

National Emissions Trading System (nEHS)

Selling National Emissions Certificates

Second Quarter 2022 Report



Umwelt 
Bundesamt

DEHSt
Deutsche
Emissionshandelsstelle

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Selling emission certificates in the national emissions trading system (nEHS)

In 2021, the national emissions trading system (nEHS) came into effect for the heating and transport sectors in Germany. For each tonne of CO₂ that can be released from the combustion of fuel, a national emission certificate (hereinafter referred to as ‘nEHS certificate’ and abbreviated as nEZ) must be purchased and surrendered to the nEHS registry at the German Emissions Trading Authority (DEHSt) at the German Environment Agency (UBA). During the entire fixed-price phase up to and including 2025, the sale of the nEHS certificates is carried out on a sales platform which is provided by the European Energy Exchange AG (EEX). The revenues from the sale flow entirely into the so-called Energy and Climate Fund (EKF).

The sales are carried out twice a week, on Tuesdays and Thursdays, from 09:00 to 15:00 CET on the EEX spot market. From 2022 onwards, nEHS certificates with the vintage of the respective current and previous year are offered on EEX (see Infobox).

Further information on sales is available on the [EEX website](#). The sales calendars are available on the [EEX website](#). The sales results are published on the [EEX website](#) on the same day following the sale.

DEHSt at the German Environment Agency (UBA) is the competent authority for the enforcement of the nEHS.

Overview of the core sales data

The following table summarises the core data of the sale of nEHS certificates (nEZs) on EEX in 2022:

2022		
Sales product	nEZ spot contracts for 2022	nEZ spot contracts for 2021
Sales period	From 11/01/2022 to 08/12/2022 ¹	From 11/01/2022 to 22/09/2022
Sales volume for the entire year	unlimited ²	limited (see Infobox below)
Sales volume per sales date	unlimited ²	limited (see Infobox below)
Sales frequency	twice weekly (Tuesdays & Thursdays from 09:00 to 15:00 CET)	
Minimum bid quantity	1 nEZ	
Sales mode	Fixed-price procedure with a fixed price of 30 euros per nEZ	Fixed-price procedure with a fixed price of 25 euros per nEZ

¹ Presumably last sales date in 2022. Additional dates may be scheduled at a later date.

² During the fixed-price phase, the number of available nEHS certificates with the vintage of the respective current year is not limited for the buyers on the sales dates. Insofar as the annual emission volume pursuant to paragraph 4(1) and (3) BEHG (called base cap) is exceeded for a calendar year within the trading period and the annual volumes of the Effort Sharing Regulation (EU-Klimaschutzverordnung) are not complied with, the demand for emission certificates in excess of this will be covered by the German Federal Government by making use of flexibility options pursuant to the Effort Sharing Regulation.

Fixed prices and rule for ‘post-purchase’ of nEHS certificates

Sales on the EEX within the nEHS will initially be subject to a fixed-price phase regulated by law from 2021 to 2025. The fixed price for a nEHS certificate, i. e. for one tonne of CO₂, in a given year is:

- ▶ 2021: 25 euros
- ▶ 2022: 30 euros
- ▶ 2023: 35 euros
- ▶ 2024: 45 euros
- ▶ 2025: 55 euros.

The number of available nEZs with the vintage of the respective current year is not limited on the sales dates during the fixed-price phase. In the following year, a limited post-purchase of nEHS certificates with the vintage of the previous year is possible pursuant to paragraph 10(2) BEHG (the ‘post-purchase rule’). The balance of nEHS certificates shown on the fuel distributor’s compliance account as of December 31 of each year forms the assessment basis for this purpose. In the following year, an obligated party as per BEHG can buy up to 10 percent of this balance of nEHS certificates at the previous year’s price on the EEX, or have them bought by intermediaries.

A transaction fee of 0.0049 euros or 0.49 cents (0.0058 euros including VAT) is charged by EEX for each nEZ purchased. Fixed fees or charges do not apply.

1 Overview

1.1 Second quarter of 2022

Between April and June, 25 nEHS sales dates of vintage 2022 and 2021 certificates were successfully carried out at the EEX for Germany.

In the second quarter of 2022 overall almost **22.1 million nEZ** of vintages 2022 und 2021 were sold with a total value of more than **654 million euros**. Of these, just over **20 million nEZ** were sold at a fixed price of **30 euros** and around **1.6 million nEZ** at a fixed price of **25 euros**. The average participation was 9 buyers per sales date (see also Chapter 2.1). In the second quarter 66 different buyers participated overall. This does not include indirect buyer participation via intermediaries.

The following table gives an overview of the key sales figures in the reporting period.

Table 1: Overview of German nEZ sales in the second quarter of 2022

Month	Vintage year	Number of sales dates	Sales volume	Buyers	Price	Revenues
April	2021	8	383,243	*2	€ 25	€ 9,581,075
	2022	8	3,509,918	*4	€ 30	€ 105,297,540
May	2021	8	340,673	*3	€ 25	€ 8,516,825
	2022	8	3,277,137	*6	€ 30	€ 98,314,110
June	2021	9	876,441	*4	€ 25	€ 21,911,025
	2022	9	13,690,154	*6	€ 30	€ 410,704,620
	2021	25	1,600,357	*3	€ 25	€ 40,008,925
	2022	25	20,477,209	*5	€ 30	€ 614,316,270
Total		25	22,077,566	**9		€ 654,325,195

Source: EEX, DEHSt
 *Average per sales date and vintage, rounded
 ** Total average per sales date, rounded

1.2 Entire year 2022

In the first half of 2022 a total of almost **26 million nEZ** of vintages 2022 und 2021 were sold with a total value of more than **767 million euros**. Of these, nearly **24 million nEZ** were sold at a fixed price of **30 euros** and around **2 million nEZ** at a fixed price of **25 euros**.

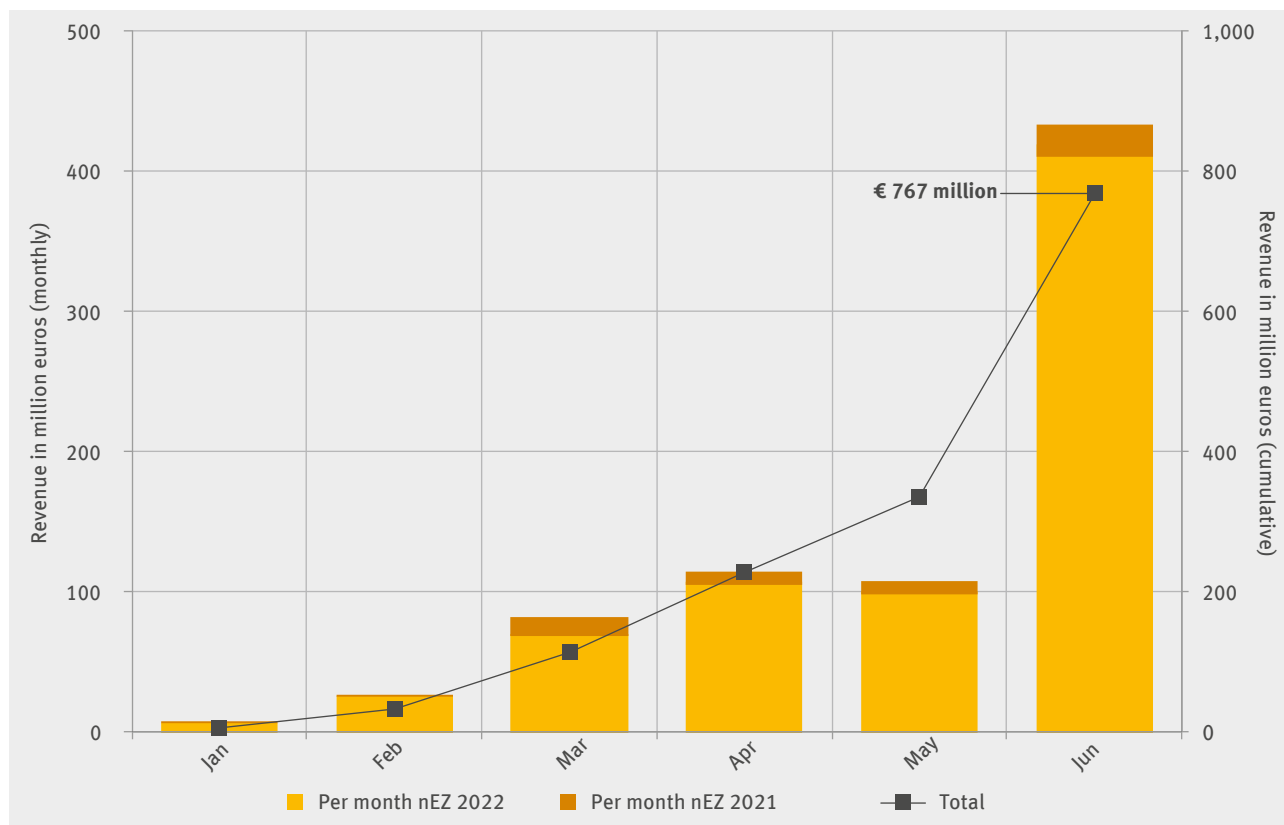
The following table gives an overview of the key sales figures on a monthly basis.

Table 2: Overview of German nEZ sales in the entire year 2022

Month	Vintage year	Number of sales dates	Sales volume	Buyers	Revenues
January	2021, 2022	6	216,787	*2	€ 6,462,165
February	2021, 2022	8	840,519	*3	€ 25,148,585
March	2021, 2022	10	2,805,918	*5	€ 81,438,575
April	2021, 2022	8	3,893,161	*6	€ 114,878,615
May	2021, 2022	8	3,617,810	*10	€ 106,830,935
June	2021, 2022	9	14,566,595	*10	€ 432,615,645
	2021	49	2,169,836	**2	€ 54,245,900
	2022	49	23,770,954	**4	€ 713,128,620
Total		49	25,940,790	***6	€ 767,374,520

Source: EEX, DEHSt
 * Average per sales date, rounded
 ** Average per sales date and vintage, rounded
 *** Total average per sales date, rounded

The following figure shows the development of German sales revenues (nEZ) in the first half of 2022. In addition to the values per month, the cumulative total revenues are also shown. The revenues of vintage 2022 and 2021 certificates are displayed as totals. June 2022 recorded the highest monthly proceeds so far this year of just under 433 million euros, exceeding the summed monthly revenues from January to May 2022 by nearly 98 million euros. In the entire period from January to June around 767 million euros were generated.



Source: EEX, DEHSt

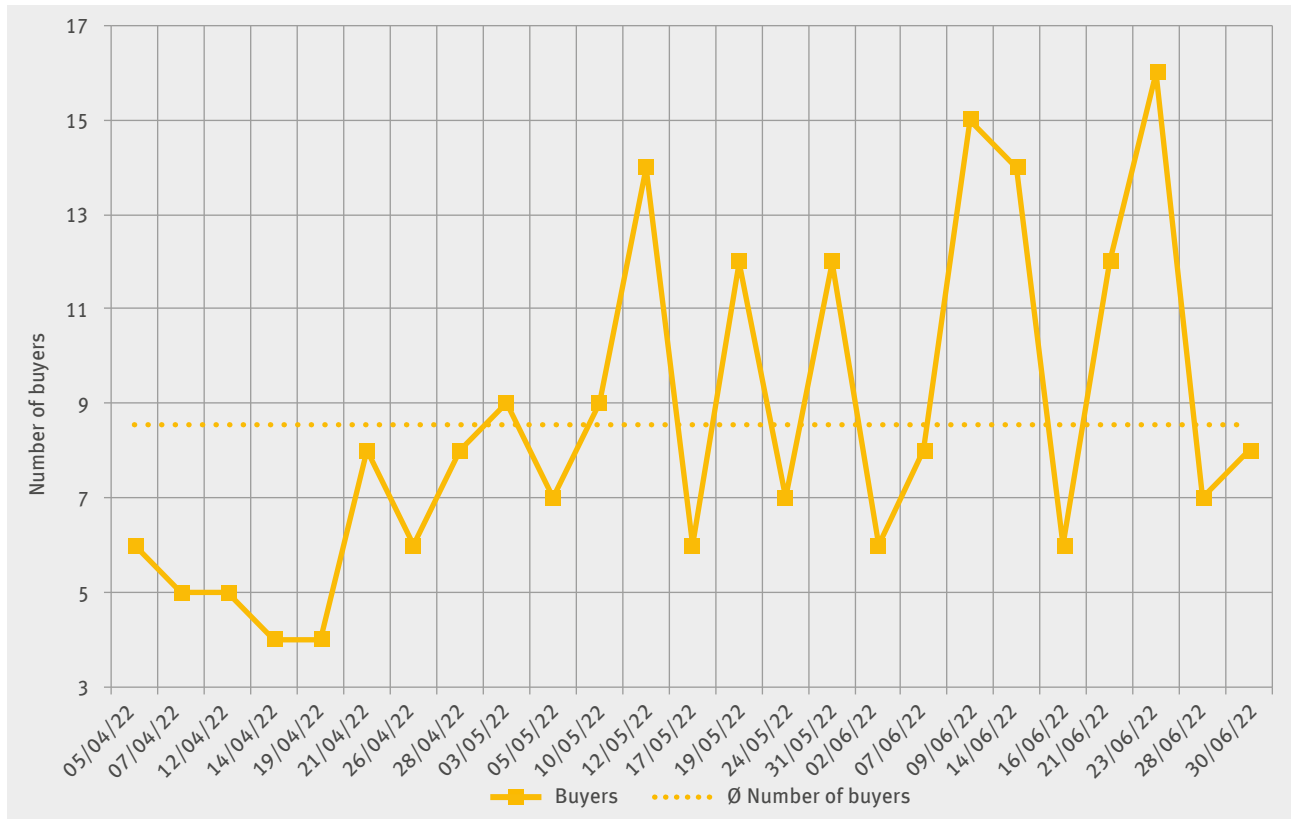
Figure 1: German sales revenues (nEZ) in 2022

2 Buyer participation

2.1 Participation

The number of participants in the sale of nEHS certificates averaged across all 25 sales dates was around 9 buyers in the second quarter of 2022. Participation on the individual sales dates in the reporting period fluctuated between 4 and 16 buyers.

The following figure illustrates the participation trend in nEZ sales over time.



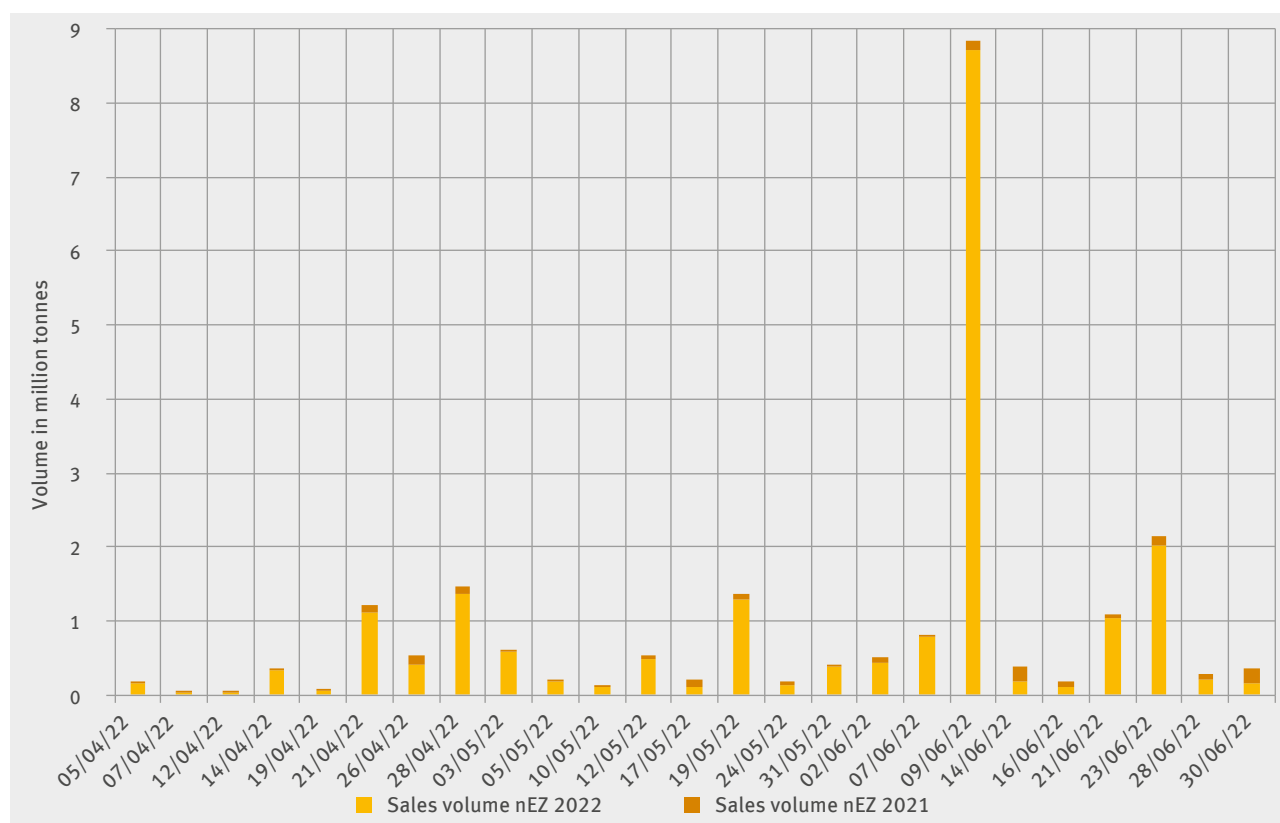
Source: EEX, DEHSt

Figure 2: Number of buyers per sales date (nEZ 2022 and nEZ 2021)

2.2 Volume demand

In the reporting period, the aggregate sales volumes of vintage 2022 and 2021 nEHS certificates per sales date fluctuated from less than 0.1 to just over 8.8 million emission certificates. In total, valid buy bids amounting to over 22 million nEHS certificates (vintages 2022 and 2021) were submitted in the second quarter of 2022. This means that the average purchase volume per participant, averaged across all sales dates, was above 100,000 nEZ.

The following figure summarises the results per sales date.



Source: EEX, DEHSt

Figure 3: Volume sold per sales date (nEZ 2022 and nEZ 2021)

3 Implementation of current regulations

3.1 Objective and non-discriminatory access

Paragraph 5(3) of the Fuel Emissions Trading Regulation (BEHV) stipulates that objective and non-discriminatory access to EEX is to be granted to those entitled to admission pursuant to paragraph 5(1) BEHV. The currently available access options are available on the [EEX website](#).

Information regarding the admission process can be obtained by calling the EEX nEHS admission hotline at + 49 69 211 – 15566 (languages: German, English and French) or by email at nehs-admission@eex.com. For general inquiries, EEX can be reached by email at nehs@eex.com. The nEHS FAQ are available via the following link: www.eex.com/en/faq.

3.2 Publication of sales results

All sales results with accompanying data were made publicly available on the [EEX website](#) on the respective sales day during the reporting period.

3.3 Other occurrences

There are no occurrences to report in connection with the implementation of the current regulations.

