

## Press release

### BDI and McKinsey present comprehensive catalogue on greenhouse gas abatement

---

101/2007  
25 September 2007

---

Berlin. On Tuesday, the “BDI initiative – Business for Climate Protection” and corporate consultants McKinsey & Company presented jointly in Berlin a study titled “Costs and Potential of Greenhouse Gas Abatement in Germany”. The study makes Germany the first country in the world to carry out a comprehensive economic analysis of all major climate protection technologies with regard to the cost to decision makers, measured in Euro for each saved tonne of greenhouse gas. “With this study, we contribute crucially to an assessment of the Federal Government’s climate and energy policy proposals. We see the study as an offer of co-operation with the Federal Government,” said the chairman of the initiative, BDI President Jürgen Thumann.

For the first time, the costs and potential of more than 300 individual technological levers for greenhouse gas abatement were measured from the viewpoint of decision makers: that is, investors, homeowners, car buyers, and many other decision makers. Altogether, the study considers it economically viable to reduce greenhouse gas emissions by 26 percent by 2020, as against 1990 levels, in the four sectors of buildings, industry, energy, and transport. This is possible without detrimental effects to economic growth or quality of life, even if nuclear power is phased out as planned. The average abatement costs are as much as 20 Euro per tonne of CO<sub>2</sub> equivalent. There are other potential levers for abatement. Using these, however, would require significantly more investment. Even a reduction of 31 percent – assuming nuclear power is phased out as planned – would lead

**BDI initiative –  
Business for Climate Protection**

*Telephone and Fax*  
T: +49 30 2028-1566  
F: +49 30 2028-2566

*Internet*  
[www.wirtschaftfuerklimaschutz.eu](http://www.wirtschaftfuerklimaschutz.eu)

*E-mail*  
[Presse@bdi.eu](mailto:Presse@bdi.eu)

to significantly higher average abatement costs: namely, of between 32 and 175 Euro per tonne of CO<sub>2</sub> equivalent. These additional costs are due to a necessary increase in the proportion of renewable energies in the energy mix. These additional costs are due to a necessary increase in the proportion of renewable energies in the energy mix. This transformation of the energy mix has been decided on politically, and it is happening already. Most of the potential savings calculated can be achieved with existing and proven technologies. About two-thirds of the measures would even pay off – if only within a certain political framework. Reducing greenhouse gases by more than 31 percent cannot be achieved economically without retaining nuclear power.

More than 70 companies and industry associations were involved in the study. With them, a broad and reliable base of facts was gathered. The process was accompanied by a scientific advisory council that included Prof. Dr. Martin Hellwig, Prof. Dr. Wolfgang Ströbele, and Prof. Dr. Carl Christian von Weizsäcker. “The results of the study make clear that the German economy, with its technological potential, is the solution to the problem. Ultimately, it is only companies that can develop and make available the products, processes, and technologies needed for efficient climate protection,” Thumann emphasised. “It is now a question of achieving the right political framework, so that we can use those technologies as efficiently as possible.”

Thumann recommended to the government a range of instruments such as market incentive programmes, though these would have to be used and applied in a balanced way. This applies, in particular, to the provisions for distributing the best technologies on world markets. “Only by guaranteeing the export of relevant technologies will we be able to find the appropriate global answers to the global problem of climate change, and at the same time boost employment and our national economy. For this, future arrangements should be such that companies and consumers can independently make optimal investment and purchase decisions,” said Thumann.