



Siemens Gamesa Renewable Energy

Development of Localization, Incentive Mechanism & YEKA, TURKEY

Funda YILMAZ - Procurement Manager, Turkey

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SIEMENS Gamesa
RENEWABLE ENERGY

AGENDA

1. ABOUT US: SGRE

- Company Profile and Key Facts
- SGRE North Europe & Middle East, Turkish Market
 - Current Regular Projects
 - YEKA

2. LOCALIZATION IN TURKEY

- Development of Localization
- Current Government Incentive Mechanism
- Next Steps For Further Development



Siemens Gamesa – Key Facts*



95 GW

Globally Installed



+23,000

Employees



€9.1 B

Annual Revenue



€10 B

Market Capitalization



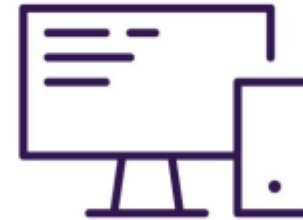
€25.1 B

Order Book



True **global**,
modern and
scalable

footprint



Advanced **digital**
capabilities



Portfolio covering all
requirements

* End of June 2019

SIEMENS GAMESA RENEWABLE ENERGY, TURKEY



- **Current Volume: 1.300 MW (exc. YEKA volume)**
- **31 Different Site Location**
- **> 450 turbines**



- **Auction Winner: SGRE & Kalyon & Türkerler + 1 GW**
- **Agreed Price on Auction: 3.48 \$ct./kWh**



- **NACELLE FACTORY**
- **Capacity to manufacture min. 400 MW per year**



- **65% LOCAL CONTENT** of the wind turbine
- Tower, Foundation, Blade
- Nacelle Components



- **R&D CENTER**, 10 years commitment – 50 FTEs
- **80 % local employment required**



- **Key Market in Onshore**
- **Technical Know-How Transfer**
- **Supplier Development on Critical Parts**
- **High Localization Ratio**
- **More Local Components**
- **Nacelle Factory, locally, @Izmir**
- **R&D Center, locally, @Izmir**



DEVELOPMENT OF LOCALIZATION IN TURKEY



PAST – 2009

- TOWER

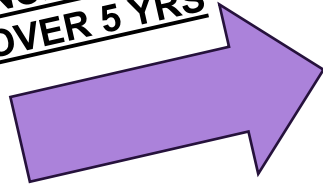


- ONLY WELDING, ASSEMBLY AND PAINTING
- <51% Local Value Added



LESS COMPLEXITY
LESS TECHNICAL KNOWLEDGE
LESS LOCAL VALUE ADDED
LESS LOCAL COMP. & SUPPLIER

GOVERNMENT
INCENTIVE SUPPORT
OVER 5 YRS



PRESENT – 2019

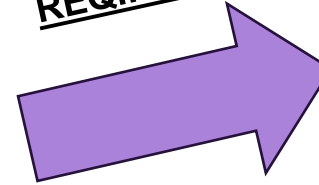
- TOWER
- FOUNDATION
- BLADE
- GENERATOR



- BIG IMPROVEMENT OVER 10 YRS
- MIN 51% Local Value Added



YEKA
REQUIREMENT



FUTURE – 2024

- TOWER
- FOUNDATION
- BLADE
- GENERATOR
- NACELLE PARTS
 - Hub, Main Frame
 - Canopy Spinner
 - ... Several Parts



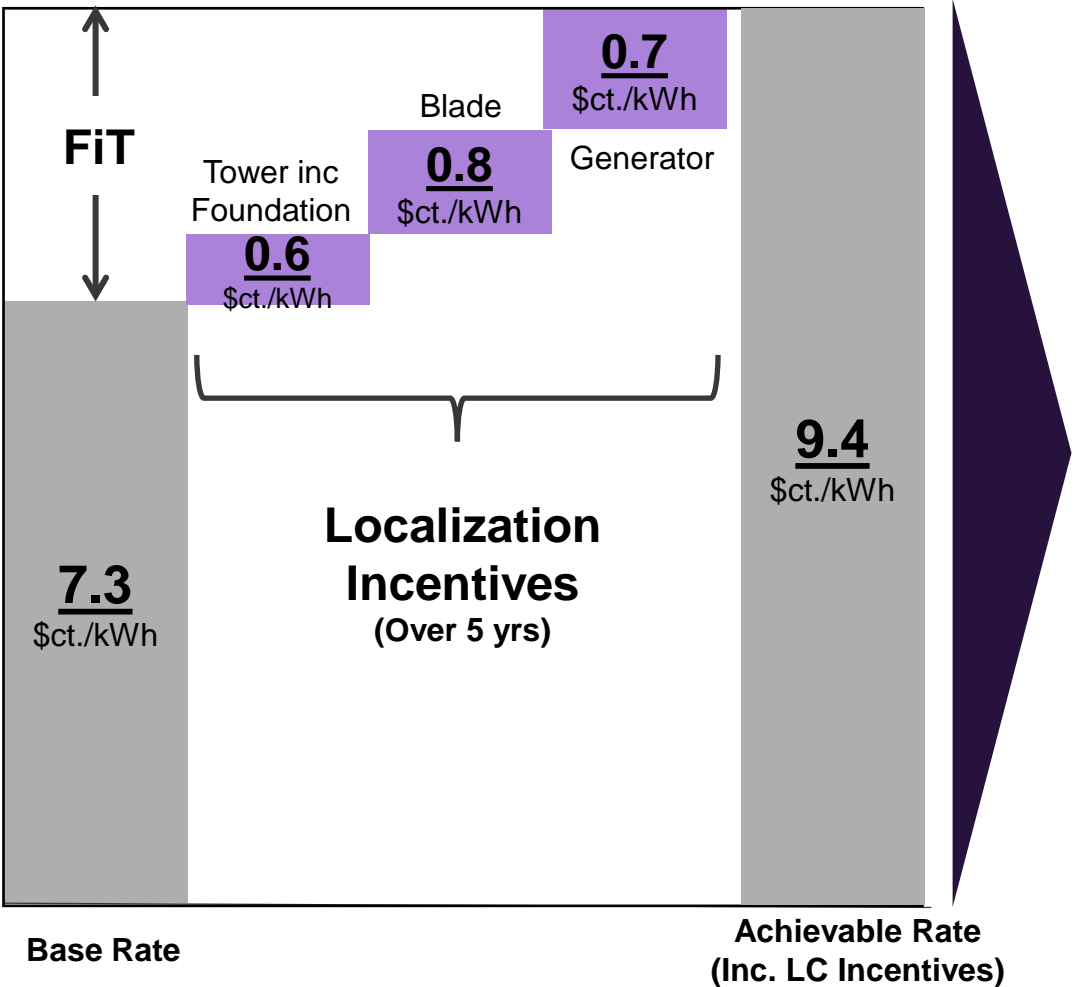
Min 65% Localization Rate



MORE COMPLEXITY
MORE TECHNICAL KNOWLEDGE
MORE LOCAL VALUE ADDED
MORE LOCAL COMP. & SUPPLIERS

CURRENT INCENTIVE MECHANISM FOR REGULAR PROJECTS (EXC. YEKA)

NEW
REGULATION
AFTER 2020?
CLARITY?



MAIN DRIVER FOR:

- LOCALIZATION
- INSTALLED CAPACITY P.A.



NEXT STEPS FOR FURTHER DEVELOPMENT





THANK YOU!

FUNDA YILMAZ
PROCUREMENT MANAGER, TURKEY
E-Mail :funda.yilmaz@siemensgamesa.com