

National Emissions Trading System (nEHS)

# Selling National Emissions Certificates

Fourth Quarter and Annual Report 2023



Umwelt   
Bundesamt

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## Selling emissions 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 CO<sub>2</sub> that can be released from the combustion of fuels, a national emissions 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 nEHS certificates is carried out on a sales platform which is operated by the European Energy Exchange AG (EEX). The revenues from the sale flow into the Climate and Transformation Fund (KTF)<sup>1</sup>.

The sales are carried out twice a week, on Tuesdays and Thursdays, from 09:00 am to 3:00 pm on the EEX spot market. Since 2022, nEHS certificates with the vintage of the respective current and previous year have been 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 is the competent authority for the enforcement of the nEHS.

### Overview of the core sales data

The following tables summarise the key points of the sale of nEHS certificates (nEZs) on EEX in 2023 and 2024:

2023		
Sales product	nEZ spot contracts for 2023	nEZ spot contracts for 2022
Sales period	from 10/01/2023 to 07/12/2023	from 10/01/2023 to 21/09/2023
Sales volume for the entire year	unlimited <sup>2</sup>	limited (see Infobox below)
Sales volume per sales date	unlimited <sup>2</sup>	limited (see Infobox below)
Sales frequency	twice weekly (Tuesdays & Thursdays from 09:00 am to 3:00 pm)	
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 30 euros per nEZ

<sup>1</sup> Until July 2022 – Energy and Climate Fund (EKF).

<sup>2</sup> 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.

2024		
<b>Sales product</b>	<b>nEZ spot contracts for 2024</b>	<b>nEZ spot contracts for 2023</b>
<b>Sales period</b>	from 05/03/2024 to 05/12/2024 <sup>3</sup>	from 05/03/2024 to 19/09/2024
<b>Sales volume for the entire year</b>	unlimited <sup>2</sup>	limited (see Infobox below)
<b>Sales volume per sales date</b>	unlimited <sup>2</sup>	limited (see Infobox below)
<b>Sales frequency</b>	twice weekly ( <b>Tuesdays &amp; Thursdays from 09:00 am to 3:00 pm</b> )	
<b>Minimum bid quantity</b>	1 nEZ	
<b>Sales mode</b>	Fixed-price procedure with a fixed price of <b>45 euros</b> per nEZ	Fixed-price procedure with a fixed price of <b>30 euros</b> per nEZ

### 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 latest amendment to the Fuel Emissions Trading Act (BEHG) came into force on 1<sup>st</sup> January 2024 (BGBl. I No. 412 from 29<sup>th</sup> December 2023; see [Bundesgesetzblatt \(bgbl.de\)](https://www.federal-gazette.de) – available in German only). It was decided that the CO<sub>2</sub> price for the years 2024 and 2025 will return to the path provided for in the first amendment of the BEHG. Therefore, the fixed price for a nEHS certificate and thus for one tonne of CO<sub>2</sub> in a given year amounts to:

- ▶ 2021: 25 euros
- ▶ 2022: 30 euros
- ▶ 2023: 30 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.



<sup>3</sup> Presumably last sales date in 2024. Additional dates may be scheduled at a later date.

# 1 Overview

## 1.1 Fourth quarter of 2023

Between October and December, 19 nEHS sales dates of vintage 2023 certificates were successfully carried out at the EEX for Germany.

In the fourth quarter of 2023 overall almost **230 million nEZ** were sold at a fixed price of **30 euros** with a total value of almost **6.9 billion euros**. The average participation was 28 buyers per sales date (see also Chapter 2.1). In the fourth quarter 175 different buyers participated overall in the primary market. This does not include indirect buyer participation via intermediaries.

The following table gives an overview of the key sales figures in the fourth quarter.

Table 1: Overview of German nEZ sales in the fourth quarter of 2023

Month	Vintage year	Number of sales dates	Sales volume	Buyers	Price	Revenues
October	2023	8	11,196,818	*11	€ 30	€ 335,904,540
November	2023	9	166,734,530	*35	€ 30	€ 5,002,035,900
05/12/2023	2023		40,131,162	87	€ 30	€ 1,203,934,860
07/12/2023	2023		11,633,613	49	€ 30	€ 349,008,390
December	2023	2	51,764,775	*68	€ 30	€ 1,552,943,250
<b>Total</b>		<b>19</b>	<b>229,696,123</b>	<b>*28</b>		<b>€ 6,890,883,690</b>

Source: EEX, DEHSt  
\*Total average per sales date, rounded

## 1.2 Entire year 2023

In 2023, all scheduled nEHS sales dates of vintage 2023 and 2022 certificates were successfully carried out at the EEX for Germany. On 21<sup>st</sup> September 2023, the last sales date for limited post-purchase of vintage 2022 nEZ took place on EEX in accordance with the published sales calendar. Thus, 73 sales dates of vintage 2022 certificates and 94 sales dates of vintage 2023 certificates were carried out in 2023.

In 2023, a total of about **358 million nEZ** (2022: 217 million nEZ) at a fixed price of **30 euros** per nEHS certificate with a total value of almost **10.7 billion euros** were sold (2022: 6.4 billion euros). Of these, nearly **349 million nEZ of vintage 2023** as well as around **9 million nEZ of vintage 2022** were sold. The average participation was 16 buyers per sales date (see also Chapter 2.2). In 2023, 182 different buyers (2022: 159) participated overall in the primary market. This does not include indirect buyer participation via intermediaries.

By the end of the year 2023, 207 participants (2022: 183) were officially admitted direct access to the sales at the EEX platform. On the other hand, more than 1,700 registry accounts (2022: more than 1,400) have been lodged at the platform for indirect access to the sales, thus reflecting a comparatively higher number of intermediary customers.

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

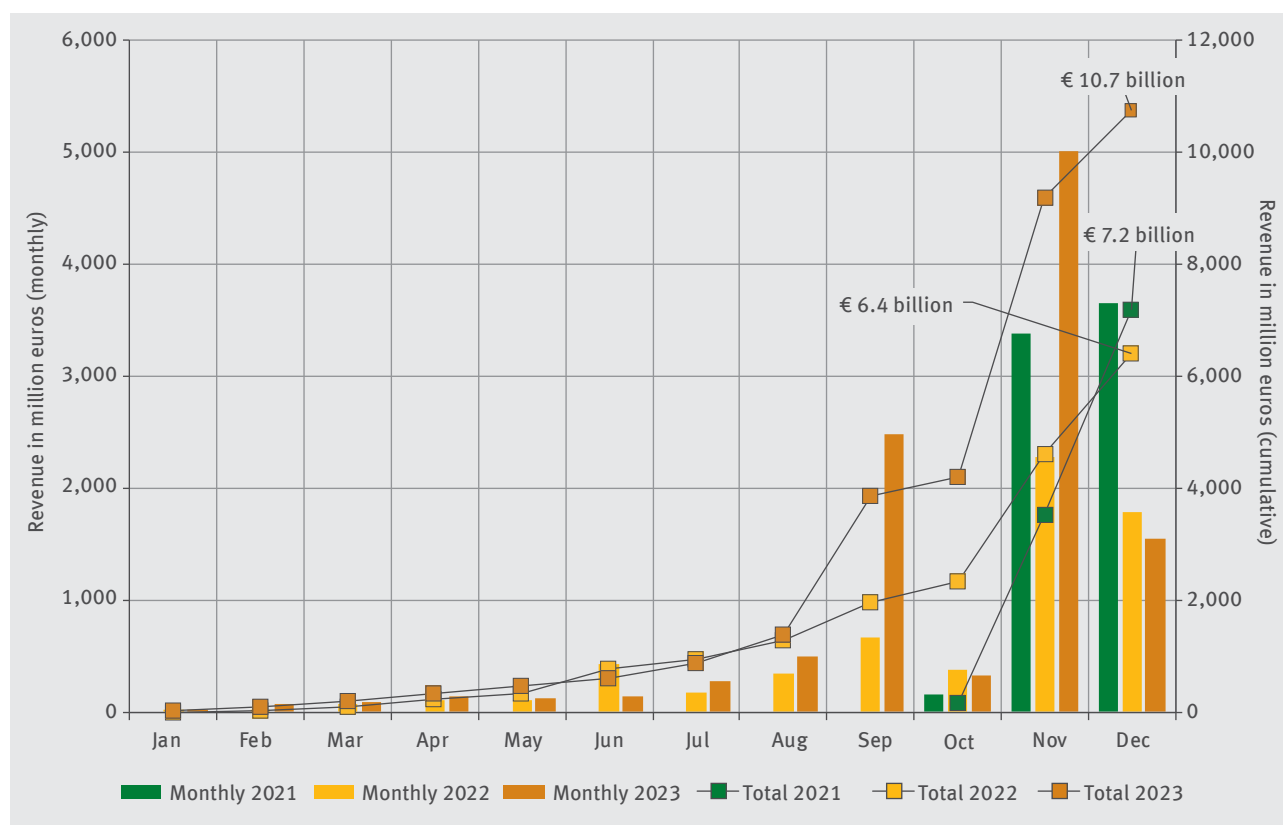
Table 2: Overview of German nEZ sales in the entire year 2023

Month	Vintage year	Number of sales dates	Sales volume	Buyers	Revenues
January	2022, 2023	7	718,607	*3	€ 21,558,210
February	2022, 2023	8	2,579,201	*3	€ 77,376,030
March	2022, 2023	9	3,241,823	*4	€ 97,254,690
April	2022, 2023	8	4,783,983	*5	€ 143,519,490
May	2022, 2023	8	4,086,541	*8	€ 122,596,230
June	2022, 2023	9	4,903,419	*11	€ 147,102,570
July	2022, 2023	8	8,997,727	*17	€ 269,931,810
August	2022, 2023	10	16,377,438	*20	€ 491,323,140
September	2022, 2023	6 resp. 8	82,618,854	*27	€ 2,478,565,620
October	2023	8	11,196,818	*11	€ 335,904,540
November	2023	9	166,734,530	*35	€ 5,002,035,900
December	2023	2	51,764,775	*68	€ 1,552,943,250
	<b>2022</b>	<b>73</b>	<b>9,313,933</b>	<b>**4</b>	<b>€ 279,417,990</b>
	<b>2023</b>	<b>94</b>	<b>348,689,783</b>	<b>**12</b>	<b>€ 10,460,693,490</b>
<b>Total</b>		<b>94</b>	<b>358,003,716</b>	<b>***16</b>	<b>€ 10,740,111,480</b>

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

Following the completion of the third quarter, the sale of nEZ of vintage 2022 at a fixed price of 30 euro within the post-purchase rule pursuant to paragraph 10(2) BEHG ended. Until 21<sup>st</sup> September 2023, it was possible to purchase these certificates within the individually permissible contingents on EEX. The total volume of permissible post-purchases of nEZ of vintage 2022 amounted to around 19.1 million nEZ. Thus, the total permissible post-purchase volume has been used up by obligated parties as per BEHG by around 50 percent amounting to around 9.3 million certificates. Considering the around 198 million certificates which were sold on EEX in 2022, the **total volume of sold nEZ of vintage 2022** amounts to around **207 million certificates** with a total value of around **6 billion euro**.

The following figure shows the development of German sales revenues (nEZ) since 2021. In 2021, the sale started in October, while in 2022 and 2023, the sale already began in January. In addition to the values per month, the cumulative total revenues are also shown. The revenues of the nEZs with the vintages of the respective years are displayed as totals. Because of a high catch-up need of companies, in total, significantly more revenues were recorded in 2023 than in 2022 (see also chapter 2.4). In November 2023, the highest monthly proceeds since the beginning of the sales were recorded with around 5 billion euros.



Source: EEX, DEHSt

Figure 1: German sales revenues (nEZ) 2021–2023

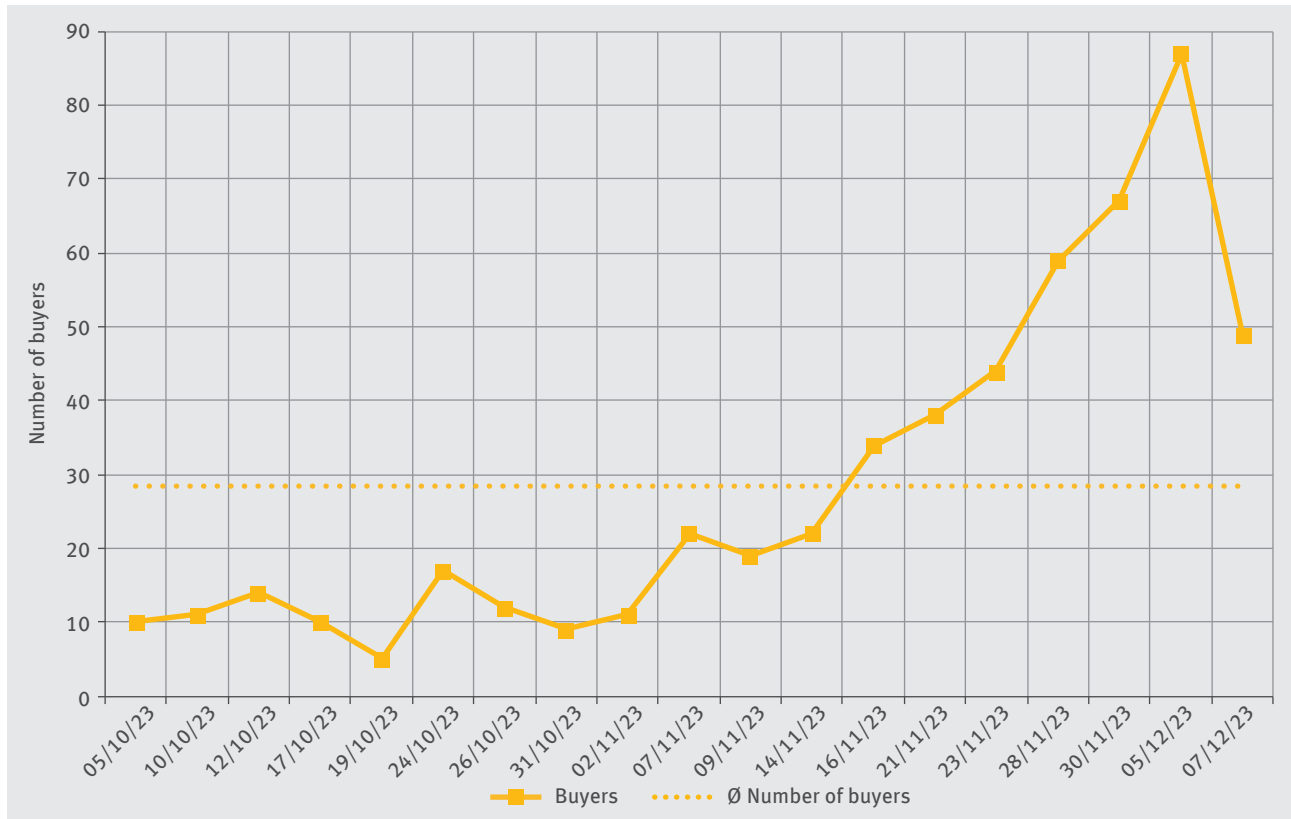


## 2 Buyer participation

### 2.1 Participation in the fourth quarter

The number of participants in the sale of nEHS certificates averaged across all 19 sales dates was around 28 buyers in the fourth quarter of 2023. Participation on the individual sales dates in the fourth quarter fluctuated between 5 and 87 buyers, but was characterised by an upward trend overall.

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



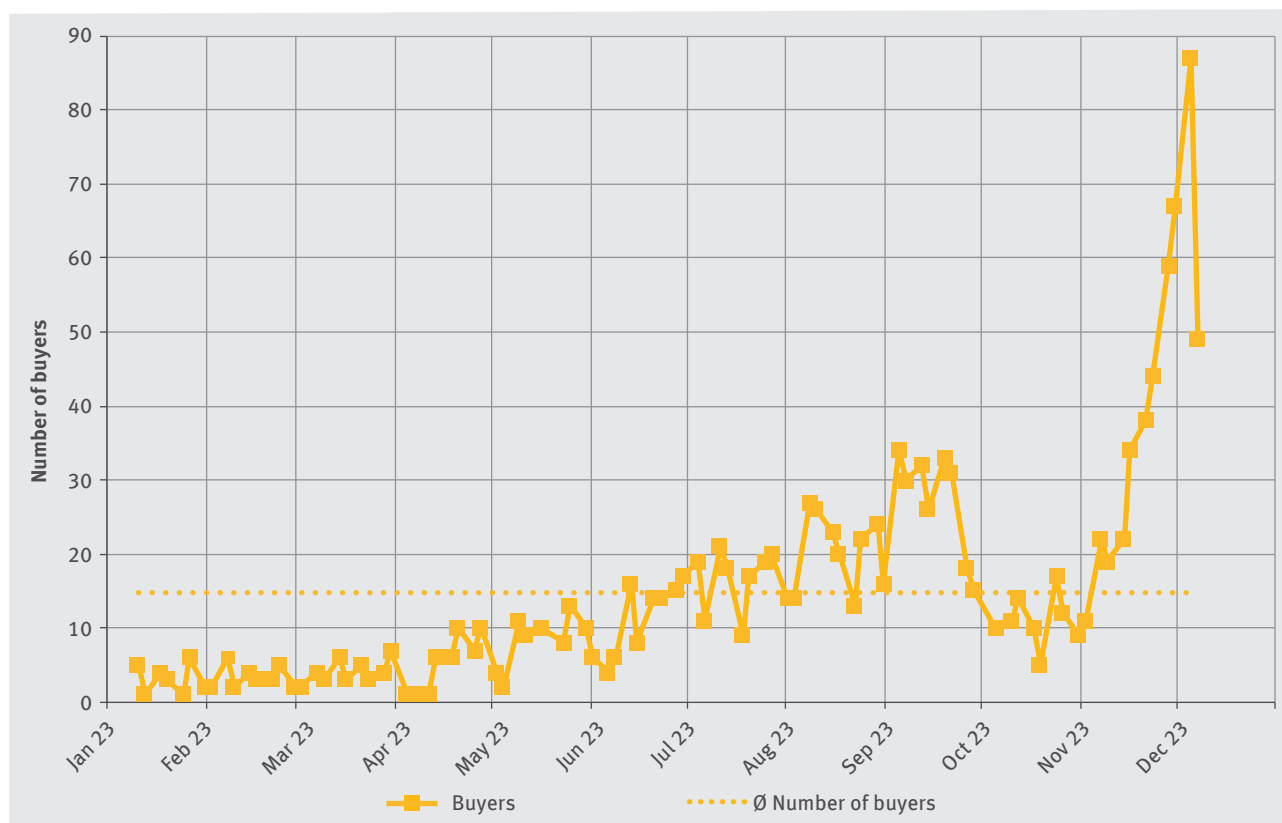
Source: EEX, DEHSt

Figure 2: Number of buyers per sales date (nEZ 2023)

## 2.2 Participation in the entire year 2023

The number of participants in the sale of nEHS certificates averaged across all 94 sales dates was around 16 buyers throughout 2023 (2022: 14 buyers). Participation on the individual sales dates in 2023 fluctuated between 1 and 87 buyers and was characterised by a relatively steady growth trend from summer onwards till the beginning of autumn. For a short time, the participation decreased after the surrender deadline at the end of September and increased visibly in the last weeks before the last sales date.

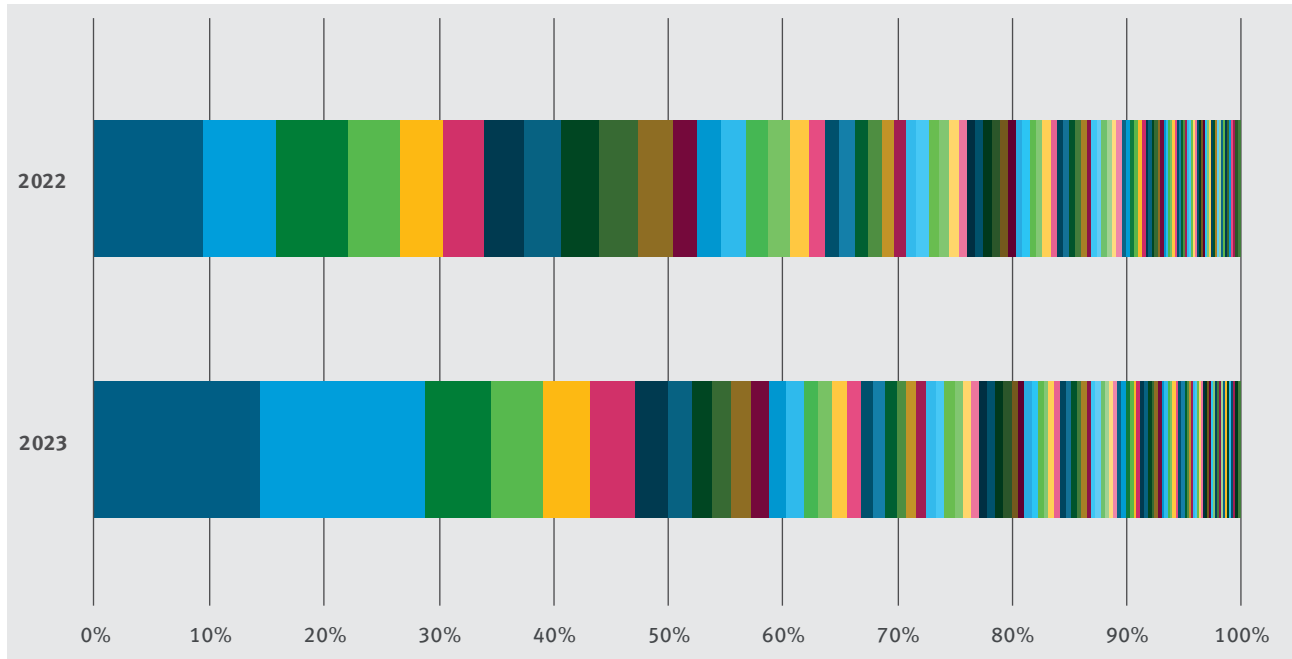
The following figure illustrates the participation trend in nEZ sales over time.



Source: EEX, DEHSt

Figure 3: Number of buyers per sales date (nEZ 2023 and nEZ 2022)

The following figure shows the shares of the individual buyers in the quantities purchased in 2022 and 2023. The colours are based exclusively on the order of volume purchased in the respective year and are not assigned to the individual buyers. In 2022, the 10 largest buyers in terms of volume together accounted for around 48 percent of the annual sales volume. In the following year, their share rose to around 56 percent. In particular, the share of the two largest buyers in terms of volume has increased significantly.



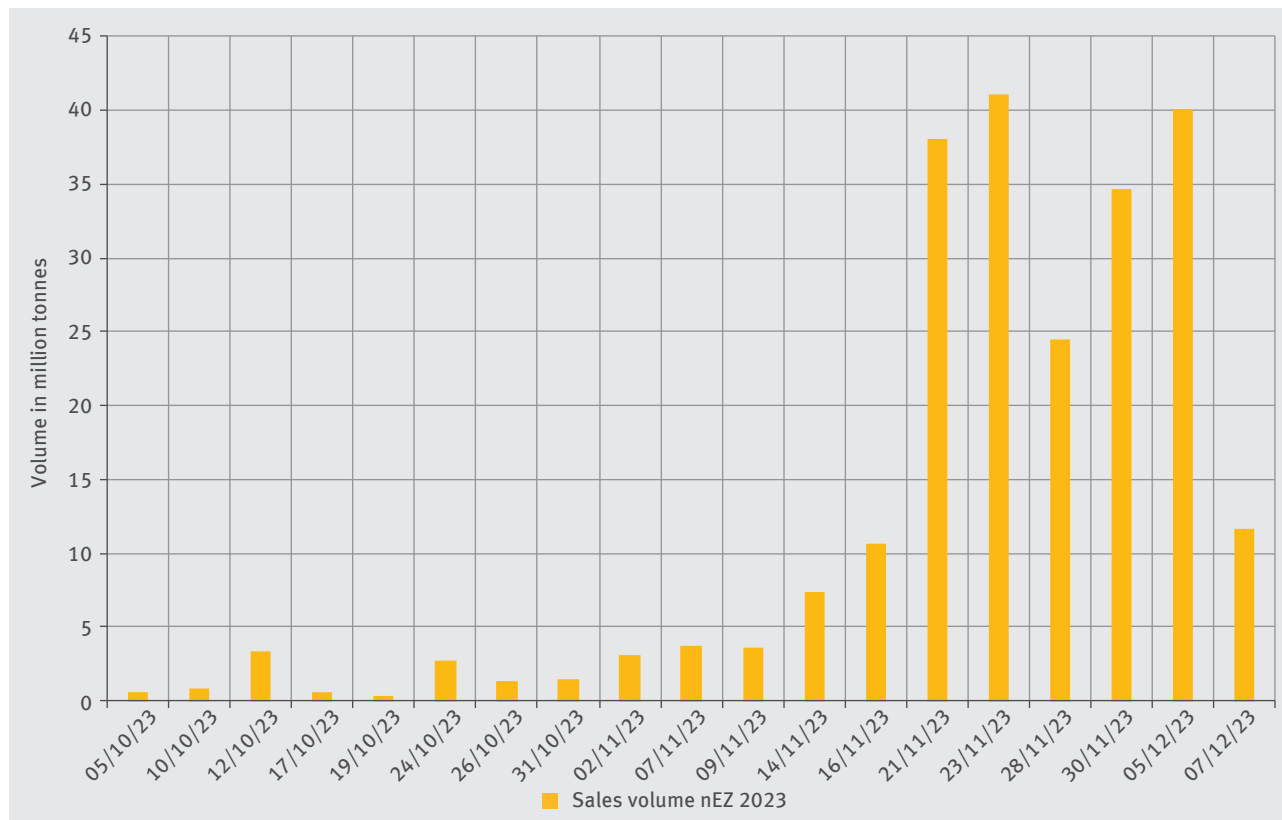
Source: EEX, DEHSt

Figure 4: Share of buyers in sales volumes in 2022 und 2023

## 2.3 Volume demand in the fourth quarter

In the fourth quarter, the sales volumes of vintage 2023 nEHS certificates per sales date fluctuated from around 0.4 to just over 41 million emission certificates. In total, valid buy bids amounting to nearly 230 million nEHS certificates (vintage 2023) were submitted in the fourth quarter of 2023.

The following figure summarises the results per sales date



Source: EEX, DEHSt

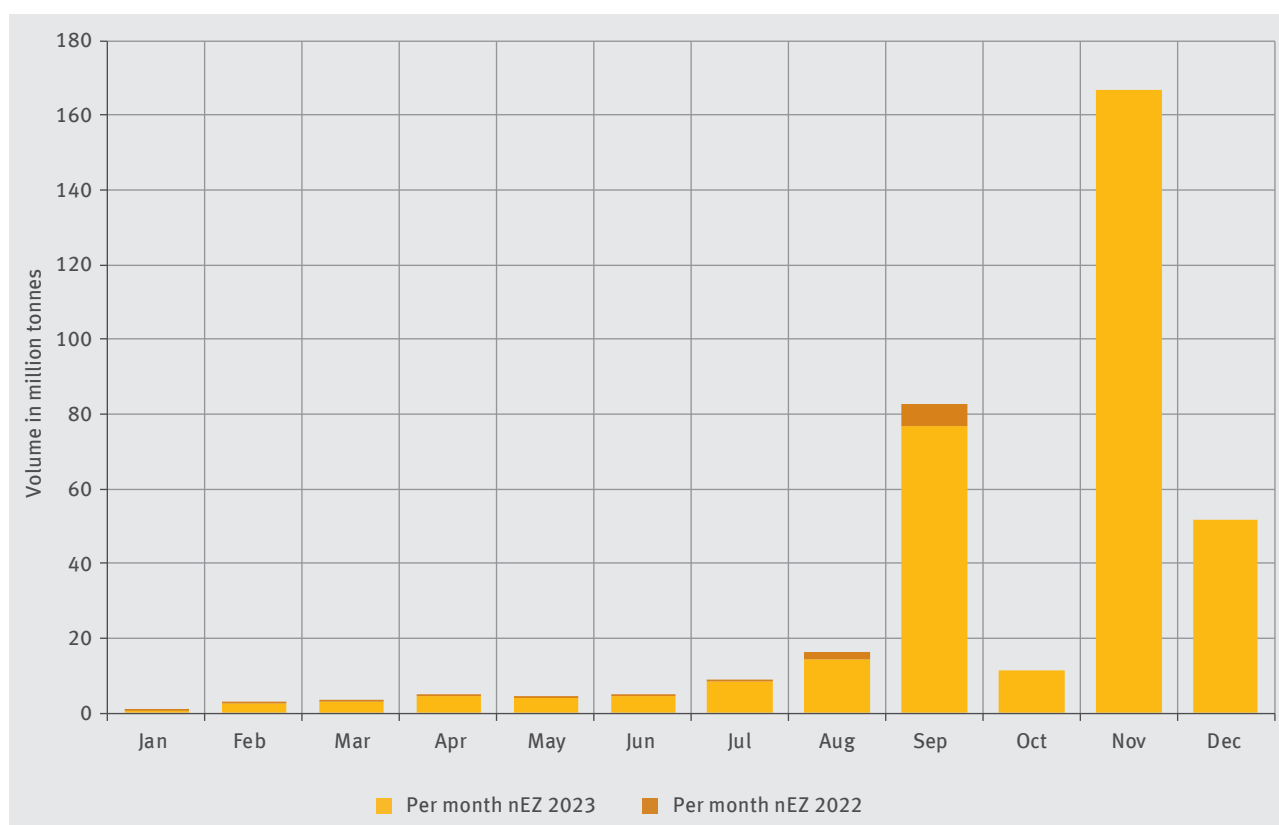
Figure 5: Volume sold per sales date (nEZ 2023)

## 2.4 Volume demand in the entire year 2023

In year 2023, valid buy bids amounting to around 358 million nEHS certificates (vintages 2023 and 2022) were submitted. Overall, significantly more certificates were sold in 2023 than in the previous year (2022: around 217 million nEZ of vintages 2022 and 2021). The increase of certificates sold is mainly due to a catch-up need of companies that had postponed acquiring their certificates to 2023. As the fixed price in the years 2022 and 2023 was uniformly 30 euros per nEZ, certificates of vintage 2023 could be used to cover reported emissions in 2022 at no additional cost.<sup>4</sup>

The largest monthly sales volume amounting to almost 167 million nEZ of vintage 2023 was reached in the month of November, which has also been the largest monthly volume since the start of the sales in October 2021, followed by around 77 million sold nEZ of vintage 2023 in September.

The following figure summarises the results per month.



Source: EEX, DEHSt

Figure 6: Volume sold (nEZ) in 2023

<sup>4</sup> [Reporting of reported data on the emissions and surrender situation 2022](#) (available in German only)

## 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](mailto:nehs-admission@eex.com). For general inquiries, EEX can be reached by email at [nehs@eex.com](mailto:nehs@eex.com). The nEHS FAQ are available via the following link: [www.eex.com/en/faq](http://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.

