



Framework Convention on
Climate Change



NEEDS-BASED CLIMATE FINANCE PROJECT

Climate Finance Mobilization and Access Strategy for Central Asia and South Caucasus

Pre-Validation Workshop Report

**25 May 2021
(held virtually)**

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I. Workshop Overview

1. Ms. Aneta Slaveykova, Environment Affairs Officer, UNESCAP outlined the focus of the workshop, chaired the participant introductions (see Annex 2) and gave a brief presentation on NDC implementation in the region. Mr. Bjorn Fonden, Climate Change Support Officer, UNFCCC secretariat introduced the programme (see Annex 3) and moderated the workshop.
2. An overview of the key outcomes of the technical assessment was delivered by Mr. George Anjaparidze, the climate finance consultant with the UNFCCC secretariat. The overview first covered the regional context including the socio-economic context and climate vulnerability assessments. It then detailed the analysis of climate finance flows in the region as well as needs and priorities articulated by the Central Asian and South Caucasian countries in the national reports to the Convention. The presentation was followed by discussions for further feedback on the technical assessment.
3. Mr. Jens Radschinski, Programme Officer, UNFCCC secretariat delivered an introduction of the approach, elements and development process of the regional Climate Finance Mobilization and Access strategy. Following the presentation, participating countries were invited to provide suggestions for the strategic approach to promote climate finance mobilization and access on the regional level.

II. Workshop Findings

4. The following summarised the key points brought up during the pre-validation workshop. These discussion points will be referred to in updating the technical assessment and drafting the elements of the strategy document.

A. Regional context and climate vulnerability

- (a) It was appreciated by participants that the analysis on climate vulnerability of the region is sufficiently reflected in the technical assessment and that it would serve as a good basis for the development of regional strategy.
- (b) Kyrgyzstan shared that climate issues are increasingly mainstreamed into governmental actions and that the NDC is under approval stage. Kyrgyzstan also mentioned that it does not plan to increase its national target taking into consideration Kyrgyzstan being a low polluting developing country.
- (c) Tajikistan noted that the national strategy for adaptation on climate change was not covered in the technical assessment and offered to provide further information, if needed. Tajikistan also shared that its national target is being updated and that the ministry of finance is closely involved in the NDC update process.
- (d) It was suggested by Tajikistan that given the region's low level of GHG emissions, the focus should be on adaptation activities rather than mitigation.

B. Climate finance flows and needs

- (a) It was noted that climate finance flows into the region were sourced mainly from multilateral development banks (78%), such as the European Bank for Reconstruction and Development (EBRD), the Asian Development Bank (ADB) and the World Bank (WB).
- (b) Kyrgyzstan was of the view that the financial resources from MDBs are more accessible than bilateral sources, as MDBs have established work programs indicating their strategies and priorities and regional experiences.

(c) It was noted that countries in the region highlighted adaptation as thematic needs as well as capacity-building needs in terms of means of implementation.

(d) Tajikistan also shared its view that capacity-building is a priority for all countries in all projects.

(e) It was suggested by some countries, e.g. Kyrgyzstan to present the breakdowns of finance needed for capacity-building and technology transfer.

(f) Kyrgyzstan also suggested that the information on climate finance needs stipulated in the NDC update could be a good reference to use for the climate finance gap analysis in the technical assessment.

(g) Regarding the annual climate finance gap of USD 3.3 billion highlighted in the report on “Meeting Asia’s infrastructure needs” by the ADB, Kyrgyzstan reflected that the ADB is mainly responsible for infrastructure investments driving growth and development in the region, and not specifically focused on climate investments. It was also noted that a growing number of investments are being shifted towards sustainable energy sources and energy efficient infrastructure.

C. Climate finance mobilization and access strategy

(a) It was highlighted by participants that the Strategy should be based on the needs identified by participating countries in their NDCs and other relevant national strategies.

(b) It was mentioned by Kyrgyzstan that technical support for the identification of finance needs would be helpful for the region.

(c) With regard to the endorsement of the Strategy, Kyrgyzstan noted that there are different national requirements to endorse a document and suggested to translate the Strategy into Russian so as to fulfil the language requirement.

(d) It was shared by Kyrgyzstan that there have been various regional initiatives in the region, such as the ‘EU-Central Asia Platform on Environment and Water Cooperation’, the ‘Green Central Asia’ initiative with German government and the ‘EU Regional Indicative Program for Central Asia’.

(e) It was noted that the project pipelines would be at regional level, and depending on the sector, a hybrid project pipeline, such as grouping of countries or national projects could be included.

(f) To the questions on the implementation of the Strategy, the UNFCCC secretariat explained that it intends to engage key stakeholders active in the region, as their role is important in mobilizing climate finance needed, and showed a list of key stakeholders that could be involved in this projects, including UN agencies, bilateral agencies and MDBs.

(g) The UNFCCC secretariat also introduced another NBF project case in which two countries were designated as project champions to anchor and steer implementation.

D. Other remarks and suggestions

(a) On the timeline, the UNFCCC secretariat explained that the aim would be to finish the first stage of the NBF project with the development of the technical assessment and the regional Climate Finance Mobilization and Access Strategy before COP26, including a validation workshop in Q3 2021, and added that the timeline needs to be discussed and agreed with participating countries.

(b) It was suggested to develop the concrete timeline and action plan, considering the elements and sectors to be included in the Strategy.

III. Closing and Next Steps

5. Mr. Muhammad Taimur Ali Khan Gandapur, Programme Officer, UNFCCC secretariat, summarized the discussions held and proposed the way forward.
6. The presentation slides will be circulated via email, and countries were invited to provide additional inputs and comments on the technical assessment and elements of the Climate Finance Mobilization and Access Strategy presented. These inputs will help finalize the technical assessment and support in preparing an initial draft of the elements of the Strategy. Countries were invited to bring together information and inputs from relevant stakeholders as appropriate.
7. A validation workshop (aimed for third quarter of 2021) will be the platform to finalize the technical assessment and the regional Climate Finance Mobilization and Access Strategy. Details of the workshop will be circulated to the countries by the UNFCCC secretariat.
8. A technical workshop for finance experts (aimed for second half of 2021) will be organized. Details of the workshop will be communicated by the UNFCCC secretariat.
9. Participating countries will be contacted for further inputs, if possible, individually by countries, including the following:
 - (a) Request countries to provide final inputs and comments on the technical assessment; and
 - (b) Request countries to provide additional inputs and comments on the elements of the Climate Finance Mobilization and Access Strategy.

Annex I

Focal Points for NBF Central Asia and South Caucasus

<i>Country</i>	<i>NFP</i>
Armenia	Ms. Diana Yeritspokhyants Assistant to the Deputy Minister of Environment Ministry of Environment Phone: (+37411) 818-518 E-mail: y.diana@env.am
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<i>Country</i>	<i>NFP</i>
Tajikistan	<p>Mr. Rajabov Nasimjon Head of the Center for Climate Change and Ozone Layer Studies Agency for hydrometeorology The Committee of Environmental Protection Phone: +992 37 227 61 81 E-mail: nasim.rajabov@gmail.com</p> <p>Mr. Rustam Abduqauim Rustam Senior Specialist Ministry of Finance Phone: +992 887-780-780 E-mail: a.rustam@moliya.tj</p>
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Uzbekistan	<p>Mr. Bakhridin Nishonov First Deputy General Director Environment Pollution Transboundary Monitoring Department Phone: +998933853008 E-mail: uzhymet@meteo.uz</p> <p>Mr. Shukhrat Abdimajitov Head of Division Agro-Industrial Complex and Environmental Financing Department Ministry of Finance Phone: +998977370059 E-mail: shabdimajitov@mf.uz</p>

Annex II

List of Participants

<i>Country</i>	<i>Name</i>
Georgia	Mr. George Machavariani Senior Climate Change Specialist of Climate Change Division Environment and Climate Change Department Ministry of Environmental Protection and Agriculture
Kazakhstan	Ms. Aida Aliyeva Expert of Low Emissions Development Section Climate Policy and Green Technologies Department Ministry of Ecology, Geology and Natural Resources
Kyrgyzstan	Ms. Aizada Kiiazova Leading Specialist Ecological Strategy and Policy Department State Agency on Environment Protection and Forestry
Tajikistan	Mr. Rajabov Nasimjon Head of the Center for Climate Change and Ozone Layer Studies Agency for hydrometeorology The Committee of Environmental Protection
Uzbekistan	Mr. Shukhrat Abdimajitov Head of Division Agro-Industrial Complex and Environmental Financing Department Ministry of Finance
UNFCCC Secretariat	
UNFCCC RCC Bangkok	
UNESCAP	

Annex III

Pre-Validation Workshop Programme

Needs-based Climate Finance (NBF) Project in Central Asia and South Caucasus

Pre-Validation Workshop
Virtual

25 May 2021

11:00 – 14:00 CEST

(13:00 - 16:00 Armenia, Azerbaijan, Georgia)
(14:00 - 17:00 Tajikistan, Turkmenistan, Uzbekistan)
(15:00 - 18:00 Kazakhstan, Kyrgyzstan)

Moderator: Mr. Bjorn Fonden, UNFCCC Secretariat

Time (CEST)	Description	Speakers and facilitators
11:00 – 11:15	Opening session Welcoming the participants and introduction of the pre-validation workshop outlining its focus	Aneta Slaveykova Nikolova Environmental Affairs Officer UNESCAP <i>Tour de table</i>
11:15 – 11:35	Session 1: Technical assessment of Climate Finance <ul style="list-style-type: none">Overview of the key outcomes of the technical assessment undertaken, including climate finance flows and regional needs and priorities.	George Anjaparidze, Consultant UNFCCC secretariat

Time (CEST)	Description	Speakers and facilitators
11:35 – 12:30	<p>Session 2: Country feedback on the technical assessment</p> <ul style="list-style-type: none"> • Each country will be invited to provide feedback, make suggestions based on their review of the draft technical assessment, and highlight key insights. • Guiding questions: <ol style="list-style-type: none"> 1. Does the technical assessment reflect the regional/national context sufficiently, is there anything missing, incorrect or that needs adjustment? 2. Does the technical assessment reflect the main climate finance/technological and capacity building priority needs (regional/national)? If not, which priorities are missing? 3. Are the climate finance flows correctly reflected or are there major or significant differences to your national data? Please provide relevant information/data. 4. Do the challenges and barriers discussed in the technical assessment cover the main challenges you have been facing in mobilizing and accessing climate finance? Are there further issues you encounter? 	<p>George Anjaparidze, Consultant UNFCCC secretariat</p> <p><i>Open discussion</i></p>
12:30 – 12:40	<p>Coffee break</p>	
12:40 – 12:50	<p>Session 3: Climate Finance Mobilization and Access Strategy</p> <ul style="list-style-type: none"> • Introduction of the approach, elements and development process of the regional climate finance mobilization and access strategy 	<p>Jens Radschinski, Programme Officer UNFCCC secretariat</p>
12:50 – 13:45	<p>Session 4: Country input for strategy development</p> <ul style="list-style-type: none"> • Each country will be invited to provide suggestions for strategic approach to promote climate finance mobilization and access on the regional level as well as other key points to highlight to develop the strategy. • Guiding questions: <ol style="list-style-type: none"> 1. Do you have any further feedback to the technical assessment or process for the design and development of the climate finance strategy for the region? 	<p>Jens Radschinski, Programme Officer UNFCCC secretariat</p> <p><i>Open discussion</i></p>

Time (CEST)	Description	Speakers and facilitators
	<ol style="list-style-type: none"> 2. Which strategic elements (financial instruments, institutional arrangements, policies, best practices, etc.) would you recommend being included in the strategy chapter? 3. Given the determined barriers to accessing climate finance, what areas of capacity-building should be of focus with the climate finance strategy? 4. How should a pipeline of priority climate projects/investments/transactions/facilities/initiatives be developed and how it could further be promoted? 5. What do you envision is needed for the coordination and implementation of a regional climate finance strategy? 6. Are there specific considerations for the implementation modalities? 7. Which regional actors should be included in the strategy? 	
13:45 – 14:00	<p>Summary, next steps and closing remarks</p> <p>Summary of discussions, proposed way forward and closing.</p>	<p>Muhammad Taimur Ali Khan Gandapur Programme Officer UNFCCC secretariat</p>