



Federal Ministry
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Welcome to the

Australian-German Energy Symposium

18-19 September 2019



Deutsch-Australische
Industrie- und Handelskammer
German-Australian Chamber
of Industry and Commerce



#AU_DE_Energy2019

Setting the scene: Status, prospects and bilateral opportunities of the Australian-German energy transitions

Moderator: Chloe Munro AO *(no slides)*
Chair of the Energy Transition Hub Advisory Panel

Prof. Ross Garnaut AC *(no slides)*
Professorial Research Fellow in Economics, University of Melbourne

Dr. Felix Matthes
Research Coordinator for Energy & Climate Policy, Ökoinstitut (Institute for Applied Ecology)

Holger Lösch *(no slides)*
Deputy Director General & Member of the Executive Board, Federation of German Industries (BDI)

Innes Willox *(no slides)*
CEO, Australian Industry Group

Setting the scene: Status, prospects and bilateral opportunities of the Australian-German energy transitions

Australian-German Energy Symposium 2019

Dr. Felix Chr. Matthes

Melbourne, 19th September 2019

Energy transformation in Germany

The strategic framework

We see a more mixed outcome of the German energy transformation as a result of significant strategic asymmetries

- Paving the way for the clean options
😊-😞
- Designing the exit game for the high-carbon assets
😞-😞
- Triggering the infrastructure adjustments with sufficient lead-times
😞-😞
- Making innovation work in time
😊-😞
- Making learning, cross-border integration and phase-oriented approaches an integral part of the policy mix
😞-😞

Energy transformation in Germany

The structural and political framework

What do we know about the future energy system

- options for the upcoming decade are at hand, it is about implementation
- more uncertainties remain on the longer term, we can, however, describe the system in structural terms: coordination-intensive, capital-intensive, infrastructure-intensive, fundamentally changed spatial patterns

What has changed in the recent years and months

- Climate neutrality as the new paradigm
 - energy efficiency and electrification will be important but not sufficient
 - other carbon-neutral fuels will need to play a significant role
- Land availability for the energy system emerges as one of the most significant constraints
 - import of carbon-neutral fuels will play a significant role
- New policy mechanisms emerge at the horizon
 - border adjustments

Energy transformation in Germany and Australia

Fields for mutual learning – some ideas

Innovative technical & regulatory solutions for new electricity systems

- Dealing with changing spatial patterns and an increased role of distributed options for generation, flexibility, storage in high-RES systems
- Sector integration

Innovative solutions for climate-neutral heavy industries

- Electrification, CCS, hydrogen, others

Towards a global hydrogen market

- Technology chains for supplies of (green, blue, pink, black) hydrogen
- Governance framework to ensure climate-neutrality
- Ramping-up a competitive market that is attractive for investments (should we have a fresh look on the Energy Charter?!)

Enlightened policy mixes???

Just transition???

Thank you very much

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