



The Fifth Workshop on Export Credit Agencies and the Environment

Hosted by Oesterreichische Kontrollbank AG, OeKB, Vienna, 3-5 April 2006

Programme

Monday 3 April 2006

8.30 – 9.00 **Registration**

9.00 – 9.20 **Welcome and objectives of the workshop**
Mr Rudolf Scholten, OeKB
Mr Mark Radka, UNEP

9.20 – 9.40 **Introduction to day 1**
Ms Diana Smallridge, International Financial Consulting

Session 1: Renewable Energies and Water Projects

Under an Agreement on Special Financial Terms and Conditions for Renewable Energy and Water Projects negotiated and agreed by the Participants to the Arrangement on Officially Supported Export Credits¹ at the OECD in Paris in April 2005, maximum repayment terms for these sectors were extended to 15 years, i.e. comparable to the credit terms available for nuclear power plants under the *Arrangement* and more favorable than the 12-years for conventional power plant and 10/8.5 years for water projects. During a two-year trial period the impact of these new terms is being assessed.

9.40 – 10.00 **General information of the agreement**
Mr Pekka Karkovirta, Finnvera

- What are the consequences to be followed up and assessed?
- What else needs or can be done?

10.00 – 10.20 **Trends in Renewable Energy, looking forward**
Mr Jose Donoso, World Energy Council

- Is two years long enough to see any discernable impact?
- What are the most financially profitable markets for renewables?

10.20 – 10.40 **A buyer country's perspective**
Mr Sherif Aboulnasr, New Renewable Energy Authority, Egypt

¹ [http://webdomino1.oecd.org/olis/2005doc.nsf/Linkto/td-pg\(2005\)38-final](http://webdomino1.oecd.org/olis/2005doc.nsf/Linkto/td-pg(2005)38-final)

10.40 – 11.10 Coffee

11.10 – 11.30 Industry perspective

Mr Erik Sejersen, Vestas Wind Systems A/S

- How well known are the special provisions? What steps can be taken to make more exporters/and project developers aware of their existence?

11.30 – 11.50 NGO's perspective

Mr Nonno Breuss, ECA Watch Austria

11.50 – 12.40 Discussion

12.40 – 14.00 Lunch

Session 2: Hydropower Projects

The inclusion of hydropower projects in the Agreement on Special Financial Terms and Conditions for Renewable Energies and Water Projects was heavily debated, on both a technical and policy level by the Participants. This session will look at experience in different approaches being used to ensure environmental and social sustainability of hydropower projects.

14.00 – 14.10 Hydropower projects in the Agreement on Special Terms and Conditions for Renewable Energies and Water Projects

Mr Julian Paisey, OECD

14.10 – 14.30 Hydropower in a grid, implications on other renewables

Mr Gerhard Wedam, Verbund-Austrian Hydro Power AG

- technical presentation on the merits and caveats of hydropower
- the specific role of hydropower in a grid (including wind power and other renewables)
- technical and commercial issues when assessing alternatives to hydropower

14.30 – 14.50 Presentation of the Sustainability Guidelines produced by International Hydropower Association

Mr Richard Taylor, IHA

14.50 – 15.10 Presentation of the Core Values and Strategic Priorities of the World Commission on Dams

Dr Ger Bergkamp, IUCN The World Conservation Union

15.10 – 15.30 NGO perspectives on project screening

Mr Nick Hildyard, The Corner House

- How can different approaches be used in a complementary manner?
- How can the dialogue between different parties improve?

15.30 – 16.00 Coffee

- 16.00 – 16.30 Case study on assessment of a hydropower project**
Mr Emmanuel Boulet, COFACE
- Sharing best practices and good projects.
 - What is the ECA's perspective?
- 16.30 – 17.30 Discussion**
- 17.30 – 18.00 Wrap up day one**
Ms Diana Smallridge, International Financial Consulting
- 19.00 Departure for Dinner at a "Heurigen" in Grinzing**

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- 9.00 – 9.15 Introduction to day 2**
Ms Diana Smallridge, International Financial Consulting

Session 3: Environment/Sustainability Reporting

Several Export Credit Agencies have recently published environment and sustainability reports, which seem to have different scopes and approaches. The session will provide an opportunity to share experience in practice.

- 9.15 – 9.35 Scope of reports: Direct impacts (material use, wastes, indirect GHG emissions) and/or indirect impacts (screening environmental risk of projects)**
Ms Eveline Balogh, OeKB
- What do stakeholder groups expect to see in a “sustainability report”?
 - What are the different approaches applied by ECA on Environment and Sustainable Reporting?
- 9.35 – 10.00 The Global Reporting Initiative 2002 Sustainability Reporting Guidelines and Financial Services Sector Supplement: Environmental Performance – perspectives from a financial institution**
Mr Paul Mudde, Elephas Consulting
- What are financial institutions focusing on in their Sustainability Reports
 - How important are these Reports becoming for shareholders and other stakeholders?
- 10.00 – 10.30 Discussion: Comparison of ECA and Commercial Bank approaches**
- Why are approaches and scopes different?
- 10.30 - 11.00 Coffee**

Session 4: Disclosure policies

Since December 2003, ECAs have been implementing changes to their procedures and practices for assessing the potential environmental and social impacts of projects for which official support has been requested in order to meet the obligations set out in the OECD Recommendation on Common Approaches on Environment and Officially Supported Export Credits²; these include enhanced transparency requirements via ex-ante and ex-post disclosure.

11.00 – 11.20 Presentation on the OECD Recommendation

Mr Julian Paisey, OECD

- Disclosure period, scope and content of disclosed information, responsibility of disclosure, type of media and means used for disclosure, and location and language of disclosed information.

11.20 – 11.40 An EU-ECA's perspective

Ms Edna Schöne-Alaluf, Euler Hermes

- The EU-Directive 2003/4/EC on access of the public to environmental information. Share of experience of requests for information based on the directive.

11.40 – 12.00 NGOs perspectives on information disclosure policies and transparency

Mrs Judith Neyer, Fern

12.00 – 12.30 Discussion

- How can a balance be maintained between commercial concerns, such as confidentiality, competitiveness, and low administrative burdens with transparency and responsibility in decision making?

12.30 – 14.00 Lunch

Session 5: Carbon Credit and the role of ECAs

The Kyoto Protocol of the UN Framework Convention on Climate Change entered into force in February 2005 as did the European Union Emission Trading Scheme. Prices of so-called carbon credits have since then increased. The future is likely to see greater importance placed on the value and security of carbon in project finance, particularly for projects where improved technologies reduce carbon emissions. As an important element in the financial sector, ECAs may have a role in the emerging carbon market.

14.00 – 14.20 Enhancing security of carbon credits by ECAs - Case study of a Joint Implementation hydropower project in Bulgaria

Mr Michael Wancata, OeKB

- How can the carbon component be addressed in project financing, in light of national incentive schemes for renewables?

² [http://webdomino1.oecd.org/olis/2005doc.nsf/Linkto/td-ecg\(2005\)3](http://webdomino1.oecd.org/olis/2005doc.nsf/Linkto/td-ecg(2005)3)

- 14.20 – 14.40 **The Kyoto Mechanisms and the EU Emission Trading Scheme**
Ms Heidrun Schmid, OeKB
- What are the challenges and opportunities to ECAs in the emerging carbon market?
 - Which are the financial instruments being developed for enhancing carbon credit value and security?
- 14.40 – 15.00 **Insuring carbon credit**
Mr Louis Habib-Deloncle, Garant
- 15.00 – 15.30 **Coffee**
- 15.30 – 16.00 **NGO's perspective**
Mr Larry Lohman, The Corner House
- 16.00 – 16.45 **Discussion**
- 16.45 – 17.15 **Workshop summary and conclusions**
- 17.15 – 18.15 **Time for sight-seeing of Vienna city centre**

Wednesday 5 April 2006

Study visit to Simmering Biomass Power Plant and Freudenau Hydro Power plant

- 8.00 bus leaves from OeKB premises
- 8.30 - 10.30 visit of Simmering biomass plant
- 10.40 – 11.00 bus trip
- 11.00 – 13.00 visit of Freudenau Hydro Power plant
- 13.00 - 13.30 return trip to OeKB premises