

United Nations Development Programme
Turkey
GLOBAL ENVIRONMENT FACILITY
PROJECT DOCUMENT



Project title: Improving energy efficiency in Industry in Turkey

UNDAF Outcome(s)/Indicator(s): By 2010, strengthen individual and institutional capacity for both democratic and environmental governance at local and central levels. Outcome 1.3. Strengthen management and protection of ecosystems for sustainable development (UNDP, UNIDO, FAO)/Indicator(s): capacity of National Sustainable Development Committee functions to prepare the policy papers; strategy papers developed (forestry, fisheries and others).

Expected Outcome(s)/Indicator (s): Increase access to sustainable energy services/GHG emissions reduction. (CP outcomes linked to the SRF/MYFF goal and service line)

Expected Output(s)/Indicator(s): 2.1 Supporting efforts to strengthen capacity – building for the removal of barriers to the cost-effective development and implementation of energy efficient standards and labeling./GHG emission reduction. (CP outcomes linked to the SRF/MYFF goal and service line)

Implementing Partners: General Directorate of Electrical Power Resources Survey and Development Administration (EIE) and Small and Medium Enterprises Development Organization (KOSGEB), Technology Development Foundation of Turkey (TTGV) and Turkish Standards Institution (TSE)

Project Summary:

Turkey has come a long way in setting up the regulatory and institutional framework to promote energy efficiency, including a National Energy Efficiency Strategy and Energy Efficiency Law. Based on this framework, efforts have been made to improve energy efficiency (EE) in energy-intensive sectors such as steel, cement and paper. However, these efforts were largely made by the companies of the designated energy-intensive sectors only and the dissemination of the efforts and outputs of EE needs concerted efforts covering all industry, especially including small and medium-sized enterprises (SMEs) that form the bulk of industrial enterprises in Turkey. Various finance, capacity, technology and policy barriers still stand in the way of the widespread adoption of energy-efficient processes and technologies.

The project will strive to remove the identified barriers through a comprehensive and integrated approach that will focus on: (1) Contributing to the implementation of the EE Law by strengthening the institutional-regulatory framework and promoting a national Energy Management Standard; (2) Enhancing capacity and creating awareness in Turkish industrial companies as well as financial service and energy service providers; (3) Implementation of energy audits in large industry and SMEs; (4) Demonstration of state-of-the-art management practices, EE measures and technologies and appropriate business and financing models.

GEF support of USD 5.9 million is requested to support these activities which will be co-financed by UNDP and UNIDO (USD 60,000 and 50,000 respectively), the Turkish Government partners and TTGV with a USD 10.4 million contribution. An expected USD 17.0 million investment by industry in audits, energy management and energy efficiency measures and technologies will result in direct emission reduction of around 61 kilotons of CO₂ annually and (together with the barrier removal activities of the project) would lead to substantial indirect emission reduction.

Programme Period: 2010 - 2015
 ATLAS Award ID: 00059231
 ATLAS Project ID: 00074019
 GEF Sec Project ID: 3747
 PIMS: 4113
 Start date: Aug 2010
 End date: Aug 2015
 Management Arrangement: NIM
 PAC Meeting date: TBD

Total resources required:	USD 35,058,400
Total allocated:	USD 35,058,400
• Regular (UNDP):	USD 60,000
• Other (cash):	
◦ GEF (UNIDO)	USD 2,693,002
◦ GEF (UNDP)	USD 3,206,998
◦ EIE	USD 4,282,000
◦ TTGV	USD 4,460,000
◦ KOSGEB	USD 1,317,400
◦ Industry	USD 16,960,250
• In-kind (total: USD 2,078,750)	
◦ UNIDO	USD 50,000
◦ EIE	USD 658,250
◦ KOSGEB	USD 60,000
◦ TTGV	USD 165,000
◦ TSE	USD 126,000
◦ Industry	USD 944,500