May technology targeting in CO$_2$ emissions of primary industry provide better results than ETS?

2017 01 18 Group of Experts on Energy Efficiency
guenter.bramboeck@evn.at
Initial considerations

- Problems for traditional large primary industry:
  - High investment costs for energy efficient technology
  - Legal security for equity based investments
  - Higher financing costs in less developed countries
  - Availability of infrastructure for alternative energy sources
  - Skills of personnel, qualification

- Facts:
  - Inefficient production is perpetuated as long as cheap energy is available for specific site and CAPEX are low
  - Cheap energy normally is highly pollutant
  - Range of specific energy/CO2 input for products known from benchmarks
  - Necessary energy/CO2 input depends on product groups
  - ETS is hard to balance universally, difficulty to combine with other sectors, especially transport
Alternative approach based on existing benchmark initiatives like GRI, LCTPi-CSI, SETIS, etc.

In reasonable steps over time set limits of CO2-input in sold/purchased (raw) product group.

- Adjustable to technological development of a sector
- Possibility to focus on high emission volumes in technology development
- Block-chain-technology and distributed ledger technology (DLT) may be used to track each phase of semi-finished products up to final product including production waste and recycling
Certificates and tracking of (raw) products by blockchain and DLT, e.g.: diamonds, art, food
Advantages:

- Higher energy efficiency results in better places to work and higher productivity
- Less energy consumption demands better process control and results in higher product quality
- Advanced technology is a precondition for lower financing costs
- Less financing costs, less emission warrant the industrial location

Digitalization of manufacturing industry facilitates tracking of product quality and environmental sustainability
Nedko Solakov: Working together stories #2:

“Two communities work very well together. Luckily, neither of them knows about the other one.”