

“Abstract”

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**Lessons and experiences of implementing energy efficiency programmes
to reduce green house gas emissions**

The GEF-KAM Industrial Energy Efficiency Project

by

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Project Title	Removal of Barriers to Energy Conservation and Energy Efficiency in Small and Medium Scale Enterprises (SME) In Kenya Short Title: GEF-KAM Industrial Energy efficiency Project
Country	Kenya. In operation since 2001
Funding Partners	Global Environment Facility (GEF) United Nations Development Programme (UNDP -TRAC)
Overall Policy Objective	The overall policy objective is the provision of adequate energy for the growth of Kenya's industrial sector. Over the past few years, there has been a serious shortfall in electrical power generation. The project contributes towards this objective by bringing the peak electrical demand in line with generation capacity. The Project assists enterprises to reduce production costs through increased energy efficiency, thereby increasing profits, increasing employment and alleviating poverty. The direct beneficiaries of this project are the small and medium scale industries and hotels in Kenya
Key Activities	Removal of barriers related to awareness, technical capacity, financial and institutional barriers. The main activities are: <ol style="list-style-type: none"> 1. Awareness creation – Through energy efficiency network, energy management wards, publications and seminars. 2. Capacity building – an elaborate training programme for industry personnel and consultants on energy management with international and local experts. 3. Demonstration projects – implementing retrofit energy efficiency projects in industry to provide examples and for learning and replication 4. Elaboration of financing mechanisms and development of bankable proposals 5. Strengthening the industry to undertake energy management activities for its members in future. 6. Working with government and stakeholders to develop national policy, strategies and institutions for energy efficiency. 7. Assisting emergence of energy service companies
Expected Outcomes	Contribute to the country's industrialization transformation through increased efficiency in the manufacturing and service sector which will make them more competitive. Ultimately, this will lead to job retention/creation and reduction of poverty in the country. Reduction of CO ₂ emissions resulting from increased energy efficiency within Kenya's manufacturing and service industry.
Implementation Challenges	<ul style="list-style-type: none"> ◆ Skepticism and suspicion by private sector on public supported programmes. A negative perception by the beneficiaries of energy efficiency work as expensive and technologically inappropriate. ◆ A fixation on energy/power tariffs and shifting of the burden to government ◆ An uneven and sometimes unfair market /business environment where price of goods and services is not entirely based on production and delivery costs.
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