The challenge of upscaling from internationally funded pilot projects

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About UNIDO

The United Nations Industrial Development Organization (UNIDO) is a specialised agency in the UN System that has the following mandate:

• Promote & support Inclusive & Sustainable Industrial Development (ISID) in developing countries and transition economies;

UNIDO plays an active role in the global development agenda focusing its activities on three thematic priorities:

- Poverty reduction through productive activities
- Trade Capacity Building
- Energy and Environment
UNIDO Industrial Energy Efficiency Efficiency Portfolio

30 Countries
Armenia
Belarus
Burkina Faso
Chad
Chile
China
Colombia
Ecuador
Egypt
Georgia
Kazakhstan
India
Indonesia
Iran
Macedonia
Malaysia
Maldives
Mexico
Moldova
Myanmar
Pakistan
Philippines
Russia
South Africa
Thailand
Tunisia
Turkey
UAE
Ukraine
Viet Nam

Ongoing projects
Planned activities
UNIDO Global EnMS-ESO Programme – June 2017

Operational in 18 countries
Planned activities in 10 countries

Projects ongoing
- South Africa
- Moldova
- Russia
- Turkey
- Ecuador
- Malaysia
- Thailand
- Viet Nam
- Philippines
- Indonesia
- Egypt
- Iran
- Ukraine
- Colombia
- Macedonia
- Myanmar
- India
- Georgia

Planned activities

Other donors
- Swiss State Secretariat for Economic Affairs
- UK Department for International Development
- Government of South Africa
- Government of Italy
- Government of Austria
Project Intervention Logic

IEE Barriers at various levels

- Policies & Institutions
- Skills, Implementation & Services
- Investments

Project response

- Technical Assistance for IEE Policies and Programs development and institutional strengthening

- IEE market development support through skills and services upgrade, pilot implementation and demand creation

- Partnerships for increasing IEE investments through enhanced capacity and new mechanisms
Scaling-up Challenges – Complexity of IEE

✅ Multiple Government institutions (Min. Energy, Environment, Industry, Economy, Finance)

✅ Diversity of sub-sectors ➔ different end-users needs and opportunities

✅ Vast range of technologies and applications

✅ Diversity of market players (technologies suppliers, vendors, service providers, EE project developers, energy auditors, verifiers, financiers, certifiers, etc.)
Scaling-up Challenges – Resistance to Change

✓ “If you want to make enemies, try to change something”
  (Woodrow Wilson)

✓ In institutions
✓ In people mind sets
✓ In organizations’ and people’s decision-making processes & behaviours
✓ In business models and products
Scaling-up Challenges – Different “Languages”

- Policy-makers speak and understand “Politichese”
- Policy-implementers speak and understand policies, laws and regulations
- Energy efficiency experts and technology providers speak and understand “Technicalese” (kWh, formulae, etc.)
- Industry speaks and understands “Businessian”
- Bankers and investors speak and understand “Financelese”
Scaling-up Challenges – Time

✓ Timeframes set to achieve results
✓ Time dedicated to planning and design
✓ Time required for/by market transformation
✓ 4 year Project OR 10 year Programme
Scaling-up Challenges – Complexity of IEE

Supply Chain for Energy Management System & ISO 50001

EnMS implementation and energy performance improvement
Scaling-up Challenges – Complexity of IEE

Supply Chain for Energy Management System & ISO 50001

EnMS implementation and energy performance improvement

3rd-party certification to ISO 50001

Policy Makers → Policy Implemen. → Enterprises → EnMS Consultants → kWh (€ + CO₂) → EnPerform. Verifiers

Lead Audit → Cert. Body → Accr. Body → Financiers & Investors
Scaling-up Challenges – Complexity of IEE

Supply Chain for Energy Management System & ISO 50001

EnMS implementation and energy performance improvement

Policy Makers → Policy Implementers → Enterprises → EnMS Consultants → kWh (€ + CO₂) → EnPerform. Verifiers

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3rd-party certification to ISO 50001

Local vendors → Parts & maintain. → Calibration services → Metering & Sensors → Financiers & Investors

Regulation → Boilers + vendors → System Specialists → Applicat. Specialists → SEU1 - Steam → Financiers & Investors

...... → ...... → ...... → SEU2 – Process A → Financiers & Investors
Conclusions

- Avoid to underestimate or overlook complexity of IEE and the “time-for-change” factor
- Need for continuity of political commitment, leadership and resources
- Ensure country ownership
- Have/set-up proper stakeholders “infrastructure”
- Programmatic rather project approach
THANK YOU!

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