



Energy Efficiency Policies for Southeast Asia Region

Thailand 20 year Energy Efficiency Development Plan

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The Energy Conservation Center of Thailand

11 – 12 December, 2013

Shangri-La Hotel Jakarta, Indonesia



voluntary certification mark



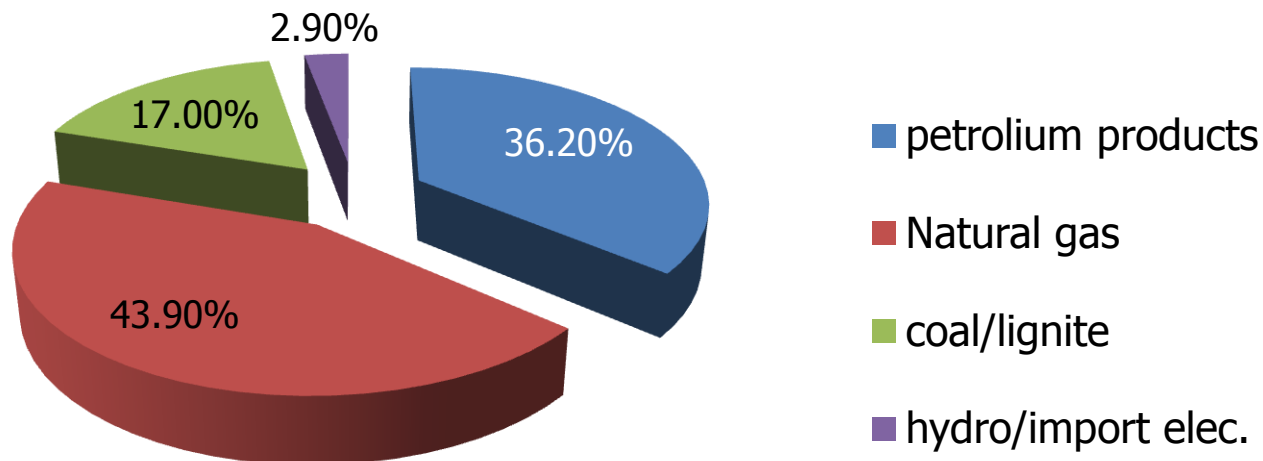
mandatory certification mark



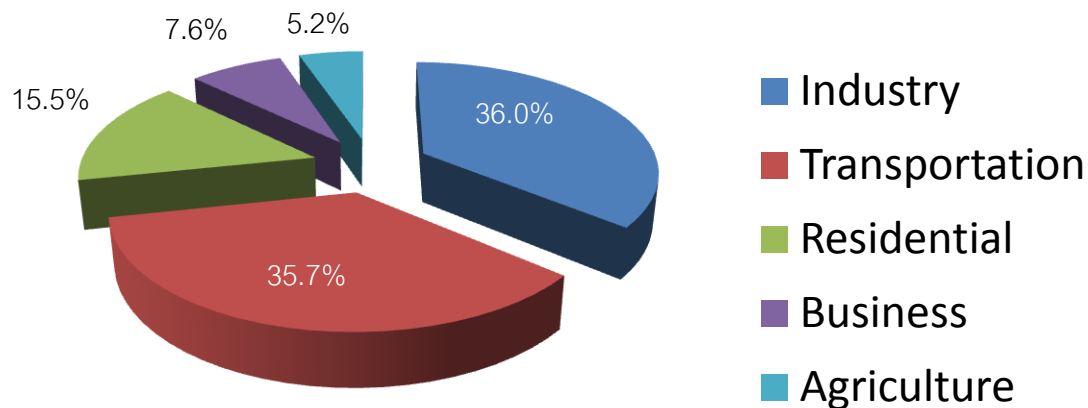


Thailand's Energy situation in 2011

Energy consumption 2011



Final energy consumption by economic sector

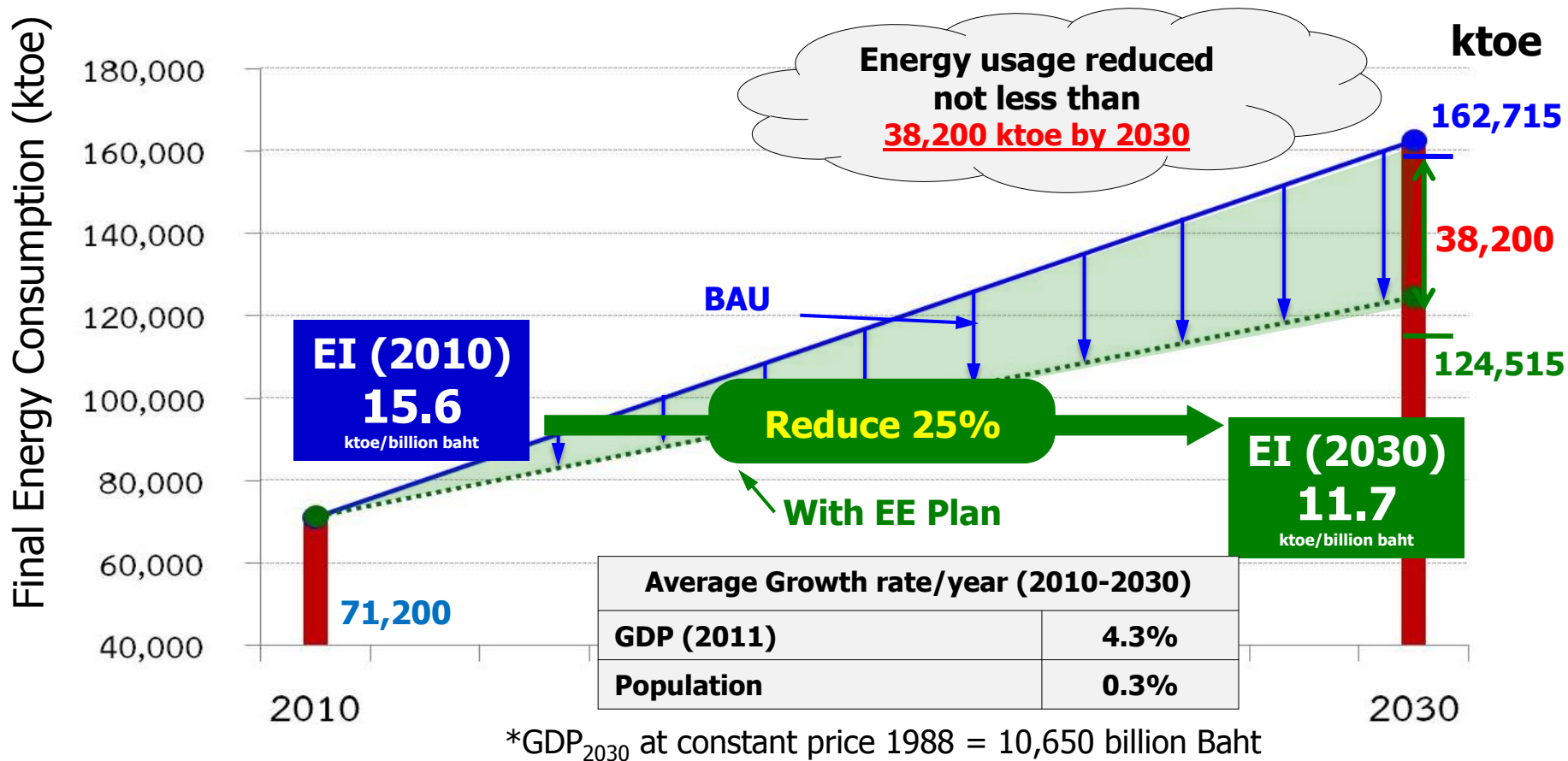


Total Energy Use
1.87 million barrels
(oil equivalent) per day
=
5,610 million Baht/day



20-Year Energy Efficiency Development Plan

Government policy @ 23rd AUG 2011 aims to reduce Energy Intensity 25% within 20 years



Target Groups

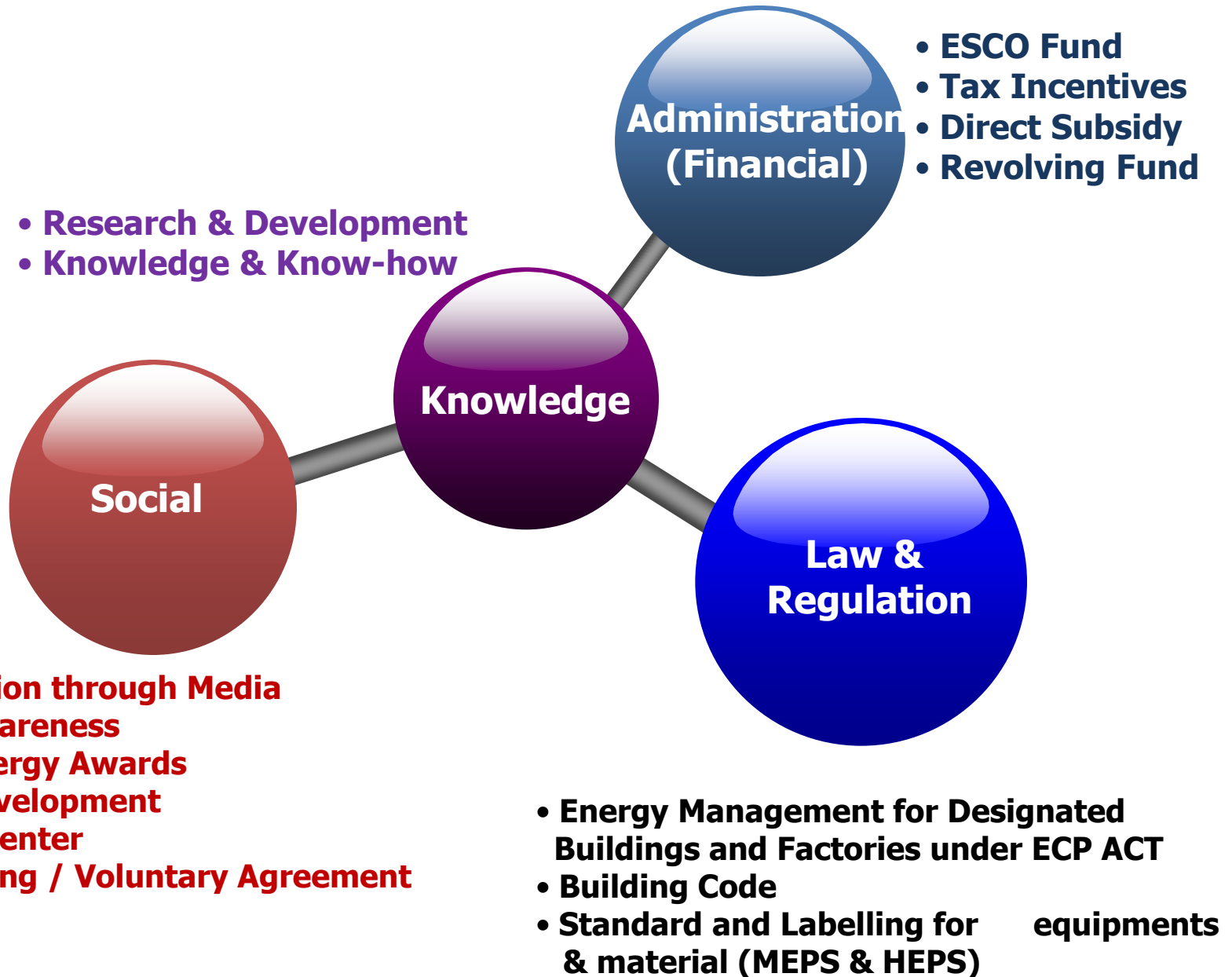
- Industrial sector
- Transportation sector
- Business Building
- Small Business and Residential Building

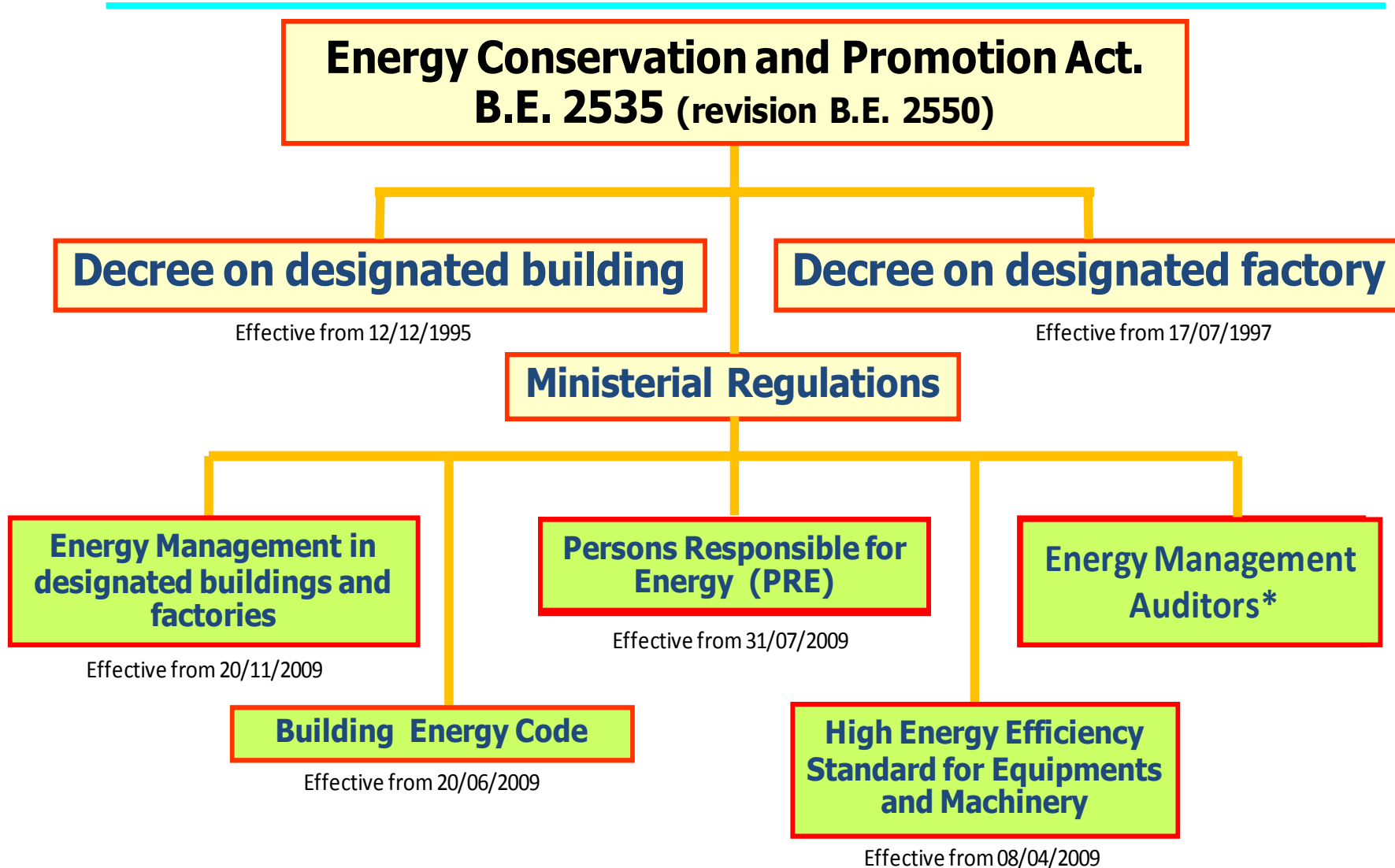
Expected outcome in 2030

- Reduce final energy consumption at least 38,200 ktoe
- Reduce CO2 emission 130 M. tons
- Reduce Energy cost 707,000 M.Baht



Scheme & Strategy to promote EE



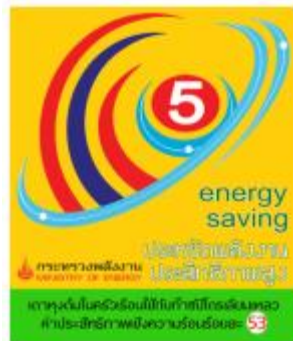


* Waiting for approval from the Council of State



Standards and Regulations

- Energy Management for Designated Buildings and Factories under ECP ACT
- Building Energy Codes for New constructed Buildings
- Standard and Labeling for equipments & material (MEPS & HEPS)





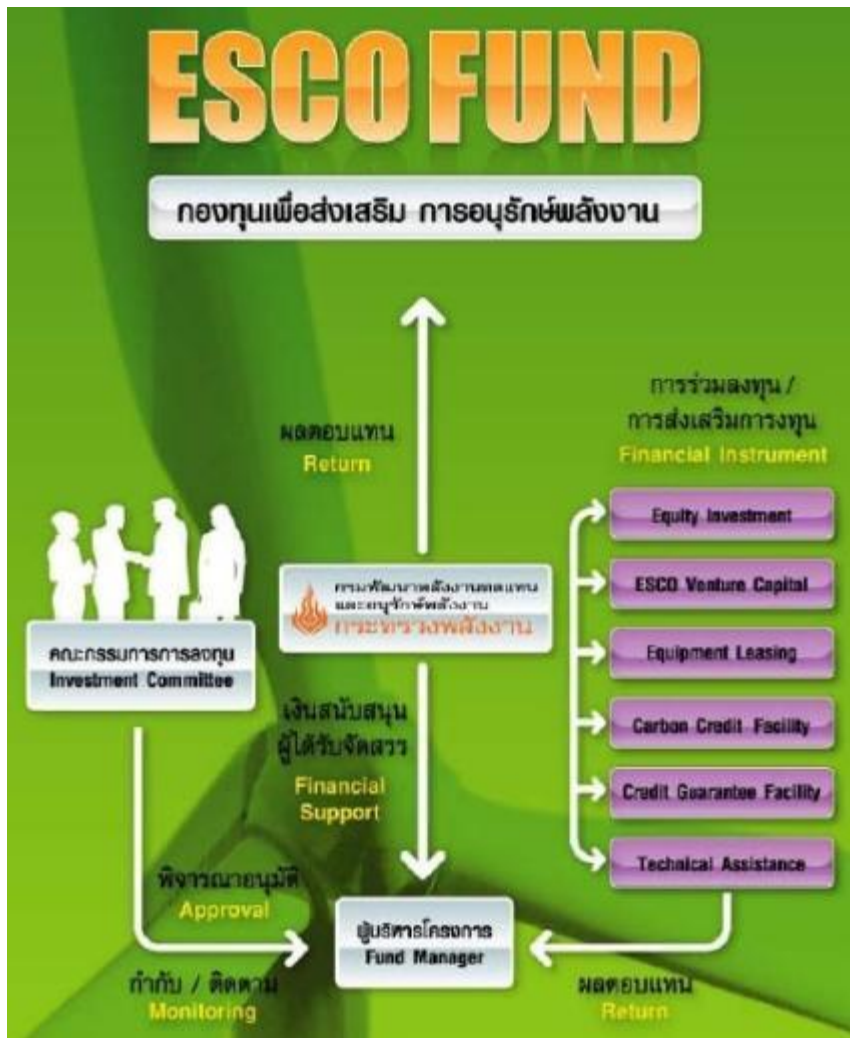
Financial Incentives

- Gov. co-investment program (ESCO Fund)
- Revolving Fund Program for EE&RE Projects
- Tax Incentives
- Other Incentives

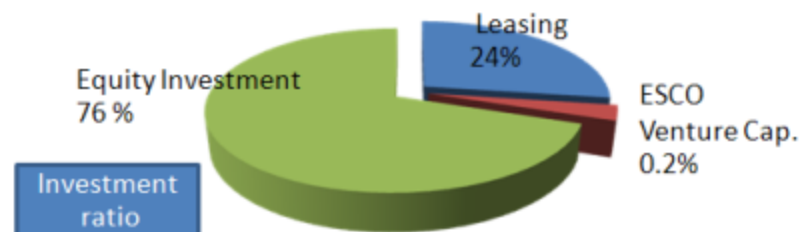




1. Gov. Co-Investing Scheme → ESCO Fund



- **1,500 million Baht** allocated from Gov's ENCON FUND
- **2 Fund Managers** assigned & given 2 years window of investment
- **5-7 years of investment** with mutual agreed exit clause
- **10-50% equity** holding with **max. of 50 million Baht**



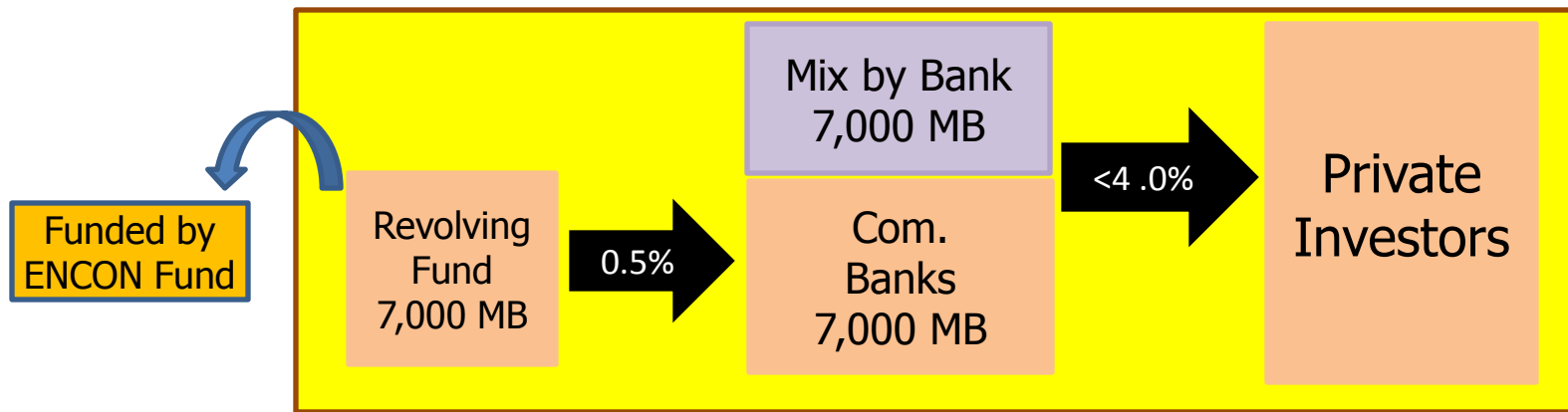
Equipment Leasing

- 100% of total cost with max. 10 mill. Baht
- interest rate 4-6 % (negotiable)
- Max. leasing period 5 years
- Apply for ESCO with share saving contract



2. Soft Loans → Revolving Fund

- **7,000 mill.Baht** allocated from Gov's **ENCON FUND**
- 2-Stepped Loan **mix w/ Bank's Money (approx. 1:1)**
- **Max. Interest Fix at 4%** (Bank pay 0.5% Int. to Encon Fund)
- **Max. 7 yr. loan period**
- **Max. 50 Mill.Baht / project**
- 11 major banks are participating





Incentive Mechanism

3. Tax Incentive → 2 schemes are given;

1. Tax Incentive for EE products

<http://www.energy-tax.com/>

- Cooperation program with Revenue Dept.
- **25% tax credit** from purchasing of EE products
- 19 products are announced for tax incentive; Mostly **label 5 products**
- Terminated in Dec. 2010, Extending for two more years till **31 Dec 2012**



2. Tax Incentive for EE Investment

- Cooperation program with **Board of Investment (BOI)**
- Promotion of Energy Conservation Related Activities
- **Exemption** of corporate **income tax and import duties**

http://www.boi.go.th/index.php?page=additional_investment_policies



4. Direct Subsidy 20:80

- For EE measures
- **Subsidy 20% of EE measures,**
 - **maximum 3 million baht**
 - **minimum 0.05 million baht**
- To buy EE products
- Payback period < 7 years





Thank you for your attention