<table>
<tr><th colspan="4">Country: GERMANY</th></tr>
<tr><td>1) General description of the method or approach on which the integration of the COP26 Statement into national policies is based</td><td colspan="3">The German implementation of the COP26 Statement on the Clean Energy Transition Partnership is part of a comprehensive net zero climate strategy for Export Credit Guarantees. This strategy encompasses science-based decarbonisation pathways for key sectors of the German export industry such as energy, transportation and manufacturing based on the IEA Net Zero by 2050 scenario.

Going forward, export credit guarantees will be aligned with the 1.5°C pathway and the GHG footprint of the cover portfolio will be reduced to net zero in the long term. This will not only support the decarbonisation of the German export industry, but also the transformation of the destination countries abroad.

The sector guideline for energy addresses the implementation of the COP 26 Statement.

The sector guidelines go beyond the requirements of the COP 26 Statement, as they not only stipulate exclusions (and exceptions), but also define particularly climate-friendly (energy) activities, which receive preferential cover conditions. In concrete terms, each application for single cover is classified into one of the three categories:
- RED projects are not compatible with the 1,5°C pathway and are therefore excluded from coverage
- WHITE projects do not contradict the 1,5°C pathway and are therefore eligible for cover under normal conditions
- GREEN projects contribute particularly to the transition and therefore qualify for preferential coverage

Also, the sector guidelines are reviewed periodically.

Progress will be measured with a portfolio carbon accounting methodology specifically developed for the German ECA.

Consultations on the sector guidelines took place in August and September. This included the possibility to submit written comments and stakeholders from business and civil society had the opportunity to participate in a webinar and round-table discussions.</td></tr>
<tr><td colspan="4">2) Exclusion policies/ phase out plans</td></tr>
<tr><td rowspan="9">Description of exclusion policies / phase out plans for the unabated fossil fuel energy sector</td><td rowspan="3">Exploration, production</td><td>Coal</td><td>Exclusion</td></tr>
<tr><td>Oil</td><td>Exclusion, no exceptions for Oil production using Routine Venting & Flaring (RVF)</td></tr>
<tr><td>Gas</td><td>Exclusion</td></tr>
<tr><td rowspan="3">Transportation</td><td>Coal</td><td>Exclusion</td></tr>
<tr><td>Oil</td><td>Exclusion</td></tr>
<tr><td>Gas</td><td>Exclusion</td></tr>
<tr><td rowspan="2">Storage</td><td>Coal</td><td>Exclusion</td></tr>
<tr><td>Oil</td><td>Exclusion</td></tr>
</table>

		Gas	Exclusion
	Refining	Coal	Exclusion
		Oil	Exclusion
		Gas	Exclusion
	Distribution	Coal	Exclusion
		Oil	Exclusion
		Gas	Exclusion
	Unabated power generation	Coal	Exclusion since 2021, no exceptions
		Oil	Exclusion
		Gas	Exclusion
Rationale for exclusion policy / phase out plans and related measures	The German implementation of the COP26 Statement on the Clean Energy Transition Partnership is based on the IEA Net Zero by 2050 scenario. It was designed to align export credit guarantees, an officially supported instrument, with the 1.5°C pathway and thus contributes to the implementation of Germany's commitment to the Paris Agreement.		
3) Exceptions			
Description of exceptions from the exclusions / phase out for the unabated fossil fuel energy sector	Exploration, production	Coal	Project aimed at **decommissioning** fossil energy infrastructure or **converting it to use for non-fossil** energy infrastructure
		Oil	Project aimed at **decommissioning** fossil energy infrastructure or **converting it to use for non-fossil** energy infrastructure or Project aimed exclusively at **closing methane leaks** or that contributes to the **ending of Routine Venting & Flaring (RVF)**
		Gas	Project aimed **at closing methane leaks** or **decommissioning** fossil energy infrastructure or **converting it to use for non-fossil** energy infrastructure

			Until end of 2025 for industrialised countries; until end of 2029 for emerging economies and developing countries: **Maintenance of existing conventional gas production projects** which neither increases production capacity or extends operating life, but **contributes in particular to the improvement of environmental, labour or other safety aspects** Until end of 2025: Exception for fields already developed or planned in 2021 **exclusively for the production of turquoise/blue hydrogen** In special individual cases until end of 2025: projects for the **development of new gas proposals**, provided these are necessary for - **national security** (e.g. to avert any serious disruption to security of supply) or - **geostrategic security** of supply interests (e.g. to avert a food crisis) **AND** – conformity with the **1.5 degree target** and the avoidance of lock-in effects is ensured. The assessment needs to be evidence-based.
	Transportation	Coal	Project aimed at **decommissioning** fossil energy infrastructure or **converting it to use for non-fossil** energy infrastructure
		Oil	
		Gas	Until end of 2025 for industrialised countries, until end of 2029 for emerging economies and developing countries: **existing facilities or means of transport** whose capacity is not significantly expanded, whose service life is not significantly extended, which are not directly associated with non-conventional natural gas production and for which the opportunities available for preventing methane leakage

			within the exporter's or investor's sphere of influence are exhausted. In special individual cases until end of 2025, transport and storage **facilities that are essential for the implementation of a new gas project** (see Exploration/Extraction above) or an existing gas project. The prerequisites apply accordingly. The assessment needs to be evidence-based. Projects involving **conversion to sustainable or low emission* hydrogen** or **connecting new sources of renewable gases** or **gas networks for the transport of renewable gases**, including the renovation and adaptation of existing gas infrastructure, where these activities contribute to this objective or **smart meters** to reduce gas consumption *will be clarified in upcoming German Hydrogen Import Strategy
	Storage	Coal	Project aimed at **decommissioning** fossil energy infrastructure or **converting it to use for non-fossil** energy infrastructure
		Oil	
		Gas	See "Transportation"
	Refining	Coal	Project aimed at **decommissioning** fossil energy infrastructure or **converting it to use for non-fossil** energy infrastructure
		Oil	
		Gas	/
	Distribution	Coal	Project aimed at **decommissioning** fossil energy infrastructure or **converting it to use for non-fossil** energy infrastructure
		Oil	

		Gas	/
	Unabated power generation	Coal	**No exceptions**
		Oil	**Backup generators** in the civil and industrial sector, as well as **oil-based power generation used in humanitarian emergencies** and as backup for mini-/hybrid grid systems
		Gas	**Retrofitting of existing power plants with CCS/CCUS** having carbon capture according to best available technology (BAT) and evidence of permanent storage of captured CO2 Until 2030, **existing power plants** with the technical prerequisite that the power plants are technically designed to be **easily converted for the use of up to 50% H2** and until 2035 with the prerequisite that the power plants are technically designed (H2 readiness) to be **easily converted for the use of up to 100% H2**, without significantly expanding capacity or extending the operating life **New power plants or significantly expanded** power plants with **CCS/CCUS** having carbon capture according to best available technology (BAT) and evidence of permanent storage of captured CO2 or if the expected lifecycle GHG emissions of the power plants are **below a limit value which is set by the end of 2025 in orientation to the EU Taxonomy** and takes into account the market ramp-up of low-emission hydrogen AND under the technical prerequisite that the power plants are **50% H2-ready by 2030** and **100% H2-ready**

			from 2030. Easy convertibility to the use of H2 is sufficient to achieve H2 readiness. **Backup generators** in the civil and industrial sector, as well as natural **gas-based power generation used in humanitarian emergencies** and as backup for mini-/hybrid grid systems and reserve boilers for unscheduled emergency operation of renewable energy plants In developing countries: Use of **natural gas for cooking** when no renewable alternatives are available
Rationale for exceptions and related measures	The exceptions are very limited and leave only very limited room for transactions that in turn support the goals of phasing out fossil fuel related projects and supporting the transition in the energy sector.		