

Indo-German Energy Forum – History, Objectives and Outlook

Wolfdieter Böhler, Federal Ministry for Economics and Technology (BMWi), Germany

History

The Indo-German Energy Forum (IGEF) was founded on 26 April 2006 as an initiative of the German Federal Chancellor Angela Merkel and the Indian Prime Minister Manmohan Singh. On the German side the Federal Ministry for Economics and Technology (BMWi) has the co-ordination function. The counterpart on the Indian side is the Ministry of Power (MoP).

Objectives

According to the Terms of Reference agreed upon in the first meeting the IGEF aims among others at promoting cooperation in the areas of energy security, energy efficiency (EE), renewable energies (RE), investment in energy projects and collaborative research and development. The private sector is invited to participate in the initiative and should clearly benefit from it. Concrete objective is to identify and develop joint cooperation projects of German and Indian governmental and non-governmental institutions or – even more desired – of the private sector of both countries.

In the second meeting of the IGEF in December 2007 a decision on the establishment of three ad-hoc Sub-Groups was taken:

Sub-Group 1 for in-depth study in the area of “efficiency enhancement in fossil fuels based power plants” led by the Ministry of Power of India and by the German Ministry for Economics and Technology.

Sub-Group 2 for further cooperation in the field of “decentralized power generation based on biomass and other renewable energies” led by the Ministry of New and Renewable Energy (MNRE) of India and by the German Ministry for Economics and Technology (BMWi) and Ministry for Environment, Nature Conservation & Nuclear Safety (BMU).

Sub-Group 3 “CDM projects in the Kyoto framework” led by the Indian Ministry of Power (MoP) and by the German Ministry for Environment, Nature Conservation & Nuclear Safety (BMU).

Meetings of all three Sub-Groups took place in the course of 2008. Sub-Group 1 established two task forces involving German and Indian energy associations and utilities in order to pursue the following two concrete projects:

- a) „Hamonisation of tendering procedures for rehabilitation and modernisation contracts in the Indian power sector“

There is a significant and growing market for rehabilitation and modernisation (R+M) of thermal power stations. Establishing a standard tendering procedure will most likely result in time and money savings and in increasing the planning reliability. This will make R+M projects more attractive not only for consulting companies and suppliers of equipment but also for financing institutions. The German industry and the Indian side have therefore expressed interest to assess options of harmonizing the tendering procedures and to develop model terms of reference, tender documents and procedures based on the best practices adopted in India and worldwide.

b) Establishment of an Indo-German „Excellence Enhancement Centre (EEC)“

It is the intention to establish an organization on the basis of a legal entity according to Indian law located in India. The institutional framework of EEC will be comparable with industry associations in Europe and it will have permanent staff to organize the daily work. It will be based on voluntary membership of power generation companies, equipment suppliers, research bodies and training institutions. The technical work of the EEC will be done primarily by committees that consist of representatives of EEC members. The activities of the Centre shall focus on three fields: technology, personal skills and processes in power plants.

Sub-Group 2 and 3 met for the first time in November 2008. The following areas of cooperation were identified and subsequently outlined in a Road Map:

- Business models to promote Renewable Energies in rural areas;
- New installation of large scale Renewable Energies Technologies;
- Consultancy support for photovoltaic panel installations on Indian governmental buildings;
- Programmatic CDM as a mechanism to promote technology transfer;
- Energy Service Companies (ESCO);
- An excellence enhancement center as a networking platform in an industrial sector;
- Energy efficiency programmes on the demand side.

As mainly activities related to energy efficiency are addressed in Sub-Group 3 there is a broad agreement among partners to rename it as Sub-Group “Energy Efficiency including CDM”.

Next steps

Due to the fact that IGEF is according to the Terms of Reference mandated to address also energy research issues, the Federal Ministry for Education and Research (BMBF) has proposed to cover research cooperation in a fourth Sub-Group. BMBF has already contacted the Indian Department of Science and Technology (DST) in this regard. Organizational details and possible areas for cooperation need to be discussed by BMBF, DST and the other involved German and Indian Ministries in the coming month.

It is the intention of the German side to convene the third meeting of the IGEF until the end of the year 2009 in order to take stock of the work done so far in existing Sub-Groups and Task Forces. An even more important aim should be to come to a political agreement on topics and projects for future cooperation especially in the area of SG two to four and to mandate the relevant Sub-Groups to specify the cooperation.