

## Energy Conservation and GHG Emissions Reduction in Chinese TVEs – Phase II

### The Challenge

Township-Village Enterprises (TVEs) constitute a significant share of the Chinese economic production and social welfare. An estimated 23 million TVEs exist in China, contributing to 30% of GDP, 143 million jobs and responsible for over half the total outputs in the building materials (including brick), coking and metal casting sectors. These TVE sectors account for one sixth of China's total emissions of CO<sub>2</sub> and are often characterized by high pollution levels due to outdated process technology.

### The Response

The TVE sector is a strategic component in the development of the rural economy. In line with the transition to a market-oriented socialist economy in China, the project brings the TVEs fully into a competitive market, whilst supporting the role TVEs play as employers and engines of rural development.

The objective of the project is to reduce Green House Gas (GHG) emissions in the TVE sector by increasing the utilization of energy efficient technologies and products in the brick, cement, metal casting and coking sectors. The project will remove key market, policy, technological, and financial barriers to the production, marketing and utilization of energy efficient technologies and products.

Other project objectives include building technical capacity for energy efficiency and product quality improvement in TVEs; creating access to commercial financing; and expanding the application of best practices for local and national regulatory reform.

UNDP partners under this project are be the Ministry of Agriculture, United Nations Industrial Development Organization (UNIDO), and local TVEs in the brick, cement, metal casting and coking sectors.

### Achievements

- 9 pilot demonstration sites established to showcase energy efficient technology and practices in the brick, cement, metal casting and coking sectors;
- Pilot programs resulted in GHG savings of 300,000 tons/yr of CO<sub>2</sub>;
- 118 TVEs replicated resulting in additional GHG savings of 2 million tons/yr of CO<sub>2</sub>;
- 1,200 trained through workshops on new technology and energy efficiency; and
- Hosted an International Forum on Energy Efficiency for Small Medium Enterprises in May 2007, attracting and sharing best practices to over 10 neighboring countries.

### At A Glance

Start Date: December 2000  
End Date: October 2007  
Implementing Partner(s): Ministry of Agriculture and United Nations Industrial Development Organization  
Project ID: 00012113

UNDAF Goal: Outcome 3 – More efficient management of natural resources and development of environmentally-friendly behavior to ensure environmental sustainability  
MDG: Target 9, Goal 7 – Ensure Environmental Sustainability  
CPAP Outcome 6 – End-use energy efficiency and application of new and renewable energy technologies improved  
Website: N/A

Total Budget:	US\$	18,542,000
UNDP (GEF):	US\$	7,992,000
Government:	US\$	10,550,000

Project location(s): Shanxi, Shaanxi, Sichuan, Zhejiang, Tianjin

To contribute to this initiative, or to find out more about the programme, please visit our website or contact Mr. He Ping, Programme Manager at (86-10) 8532 0800 or ping.he@undp.org

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