



Joint UNIDO-ECO Project Proposal

PREPARATORY PHASE OF THE ESTABLISHMENT OF THE ECO CLEAN ENERGY CENTRE (CECECO)

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ECONOMIC COOPERATION ORGANIZATION (ECO) REGION



RATIONALE: REGIONAL PERSPECTIVE

Energy is one of the priority areas of cooperation within ECO. Energy Ministerial of ECO proclaimed 2013-2022 as the “ECO Decade for enhanced Energy Cooperation”

ECO Member States’ strong commitment to energy transformation towards renewables and their stance for promoting energy efficiency policies in line with ECO’s overall energy mandate

ECO Region’s tremendous unleashed potential in sustainable energy sources, notably solar, wind, hydro, geothermal and biomass

The strong inter-linkage between the establishment of the Centre and increasing energy sustainability: The Centre could pave the way for many energy sustainability solutions

Ever increasing share and dynamics of RES in the global energy mix

CECECO is a promising future element of GN-SEC being implemented across the globe.

Population growth, economic development and climate change pose challenges to traditional development strategies and coping mechanisms of ECO countries

The region is an increasing emitter of GHG and therefore, the climate change-related aspects and Paris Climate Agreement is sought to be focused while elaboration of the project concept

SOME ECO MEMBER STATES HAVE SET AMBITIOUS RENEWABLE ENERGY TARGETS

Current share of Renewable Energy in Total Final Energy Consumption (TFEC) of ECO Member States

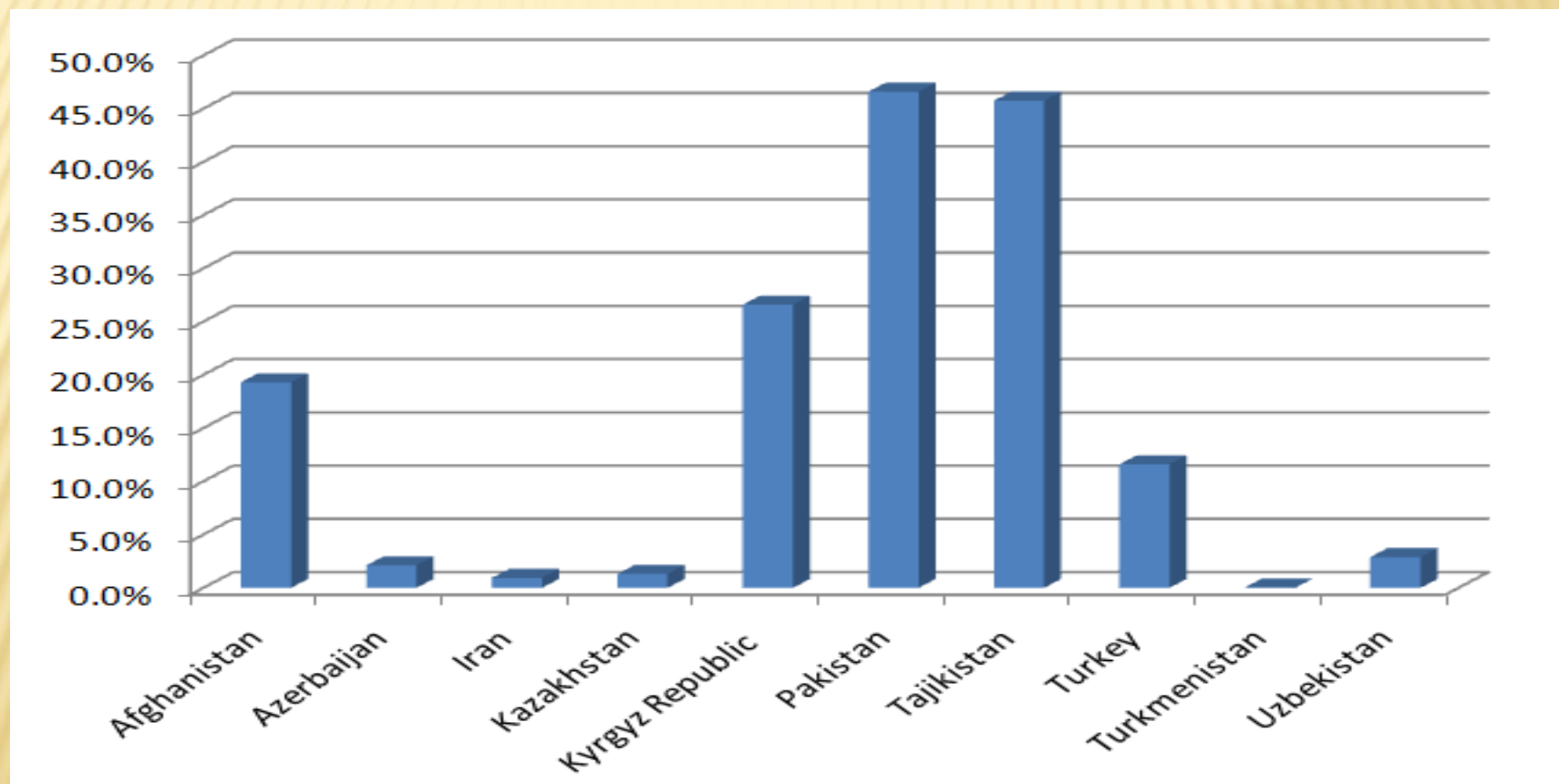


Table: ECO Secretariat's creation based on data from REN21 and UNECE 2017

SOME ECO MEMBER STATES HAVE SET AMBITIOUS RENEWABLE ENERGY TARGETS (CONTINUED)

Country	Sector	Target
Azerbaijan	Electricity Primary energy mix	1 GW by 2020 20% share of RES in power generation by 2020
Iran	Solar and wind power	5 GW (by 2020)
Kazakhstan	Electricity Bio, hydro, solar, wind Primary energy mix	1.04 GW by 2020 1.27 GW by 2020 50% share of RES in power generation by 2030
Kyrgyzstan	Renewables	100 MW by 2025
Pakistan	Electricity Primary energy mix	10 GW by 2030 10% share in 2015
Tajikistan	Hydropower (small-scale)	100 MW by 2020
Turkey	Bio-power from solid biomass Geothermal Hydropower Solar Wind	1 GW by 2023 1 GW by 2023 34 GW by 2023 5 GW by 2023 20 GW by 2023

Source: Global Status Report by Renewable Energy Policy Network for the 21st Century (REN21)

BACKGROUND

- Idea of establishment of ECO Clean Energy Centre was pioneered as the outcome of ECO-UNIDO consultations over the past few years
- The UN-ECO Resolutions on Cooperation adopted by UN General Assembly Sessions in 2014 and 2016 respectively, welcomed the idea of establishment of ECO regional energy centre with possible assistance of UN agencies
- Based on 1994 Agreement, UNIDO is a long-standing partner of ECO countries in promotion of cleaner and resource efficient production practices, as well as renewable energy and industrial energy efficiency
- ECO Vision 2025 – a key strategic document of ECO – and its Implementation Framework stipulates the establishment of ECO Clean Energy Centre until 2025
- ECO Plan of Action for Energy/Petroleum highlights *strengthening cooperation in energy efficiency and conservation through institutional capacity building and increasing private sector involvement*
- ECO Secretariat submitted its official request regarding the project to UNIDO on 22 June 2017
- First Draft Project Document on the Preparatory Phase was jointly elaborated and agreed upon in October 2017
- First financial commitments by UNIDO and ADA made in 2018

OBJECTIVES

OVERALL OBJECTIVES

- **Contribution towards increased access to modern, affordable, reliable and sustainable energy services, energy security and mitigation of negative externalities of the energy system (e.g. local pollution and GHG emissions)**
- **Support the transformation to clean and sustainable energy sources in ECO Region**
- **Act as regional hub and think-tank for sustainable energy in ECO Member States, implementing relevant programmes, projects and activities**

OUTCOME AREAS / SPECIFIC OBJECTIVES

- **Effective regional sustainable energy promotion agency created and efficiently managed**
- **Enabling policy, legal and incentive frameworks are created and being implemented**
- **Effective sustainable energy qualification, innovation, certification and accreditation frameworks for sustainable energy are created and implemented**
- **Effective knowledge and data management, awareness raising and advocacy**
- **Investments in sustainable energy infrastructure, and manufacturing and servicing industries mobilized**

EXPECTED BENEFITS AND IMPACTS

Establish sustainable energy markets and industries

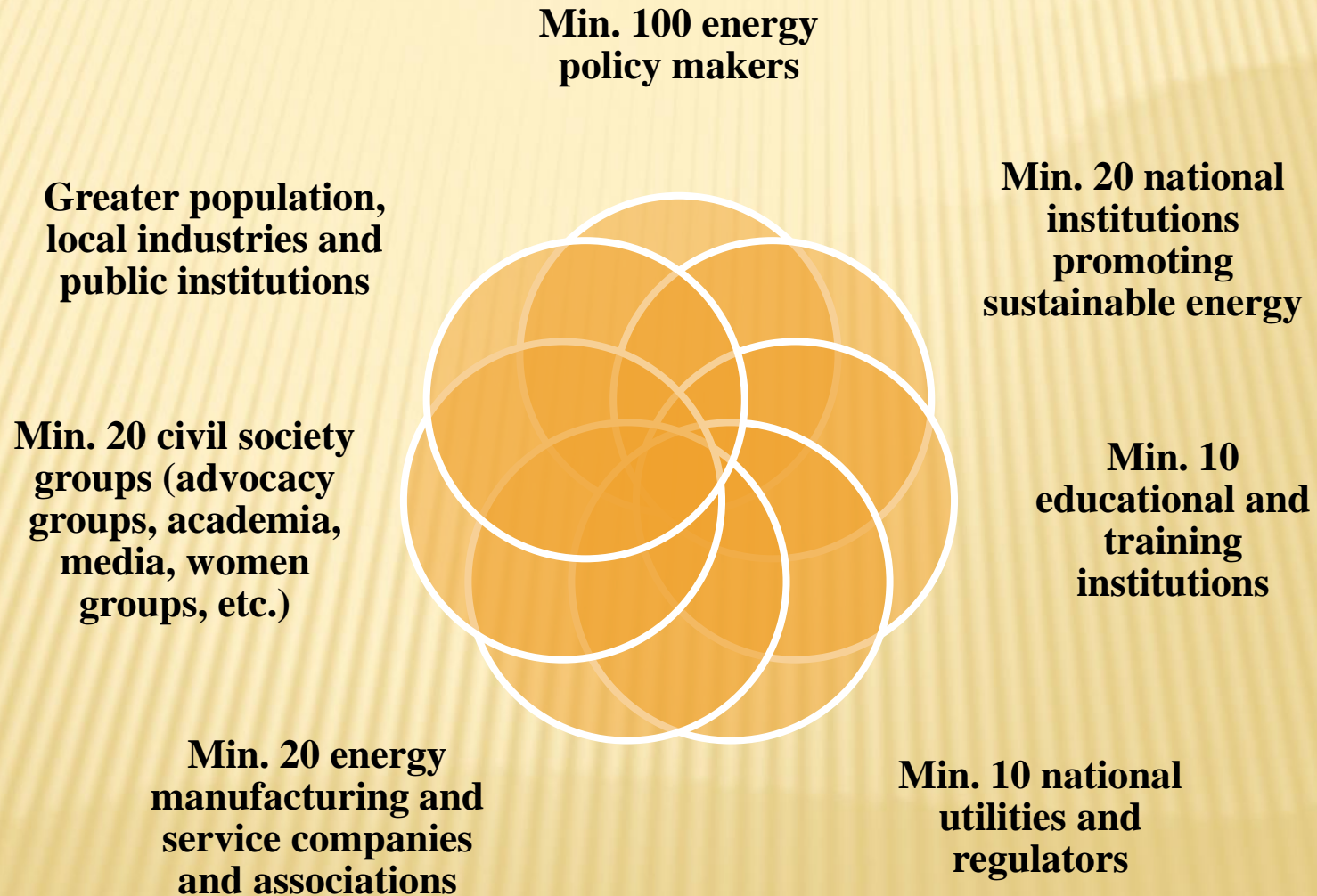
Contribute to better technical coordination, donor harmonization, assurance of long-term sustainability of project interventions

Address major regional thematic opportunity gaps in areas of capacity development, knowledge and data management, awareness raising, as well as investment and business promotion

Create ample opportunities in stimulating energy cooperation within ECO per se, and notably in renewables, energy efficiency/conservation, sound environmental technologies and green economy

Conforms to SDGs and contribute to this trend via pertinent partnership framework tailored to needs and aspirations of its Member States

BENEFICIARY GROUPS



RESULT FRAMEWORK

OUTCOME

Regional agreement on the institutional structure, scope and technical design, implementation schedule and financing modalities for CECECO is reached

OUTPUTS

Output 1 - Finalized and validated needs assessment report and feasibility study on CECECO

Output 2 - Finalized concept note and project document on the institutional set-up and technical program

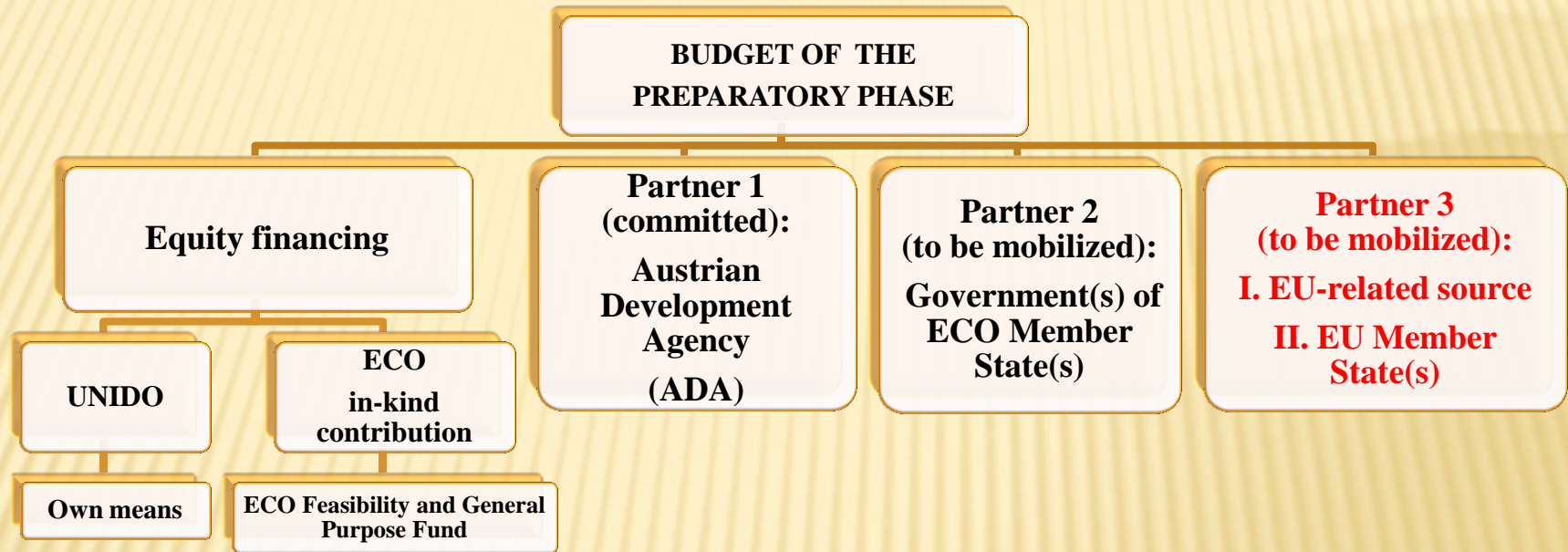
Output 3 - Successful and effective execution of two regional validation workshops

Output 4 - Various successful multi-stakeholder consultative meetings

Output 5 - Start-up phase of CECECO

Cost items / activities	Costs
Consultancy Company / Contractual services	50.000 EUR
Other consultancy services	30.000 EUR
Local travel	25.000 EUR
International travel	15.000 EUR
Consultative and validation workshop	70.000 EUR
Other costs	20.000 EUR
Administrative Costs	13.000 EUR
TOTAL	223.000 EUR

INDICATIVE FINANCING STRUCTURE AT PREPARATORY PHASE



Equity: UNIDO	50.000 EUR	COMMITTED
ECO	50.000 USD (making up approx. 42.000 EUR)	COMMITTED
Partner 1: Austrian Development Agency (ADA)	56.500 EUR (incl. support costs)	COMMITTED
Partner 2: Potentially the Government(s) of ECO Member State(s)	To be determined	STILL TO BE MOBILIZED
Partner 3: EU-related source / EU Member State	74.500 EUR	STILL TO BE MOBILIZED

MODUS OPERANDI

- The project location will be the ECO Region
- The executing agencies will be UNIDO and ECO Secretariat in the preparatory phase and the Secretariat of the Centre – to be selected through a competitive process to host the Centre – in the operative phase

