

GGGI signs MoU with PEA to promote Energy Efficiency in the SME sector

Bangkok, July 23, 2018 - The Global Green Growth Institute (GGGI) and Provincial Electricity Authority Company Limited signed a Memorandum of Understanding (MoU) today to promote Thailand's Energy Efficiency program for the Small and Medium Enterprises (SMEs) in Thailand and enhance cooperation on energy efficiency.

The MoU, signed by Hyeoun Jenny Kim, Deputy Director-General and Head of Green Growth Planning and Implementation Division, GGGI, and Saranyphong Atchavsunthon, Assistant Governor, Planning and Power System Development, PEA, will serve as a platform for collaboration between the two agencies to design, develop and promote energy efficiency implementation among SMEs, particularly those in the industrial sector, which accounts for one-third of Thailand's Gross Domestic Product.

"GGGI's analysis shows that SMEs in the industrial sector are among the highest energy consumers in Thailand. Greening SMEs with the Energy Efficiency program with a robust design and implementation will lead to strong economic and industrial development. Thailand has high investment potential for moving toward sustainable green growth development," said Deputy Director-General Kim.

A recent study by the International Energy Agency shows Thailand's feasibility to develop energy efficiency implementation which can help reduce energy cost of up to 64 billion baht within six years or 200 billion baht in the next 20 years.

Under the MoU, GGGI will support SMEs in Thailand's industrial sector to reduce the production cost through improvement in energy efficiency, increase competitiveness and access to finance by encouraging energy service companies (ESCOs) to participate in PEA's energy efficiency program. The aim of the program is also to reduce overall greenhouse gas emissions and other negative environmental impacts for sustainable economic green growth. In this regard, PEA and GGGI have agreed to jointly launch the first phase of Thailand's Energy Efficiency program, which is solely focused on the SME sector and is expected to mobilize approximately 640 million baht. PEA will lead the project and conduct an independent selection process to engage the ESCOs.

"We believe energy efficiency will lead Thailand to move toward an energy knowledge-based society. The MoU we sign with GGGI today will help us develop, promote and support energy efficiency in practice for sustainability of economic, social and green growth development," said Assistant Governor Saranyphong

PEA supports the development of auto payment scheme such as the "On-the-bill" repayment mechanism and connects SMEs with national and international ESCO associations so that they can easily access financial sources essential for energy efficiency implementation.

Going forward, GGGI and PEA will identify follow-up activities and opportunities to promote energy efficiency development and a low-carbon society. This partnership will also establish a solid foundation for Thailand to share experiences and best practices at both national and international levels.

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About the Global Green Growth Institute (GGGI)

Based in Seoul, GGGI is an intergovernmental organization that supports developing country governments transition to a model of economic growth that is environmentally sustainable and socially inclusive. GGGI delivers programs in 27 partner countries, both member and non-member, with technical support, capacity building, policy planning & implementation, and by helping to build a pipeline of bankable green investment projects.

Presently, GGGI has 28 Member countries from developed, developing countries, including Small Island Developing States, from South America, Europe, Africa, and Asia and the Pacific regions.

To learn more about GGGI, see <http://www.gggi.org> and visit us on Facebook and Twitter.

About PEA

Provincial Electricity Authority (PEA) is a government enterprise under the Ministry of Interior. PEA was established by a Royal Decree executed on March 6, 1954 and then published in the Government Gazette on March 16, 1954. The appointment of the board of directors as the control of the management is under the control of the Department of Public Works, Municipal of the Ministry of Interior and the Government by the Minister of Interior has the power to general supervision. The Provincial Electricity Organization was the initial capital in accordance with the laws of 5 Million Baht with the power in the number of 117 areas, consequently, PEA was established in accordance with the law of PEA BE. 1960, as at September 28, 1960, by taking over the mission from the Provincial Electricity Organization action continues.

To learn more about PEA, see <https://www.pea.co.th/en/>.

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