs, Sept 25 '18

Renault is launching today a new “Advanced Battery Storage” program today. With the program, the French automaker is aiming to build “the biggest energy stationary storage system using EV batteries ever designed in Europe by 2020.”

While several automakers have now launched “second-life” programs for used electric vehicle battery packs, Renault is in a particularly good position to run those programs because of how it sells many of its electric vehicles.

In some markets, Renault sold most of its Zoe electric vehicles while retaining ownership of the battery packs. They have also offered battery upgrades – resulting in them having significantly more used battery packs than the average automaker.

<https://electrek.co/2018/09/25/renault-energy-storage-system-used-electric-car-battery-packs/>

Post-Brexit carbon tax would set Scotland against UK, Sept 26 '18

The Scottish government would oppose a London plan to replace Europe’s emissions trading market with a national carbon tax, Edinburgh has told Climate Home News, saying it would encroach on devolved powers.

Whitehall is weighing up options for either keeping closer links to the EU’s ETS after its exit or building its own measures. If it leaves, it could create a domestic cap-and trade market, and possibly link it to the EU’s, or set a carbon tax. If it’s a softer Brexit, the country could remain in the EU emissions market until the next trading period ends in 2030 – the preferred choice for many businesses and climate advocates.

But to remain in the ETS up to 2030, the UK and EU will have to strike an overarching agreement that allows for ties in certain sectors. Negotiations so far have failed to find this kind of common ground. If the UK leaves the EU system, a proposal for a nationwide policy will need to satisfy Scotland, Wales and Northern Ireland; the three devolved governments have the power to set their own environment policy, including on climate change.

Scotland is waiting to hear more on the UK government’s plans before coming out with a detailed public position. But the government told CHN it would not accept a carbon tax, which would shift accountability for Scotland’s emissions to the treasury department in London.

http://www.climatechangenews.com/2018/09/27/post-brexit-carbon-tax-set-scotland-uk/?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed%3A+Climate+Home+%28Climate+Home%29

Statkraft to spend USD 1.2bn on renewables each year through 2025, Renewables Now, Sept 26 '18

Norwegian state-owned utility Statkraft AS intends to spend about NOK 10 billion [USD 1.23bn/EUR 1.05bn] a year on renewables in the period 2019-2025, with a focus on hydro, wind and solar power. The company plans large upgrades of Nordic hydropower capacity, but also targets reaching 6,000 MW of onshore wind and 2,000 MW of solar until 2025, it said in a statement on Wednesday. The renewal of domestic hydropower plants is expected to take up an investment of about NOK 1.2 billion.

Energy-intensive industries call for ambitious EU Industrial Strategy to help industry better contribute to EU long-term GHG goals, CEMBUREAU, Sept 26 '18

A new and integrated EU industrial strategy for energy-intensive industries is required to complete a transition to a low-carbon economy in the EU, according to the report released today by the Institute for European Studies [IES] - Vrije Universiteit Brussel [VUB] and. The report commissioned by eleven Energy-Intensive Industries¹ describes a combination of possible key solutions that will help them achieve significant emission reductions and at the same time remain competitive, innovative and pivotal in enabling the transition to a low-carbon economy.

Having analyzed more than 80 low-CO₂ technology options available for energy-intensive industries, the VUB/IES researchers have concluded that the following conditions need to be taken into account in designing an efficient EU industrial policy:

- An ambitious RD&I program that addresses the main challenges towards competitive low-CO₂ processes in energy intensive industries as well as adequate support for demonstration of advanced low-CO₂ technologies to improve market readiness
- Globally competitive energy prices; including a sufficient, reliable and competitively priced low CO₂ electricity supply to enable further electrification of industry
- Financing mechanisms that help companies refurbish old industrial facilities and modernize production processes
- Support to the creation of industrial clusters and symbiosis as an important tool in improving resource efficiency and reducing CO₂ emissions of industrial facilities
- Incentives to the use of public procurement and low-CO₂ standards for products to develop the market for low CO₂ products and processes taking an appropriate life cycle based approach into account

BoE finds banks unprepared for climate change risks, Sept 27 '18

Only 10% of banks take a long-term view of how they should manage climate change risk, according to a new survey from the Bank of England's Prudential

Regulation Authority, the Financial Times reports. “Many banks have some way to go to identify and measure the financial risks from climate change comprehensively,” Mark Carney , the central bank governor, wrote in the survey’s report. The Bank of England said it would consult with banks to show what it expected them to be doing, reports Reuters. It also urged bank directors to engage on climate change and the shift to a low-carbon economy. Separately, Reuters also reports on a new survey from the Task Force on Climate-Related Financial Disclosures [TCFD] which showed that most climate-related disclosure is becoming mainstream. In its first status report, a TCFD survey of the disclosures of 1,700 companies found most were revealing information aligned with at least one of the task force’s recommendations. And Climate Home Newsreports that the UN has named billionaire businessman Michael Bloomberg to lead a private-finance green investment drive in an effort towards raising the promised \$100bn a year in climate finance to developing countries by 2020.

<https://www.carbonbrief.org/daily-brief/boe-finds-banks-unprepared-for-climate-change-risks>

Greece expects one-month extension in coal-fired plants tender, Sept 27 ‘18

Greece expects that the EC will give it one more month until November to name a winner in the sale of coal-fired plants, its energy minister said on Thursday.

Greek utility Public Power Corp. [PPC], which is 51 pct state-owned, is selling three coal-fired plants and one still to be built after a European court ruled it had abused its dominant position in the coal market.

The utility has shortlisted all six investors interested in the plants and had to receive binding bids and name a preferred bidder by mid-October. Energy Minister George Stathakis told reporters on Thursday that investors have asked for a one-month extension to submit their bids and said he expects the EC which oversees the tender will approve their request."Reasoning is very strong, so we will get one more month." "Reasoning is very strong, so we will get one more month," Stathakis said.

<http://www.mining.com/web/greece-expects-one-month-extension-coal-fired-plants-tender/>

Germany should replace wasteful clean energy subsidies with carbon pricing –auditor, Sept 28 ‘18

Germany should impose market mechanisms such as more stringent carbon pricing to drive its clean energy transition, instead of its current complex support mechanisms, the country’s federal audit office said Friday. *<http://carbon-pulse.com/59761/>*

Brussels ending push to raise EU’s overall 2030 emissions goal, Sept 29 ‘18

The EC will not push to raise the EU’s 2030 emission reduction goal next month, German press agency DPA reported, with Brussels dropping the drive amid reluctance from Germany and others. <http://carbon-pulse.com/59852/>

Rolls-Royce joins forces with rail giant in pioneering train project, Oct 2 ‘18

A Derby-based train leasing firm has teamed up with Rolls-Royce to launch the first hybrid rail project in the country.

Pride Park-based Porterbrook, which is the largest owner of passenger trains in the UK, has joined forces with the engineering giant to convert Class 168 and Class 170 Turbostar diesel trains into hybrid-electric versions called HybridFLEX trains.

At rail industry trade show Innotrans, which recently took place in Berlin, both companies signed a letter of intent covering the delivery of hybrid systems for installation on two test trains. If the trials are successful, Porterbrook aims to offer hybrid conversion to a range of customers operating existing Turbostar fleets...

Meanwhile, fuel consumption and carbon emissions are up to 25% lower, while nitrogen oxide emissions are reduced by between 70% and 90%.

<https://www.derbytelegraph.co.uk/news/business/rolls-royce-joins-forces-derby-2061813>

Private equity firm buys stake in carbon traders ACT Group, Oct 2 ‘18

London-based private equity firm Three Hills Capital Partners [THCP] has spent more than €60 million to purchase a minority stake in the environmental and energy commodities trading company ACT Group. <http://carbon-pulse.com/59987/>

EU Transaction Log – Slovakia

EU Transaction Log presents details of emission rights for all facilities participating in the EU ETS includes data for all countries and for all years from the start of the ETS]. The table below presents some Slovakian names, allowances and status for the Phase 3 [2013-2020] period for 2018.

Installation Name	Allowance Allocation *	Status
DNV ENERGO, a.s.		Closed
Zdroj elektrickej energie		Open
Výroba magnezitového slinku, SMZ, a.s. Jelšava	454032	Open
Výroba magnezitového slinku, divízia Bočiar	12342	Open

Metsa Tissue Slovakia s.r.o. - Výroba papiera	24391	Open
Výroba papiera v Slavošovciach	5338	Open
Prev. na výrobu cement. slinku v rotačných peciach	753028	Open
Považská cementáreň, a.s. – Ladce	462858	Open
Výroba papiera v Slavošovciach	5338	Open
<i>*in current ETS period before last 30 April</i>		

USA

Largest energy storage system in Mass. Launched, solar+storage trend continues, Sept 25 '18

One of first states to enact an energy storage target, Massachusetts, received its largest utility-scale energy storage system Tuesday when ENGIE and Holyoke Gas & Electric launched a 3 MW/6 MWh system connected to a solar farm near Boston.

Located adjacent to the former 136-MW Mt. Tom oil- and coal-fired power plant 90 miles west of Boston in Holyoke, Massachusetts, the battery energy storage system was connected to a 5.8-MW community solar PV project.

ENGIE North America supplies power from the solar plant to local utility Holyoke Gas & Electric under a 20-year power purchase agreement, ENGIE Storage spokeswoman Anne Smith said in an email Tuesday.

<https://www.spglobal.com/platts/en/market-insights/latest-news/electric-power/092518-largest-energy-storage-system-in-mass-launched-as-solar-plus-storage-trend-continues>

Portland air quality group organizes to fight diesel pollution from Brooklyn Rail yard, Sept 28 '18

Southeast Portland residents who live in the neighborhoods close to the Brooklyn Rail Yard are organizing to try to fight the diesel pollution they say comes from the train and truck traffic at the site.

"Diesel emissions in Portland represent a serious health risk," said Joe Hovey, media contact for Portland Neighbors Addressing Diesel Pollution. "We are concerned that too little has been done to address this threat to our health. We believe public awareness has been insufficient to ensure an effective response from our leaders."

"Our goal is to get the state, county and city to work together with its constituents to find real immediate solutions," Hovey continues.

Portland Neighbors Addressing Diesel Pollution, a group that formed last year, will host a forum tonight at 7 pm at Sacred Heart Catholic Church to discuss the health risks and dangers posed by diesel emissions to residents across all of

Portland. The forum will include a panel of experts, elected officials, and candidates who will discuss the scope of the problem and what can be done about it.

The forum will address how locomotive and container truck diesel emissions from Brooklyn Rail Yard and other concentrations across Portland impact the health of neighboring residential areas. Concerns center around the diesel particulate, a hazardous component of diesel exhaust.

<https://www.wweek.com/news/city/2018/09/26/portland-air-quality-group-organizes-to-fight-diesel-pollution-from-brooklyn-rail-yard/>

California turns up the heat on climate change disclosures, FT, Sept 29 '18

The wildfires that ripped through the heart of California this summer were mostly under control by the time Senate bill 964 was approved by lawmakers in late August.

Scientists say climate change is leading to the increase in such catastrophes.

It is grimly ironic, then, that landmark legislation, to compel two huge US pension funds to disclose more about how they manage climate-related financial risk, was born as the land smouldered.

The new law in California will require Calpers [the California Public Employees' Retirement System], which oversees \$360bn in assets, and Calstrs [the \$228bn California State Teachers' Retirement System] to report publicly on the climate-related financial risk of their public market portfolio.

The legislation defines this risk as “the effects of the changing climate, such as intense storms, rising sea levels, higher global temperatures, economic damages from carbon emissions, and other financial and transition risks due to public policies to address climate change, shifting consumer attitudes, changing economics of traditional carbon-intense industries”.

The reports will begin in 2020 with updates every three years. They must describe the actions the funds will take to address these risks, such as shareholder proposals they make to companies in which they invest.

Tesla gets Panasonic's help with ahead-of-schedule battery plant, Sept 30 '18

Panasonic Corp., the sole battery supplier for Tesla Inc.'s best-selling Model 3, is taking steps to help Elon Musk solve the “production hell” problem that has plagued the car that's key to making profits.

The Japanese company had proposed to add three production lines at Tesla's Gigafactory in Nevada by the end of the year. It's now aiming to complete the plan ahead of schedule, Yoshio Ito, head of Panasonic's automotive business, said in an interview Tuesday in Tokyo. Ito wouldn't specify an exact date for opening the facility that feeds the Model 3.

The success of the Model 3, which Tesla eventually wants to sell for less than \$40,000, is crucial for the Palo Alto, California-based company to maintain its lead in the EV race as marques such as Audi, Porsche, BMW and Mercedes-Benz are about to bring multiple models to the luxury electric-vehicle niche now dominated by the Model S and Model X. With the smaller Model 3 and eventually the Model Y crossover utility vehicle, Musk's auto business is increasingly moving toward the mass-luxury market.

<https://www.bloomberg.com/news/articles/2018-09-26/tesla-gets-panasonic-s-help-with-ahead-of-schedule-battery-plant>

US DOE's US\$30 million funding for carbon capture R&D, Sept 28 '18

The US Department of Energy [DOE] is announcing up to US\$30 million in federal funding for cost-shared research and development [R&D] under the second closing of the Office of Fossil Energy's [FE's] Novel and Enabling Carbon Capture Transformational Technologies funding opportunity announcement.

Selected projects will support the development of solvent, sorbent and membrane technologies to address scientific challenges and knowledge gaps associated with reducing the cost of carbon capture, supporting DOE's goal to develop technologies that can significantly reduce the cost of CO2 capture from coal-fired power plants.

<https://www.worldcoal.com/power/28092018/us-doe-announces-us30-million-funding-for-carbon-capture-rd/>

Musk to resign as Tesla chairman, remain as CEO in SEC settlement, Sept 30 '18

Tesla Inc and Elon Musk have agreed to pay \$20 million each to financial regulators and the billionaire will step down as the company's chairman but remain as chief executive, under a settlement that caps a tumultuous two months for the carmaker.

The securities fraud agreement, disclosed by the US Securities and Exchange Commission on Saturday, will come as a relief to investors, who had worried that a lengthy legal fight would only further hurt the loss-making electric car company.

The SEC on Thursday charged Musk, 47, with misleading investors with tweets on Aug. 7 that said he was considering taking Tesla private at \$420 a share and had secured funding. The tweets had no basis in fact, and the ensuing market chaos hurt investors, it claimed.

Investors and corporate governance experts said the agreement could strengthen Tesla, which has been bruised by Musk's recent behavior, which included smoking marijuana and wielding a sword on a webcast, and attacking a British rescue diver via Twitter.

The settlement should place more oversight on Musk while not taking the "devastating" measure of forcing him out, said Steven Heim, a director at Boston Common Asset Management, which owns shares in Tesla battery maker Panasonic Corp.

<https://www.reuters.com/article/us-tesla-musk-sec/musk-to-resign-as-tesla-chairman-remain-as-ceo-in-sec-settlement-idUSKCN1M90SY>

China

China steps up green energy push with revised renewable target of 35 pct by 2030, Sept 26 '18

China is stepping up its push into renewable energy, proposing higher green power consumption targets and penalising those who fail to meet goals to help fund government subsidies to producers.

The world's biggest energy consumer is aiming for renewables to account for at least 35 pct of electricity consumption by 2030, according to a revised draft plan from the National Development & Reform Commission seen by Bloomberg. Previously, the government had only set a goal for "non-fossil fuels" to make up 20 pct of energy use by 2030.

The NDRC and National Energy Administration did not immediately respond to requests for comment, and calls to their press offices went unanswered. The new plan, known as the Renewable Portfolio Standard, is an update of an initial draft published in March. The standard – which sets minimum consumption levels of electricity produced from renewable sources – is among efforts to ease the world's most populous nation's reliance on coal and combat pollution.

While helping to boost consumption of renewable energy, the policy also seeks to alleviate the government's subsidy burden by raising revenue through penalties for non-compliance.

China on track to add US-sized fleet to coal capacity –report, Sept 26 ‘18

China has 259 GW of new coal-fired power generation capacity under construction, equivalent to the total US coal plant fleet, despite Beijing’s efforts to hold back carbon-intensive development, a report found on Wednesday. <http://carbon-pulse.com/59467/>

The country’s empty promises of green energy for Africa, Sept 26 ‘18

Despite a verbal emphasis on renewables, most Chinese energy financing in Africa goes to coal, oil, and gas.

On September 3 and 4 this year, Chinese President Xi Jinping hosted representatives of 53 of the 54 African countries for the Summit of the Forum on China-Africa Cooperation [FOCAC], under unusually blue skies in Beijing. Only for the most important political events are strict control measures put in place to ensure no smog clouds anyone’s decision-making. This was especially important for the FOCAC Summit, as a large share of the \$60 billion pledge of Chinese financial support to Africa will be spent on energy infrastructure projects.

The triennial FOCAC summit is part of the Chinese government’s “going abroad” strategy, representing growing Sino-Africa economic and diplomatic cooperation. China boasts of its rapid economic development to underline its suitability as a development partner for Africa. The negative environmental consequences of this rapid development are not helping its case. The win-win rhetoric of China’s South-South cooperation policy emphasizes financing for clean energy projects. But the megaprojects being built and planned on the African continent show an increasing gap between the green energy cooperation that is promised, and the actual investments, which still include large amounts of oil, gas and coal.

China’s Energy Commitment to Africa

Of all the measures of sub-Saharan Africa’s poverty levels, few are as blatant as the fact that more than two-thirds of the region’s population does not have access to reliable energy. Access is especially limited in rural areas, where development challenges mount. Energy poverty costs lives in hospitals and clinics, it hampers education, it makes public areas unsafe, and it is expensive for governments and the economy. Currently, three-quarters of African energy demand is met by fossil fuels, which is still by far the largest source of global GHG emissions. As the population and the economy grows, the demand for energy is expected to triple by 2040. Africa needs significant investment to be able to provide more, reliable, and sustainable energy to its people.

This is where China enters the stage. In an unclear time for global climate cooperation, China propelled itself to the forefront of global climate

diplomacy and policy. It is reducing the use of fossil fuels and is yearly installing the largest amount of renewable energy capacity in the world. Chinese companies have taken a principal role in solar and wind technology in global renewable energy value-chains. Currently, China is investing more than any country in renewables overseas as it increases its global reach.

African Development Bank President Akinwumi Adesina said at the FOCAC summit that combating energy poverty is one of the main goals of the China-Africa economic cooperation. This much is clear. Chinese-backed financing is fueling development of energy infrastructure across the African continent. Research from AidData found that China is the largest development partner in the energy sector in Africa, concentrated almost entirely in sub-Saharan Africa.

<https://thediplomat.com/2018/09/chinas-empty-promises-of-green-energy-for-africa/>

Ganfeng Lithium listing to test appetite for key metal, FT, Sept 30 '18

The initial public offering in Hong Kong this week of one of China's biggest lithium producers will provide a test of both investor appetite for a metal that has been hailed as key to the future of electric cars and a stock market hurt by global trade tensions

Ganfeng Lithium, which is based in China's southeastern province of Jiangxi, could raise up to \$676m when it prices its shares on Wednesday. They start trading the following week. Although the company last week secured several cornerstone investors — those committed to holding the shares for a longer period — the listing comes at a delicate time for the lithium price and Hong Kong's stock market, where the benchmark Hang Seng index is down just over 7 pct this year.

The IPO is the first of several planned by producers of lithium. Investors have sought exposure to the metal in recent years because of its role as a key ingredient in manufacturing batteries used in electric vehicles.

China's provinces secretly building coal plants in defiance of national government, Sept 30 '18

Local governments in China are battling the central government to build more coal power plants, even as the country struggles to curb its GH emissions.

Between 2014 and 2016, China's provincial authorities issued a spree of permits for the construction of new coal power plants, totaling some 259 gigawatts of coal- energy capacity [pdf]—roughly equal the entire current US coal fleet. Then China's national government said “not so fast,” and issued a series of orders in 2016 and 2017 to stop or delay the construction of more than 150 planned plants, comprising nearly 57 GW of energy capacity. A new report suggests many are being built anyway.

CoalSwarm, a global network of researchers tracking fossil-fuel infrastructure, analyzed satellite imagery as of July 2018, and discovered that the construction of around half of those 150 plants is still proceeding, despite the government orders.

This will make it exceedingly difficult for China to meet the climate goals it agreed to in the 2015 Paris Agreement [pdf], and prevent what according to climate scientists would be a dangerous 2°C rise in global temperatures over preindustrial levels. The International Energy Agency estimates China must shutter all its coal plants without carbon capture and storage by 2045 for the world to have a real chance at avoiding catastrophic global warming.

<https://qz.com/1404934/chinas-provinces-are-secretly-building-coal-plants-in-defiance-of-the-national-government/>

Beijing axes coal, steel production curbs as economy slows, FT, Oct 1 '18

Beijing will not renew significant cuts on steel production and coal use aimed at improving air quality this winter, as policymakers look to boost China's economic performance in the midst of the country's trade war with the US.

The curbs — a rare restriction imposed on industries where state enterprises are prevalent — were meant to target airborne pollution, which worsens during the winter as much of the country's northern cities are heated with coal-fired power.

Last year, steel producers in four major production cities were forced to halve their output during the winter months while reducing their use of coking coal by nearly a third. Twenty-eight cities and regions were mandated to cut steel and aluminium output by roughly the same amount.

This winter, regulators are replacing hard caps on coal use and steel production with less stringent targets, weakening draft guidelines put out in August. Levels of particulate matter of 2.5 microns [PM2.5], a standard for measuring air pollution, must be cut by 3 pct, rather than the previously proposed 5 pct target.

A number of recent indicators, such as purchasing managers' indices, household debt and fixed asset investment, have shown China's economy is slowing. That has prompted Beijing to pare back environmental policies to boost gross domestic product, said analysts.

“While the industry had largely fallen in line with previous environmental restrictions, there is much less consensus about the wisdom of imposing additional output curbs,” wrote Rosealea Yao, an analyst at Gavekal Dragonomics, in a recent note.

Elsewhere in the World

Huge potential for green bond market - Report, Sept 25 '18

Climate Bonds Initiative's flagship 'Bonds and Climate Change State of the Market 2018' report has been launched at HSBC's Finance for Global Change Forum, one of the first events that kicked off Climate Week New York City.

The report identifies a "universe" of USD 1.45 trillion climate-aligned bonds, made up of USD 389 billion in green bonds.

One key finding was that the USA, China and France are top three countries for labelled green bond issuance, followed by Supranationals, Germany, Netherlands, Sweden, Spain, Canada and Mexico.

Another key finding was that at USD532 billion outstanding, transport is the largest theme in the climate-aligned "universe" at 44%, followed by energy at 23% and multi-sector at 15%

Energy has the highest number of climate-aligned issuers [292] while the buildings sector has the largest number of bonds outstanding [1,843]. This points to a large universe of unlabelled bonds financing green infrastructure, implying a huge potential for a larger and even more diverse green bond market.

However, there is still a long way to go. Global emissions remain on track to exceed 2 degrees of warming and USD 90 trillion of investment in climate projects is needed by 2030. The report says that if the global community is to successfully combat climate change, global green finance needs to reach USD trillion by end 2020 and grow each year of the new decade.

Read the report and the relevant Green Bonds press release here <https://www.climatebonds.net/2018/09/bonds-and-climate-change-state-market-2018-report-total-usd145tn-green-and-climate-aligned-bonds>

World Bank Group commits \$1 bi for battery storage to ramp up renewable energy globally, Sept 26 '18

In a major announcement at the One Planet Summit here today, the World Bank Group committed \$1 billion for a new global program to accelerate investments in battery storage for energy systems in developing and middle-income countries. The program is expected to help these countries ramp up their use of renewables – particularly wind and solar power – improve energy security, increase grid stability and expand access to electricity.

The \$1 billion in World Bank Group financing is expected to mobilize another \$4 billion in concessional climate financing and public and private investments.

The program aims to finance 17.5 gigawatt hours [GWh] of battery storage by 2025 – more than triple the 4-5 GWh currently installed in all developing countries.

“For developing countries, this can be a game changer,” said World Bank Group President Jim Yong Kim. “Battery storage can help countries leapfrog to the next generation of power generation technology, expand energy access, and set the stage for much cleaner, more stable, energy systems.”

Currently, batteries used in energy generation systems are expensive, and most projects are concentrated in developed countries. The “Accelerating Battery Storage for Development” program, in response to demand from countries, will finance and de-risk investments such as utility-scale solar parks with battery storage, off-grid systems – including mini-grids – and stand-alone batteries that can help stabilize and strengthen grids.

<http://www.worldbank.org/en/news/press-release/2018/09/26/world-bank-group-commits-1-billion-for-battery-storage-to-ramp-up-renewable-energy-globally>

See also below↓

Carbon finance: World Bank’s role in carbon trading markets, Sept 28 '18

Over the past two decades, the World Bank Group has emerged as a major actor in initiatives to build carbon trading markets, under the United Nations Framework Convention on Climate Change [UNFCCC] process and beyond. The WBG currently acts as a trustee for 15 individual carbon funds and facilities. It maintains that the primary function of these funds is to encourage the development of a global carbon market and support carbon pricing and other instruments aimed at reducing global carbon emissions. The WBG has been active in the ‘proof of concept’ of carbon trading schemes – sometimes alternatively referred to as emissions trading systems [ETS] – creating the first-ever carbon fund with the establishment of the Prototype Carbon Fund in 1999. Since then, its activities have expanded considerably: According to a 2017 approach paper by the World Bank’s Independent Evaluation Group [IEG], the WBG’s total carbon finance portfolio tops \$4.8 billion.

According to its website, the Bank facilitates Emission Reductions Purchase Agreements [ERPAs] by using “funds contributed by governments and companies in Organization for Economic Cooperation and Development [OECD] countries to purchase project-based GHG emission reductions in developing countries and countries with economies in transition.” The emission reductions are purchased through one of the Bank’s carbon funds or facilities on behalf of contributor nations, within the framework of the Kyoto Protocol’s Clean Development Mechanism [CDM] or Joint Implementation [JI]. The CDM allows ‘Annex B countries’ – the 38 countries as well as the European Community that agreed to the Kyoto Protocol’s emissions targets – to

implement emission-reduction projects in developing countries, earning them credits that count towards their respective Kyoto targets. JI allows a similar process to occur between fellow Annex B countries [i.e. other countries who have agreed to reduce emissions under the Kyoto Protocol].

In addition to facilitating ERPAs, the World Bank also provides advisory services to support the implementation of carbon finance schemes and projects. An example of such technical support is that provided to China by the World Bank's Partnership for Market Readiness [PMR] scheme. This support focused on carbon market financing management and allowance allocation as a component of the design of a national ETS. Another role of the carbon funds and facilities is to monitor and provide input on the CDM regulatory process, including in the development of new methodologies and in research undertaken on methodological and policy issues related to the CDM.

<https://www.brettonwoodsproject.org/2018/09/carbon-finance-role-world-bank-carbon-trading-markets/>

India

GE Power to provide low NOx boiler technology for coal plants, Sept 26 '18

GE Power today announced that technology has been selected by NTPC and Tata Chemicals to upgrade two coal-fired boilers in India with its low NOx firing system. This is the first installation of this technology in India and it will be implemented at NTPC's 2x490 thermal plant in Dadri, Uttar Pradesh and the 136 TPH Boiler Tata project in Mithapur, Gujarat. GE Power's technology can help reduce NOx generation by up to 40% from current levels in these units.

Today, India is the world's third largest producer of electricity, the majority of which is produced using coal. With more than 170 GW of India's coal-fired fleet operating on sub-critical levels, the implementation of this low NOx boiler technology can help the country reduce its NOx by up to 50% from the current level. GE Power also has the technology to reduce NOx levels even further by using secondary measures like SCRs which together with the low NOx boiler technology can reach reductions of more than 95%.

<https://www.genewsroom.com/press-releases/ge-power-deliver-india%E2%80%99s-first-low-nox-boiler-technology-thermal-plants-284501>

S. Arabia

\$200 billion SoftBank Solar project shelved: WSJ, Sept 30 '18

Saudi Arabia has shelved a \$200 billion plan with SoftBank Group Corp to build the world's biggest solar-power-generation project, the Wall Street journal reported on Sunday, citing Saudi government officials.

No one is actively working on the project, and instead, the Saudi kingdom is working up a broader, more practical strategy to boost renewable energy, to be announced in late October, the WSJ reported on.wsj.com/2NW8wIH.

SoftBank Chief Executive Masayoshi Son had announced in March a plan to invest in creating the world’s biggest solar power project in Saudi Arabia, a project expected to have the capacity to produce up to 200 GW by 2030.

Softbank declined to comment.

<https://www.reuters.com/article/us-saudi-softbank-group-solar/saudi-shelves-200-billion-softbank-solar-project-wsj-idUSKCN1MA0X6>

Turkey

Asia Infrastructure Investment Bank [AIIB] extends USD 200 mi credit to TSKB for renewable energy projects, Teba News, Oct 1 ‘18

Asia Infrastructure Investment Bank [AIIB] Executive Board has confirmed USD 200 million credit to be extended to Turkey Industrial Development Bank [TSKB] under the guarantee of the Turkish Government. TSKB will make credit available particularly for renewable energy and energy efficiency projects as long term financing. Renewable energy projects, appropriate for Renewable Energy Support Mechanism [YEKDEM], planned to be supported.

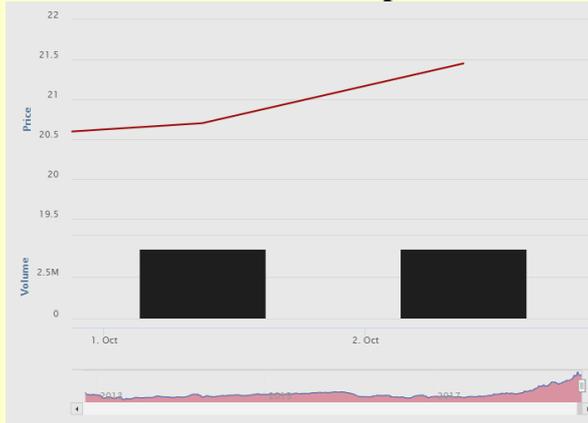
AIIB Vice-President and Chief Investment Executive DJ Pandian said, “We, for the first time, make partnership with TSKB, a financial intermediary in Turkey for our credit extending program, for assisting to reduce long term capital restrictions in Turkey’s banking sector. Credit will finance Renewable Energy projects like solar, hydroelectricity, wind, geothermal, biomass and energy efficiency projects and other infrastructure sectors like transportation, water management and treatment, electricity transmission and telecommunication as well, although on small scale.

EU Emissions allowances

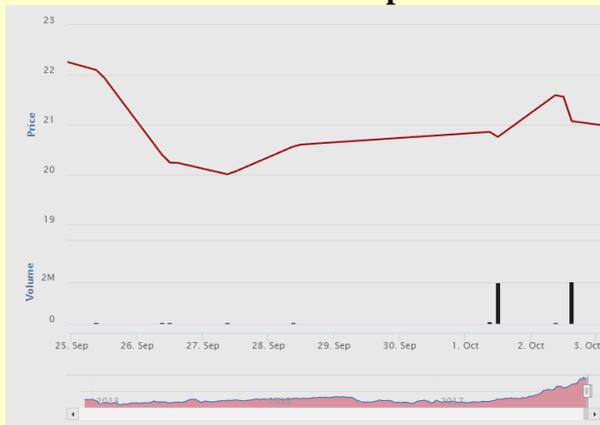
EUA primary market auction Sept 25-Oct 2 ‘18

Date	Contract	Median €/mtCO ₂	Auction volume mtCO ₂	Most active country
25/9/2018	EUA 3. Phase	21,85	4213000	IT: 15264300
26/9/2018	EUA 3. Phase	20,5	3547000	NA
27/9/2018	EUA 3. Phase	19,8	4213000	IT: 13849390
28/9/2018	EUA 3. Phase	20,19	5450000	NA
1/10/2018	EUA 3. Phase	20,62	4213000	IT: 14427900
2/10/2018	EUA 3. Phase	21,25	4213000	IT: 14950650

EU emissions allowances Sept 25-Oct 2 '18: Primary market auction



EU emissions allowances Sept 25-Oct 2 '18: Secondary market auction



Source: European Energy Exchange

