

KYRGYZ REPUBLIC: PILOT PROGRAMME FOR CLIMATE RESILIENCE

PPCR SECOND JOINT MDB MISSION:

Presentation of the Climate Finance Coordination Mechanism and the draft Strategic Program for Climate Resilience (PPCR Phase 1)

TERMS OF REFERENCE

Bishkek, 19- 22 September 2017

1. CONTEXT

International climate finance is being scaled up significantly in line with international climate change negotiations, most notably with the 21st Conference of the Parties (“COP21”) to the United Nations Framework Convention on Climate Change (“UNFCCC”) in December 2015. The scale of this finance is creating opportunities for recipient countries to undertake transformative investments in climate resilience for priority socio-economic sectors, improved infrastructure and private sector growth.

The Green Climate Fund (“GCF”) is expected to become the largest and most certain multilateral financing mechanism for climate action in developing countries globally and for the Kyrgyz Republic. As of November 2016, USD 10.3 billion equivalent has been pledged to the GCF, and it is expected to mobilize USD 100 billion in climate finance per year from public and private sources by 2020. There is already strong competition among developing countries for climate finance. In light of this, it is essential that the Kyrgyz Republic is well positioned with the capacity to meet climate funds’ requirements, most notably the GCF.

In May 2015, the Kyrgyz Republic received a technical assistance grant of USD 1.5 million from the Climate Investment Funds’ Pilot Programme for Climate Resilience (“CIF PPCR”) to develop a strategic climate investment planning framework, the ‘Strategic Programme for Climate Resilience (“SPCR”)’, and to establish a well-functioning and effective Climate Finance Coordination Mechanism (“CFCM”), including a Climate Finance Centre (“CFC”). The MDB Technical Mission was mobilised in 5-9 December 2016 in Bishkek to discuss and identify the most suitable option for the climate finance coordination mechanism and location of the Climate Finance Centre within that mechanism. The main objectives of the MDB Technical Mission were as follows:

1. Present the emerging outcomes of the institutional assessment for climate resilience strategic planning, delivery and monitoring in the Kyrgyz Republic;
2. Reach agreement with key national government stakeholders on the structure of the climate finance coordination mechanism and the Climate Finance Centre; and
3. Clarify the “host” institution of the CFS with regards to the signing and execution of the grant agreement between EBRD and the Kyrgyz Republic for Component 2 *Institutional capacity development and awareness-raising* (incl. setting up and running the CFC).

As confirmed during the Technical Mission the Government of the Kyrgyz Republic needed additional time to internally discuss the Climate Finance Coordination Mechanism arrangements.

On 14 August 2017, the PM of the Kyrgyz Republic signed the Resolution on the Establishment of the Climate Finance Centre of the Kyrgyz Republic (Resolution No 478). Following this decision, the PPCR Second Joint MDB Mission to the Kyrgyz Republic will take place from 19 to 22 September 2017 in order to (i) present the new arrangements on the CFCM, including the Climate Finance Centre (as per the Resolution No 478) and (ii) discuss a consultation draft of the Kyrgyz Strategic Programme on Climate Resilience (SPCR).

These Terms of Reference (“ToR”) specify the objectives and expected outcomes of the PPCR Second Joint MDB Mission. The mission will engage numerous national and sub-national agencies, bilateral and international donors as well as civil society organisations (“CSOs”), private sector, academia, research institutions active in the Kyrgyz Republic.

2. MISSION OBJECTIVES AND EXPECTED OUTCOMES

The main objectives of the PPCR Second Joint MDB mission are to:

- (i) present the new arrangements on the CFCM, in particular the role and structure of the Climate Finance Centre as a central unit coordinating climate finance in the Kyrgyz Republic;
- (ii) present and discuss the consultation draft of the Kyrgyz Strategic Programme for Climate Resilience (SPCR) and reach agreement with key national stakeholders on the list of priority climate resilience activities (investments, capacity development technical assistance and policy dialogue) to be presented in the SPCR.

The Second Joint MDB Mission will be hosted by the Government of the Kyrgyz Republic, and will actively engage the spectrum of government ministries, committees and agencies as well as development partners, civil society organisations and climate finance mechanisms.

The expected outcomes from the Second Joint MDB Mission are:

- (i) Agreement reached on the process for completing and submitting the final SPCR for approval to the PPCR Sub-Committee in November 2017; and
- (ii) Agreement reached on the synergies to be achieved between PPCR and other on-going and planned climate finance initiative (principles guiding the coordination of initiatives funded by PPCR, GCF, GEF as well as bilateral and international development partners, including WFP, FAO, UNDP, GIZ and others).

An **Aide Memoire** containing key agreements reached during the mission and a detailed work plan for the finalising the SPCR will be prepared at the end of the mission.

3. PREPARATORY WORK FOR THE MISSION

Prior to and during the mission, the following deliverables will be distributed to key stakeholders in the Kyrgyz Republic:

- 1) Resolution No 478 on the Establishment of the Climate Finance Centre;
- 2) The Consultation Draft of the Strategic Programme for Climate Resilience (SPCR); and
- 3) The outline of the process for completing the SPCR by November 2017.

4. MISSION DATES AND PROPOSED PROGRAMME

The mission will be conducted during the week of 18th September 2017 in Bishkek.

The mission will involve meetings with key stakeholders and partners in the Kyrgyz Republic, as shown in the table below. Full agendas for the high-level meeting as well as bilateral meetings will be developed in advance of the PPCR Second MDB Joint Mission.

	<i>Monday, 18th September</i>	<i>Tuesday, 19th September</i>	<i>Wednesday, 20th September</i>	<i>Thursday, 21st September</i>	<i>Friday, 22nd September</i>
MORNING		Bilateral meeting with PPCR Focal Point & Government Office Objectives: <ul style="list-style-type: none"> • Prepare for the high-level meeting and consultation workshops 	High-level Meeting <ul style="list-style-type: none"> • Present the Government Resolution on Climate Finance Centre • Present and discuss the SPCR Consultation Draft Expected participants: <ul style="list-style-type: none"> • Government Office: Prime Minister and First Vice Prime Minister • Ministry of Finance • Ministry of Economy • State Agency on Environment Protection and Forestry • National Institute for Strategic Studies • Bilateral and international donors • Other relevant <i>Expected duration: 3-4h</i>	Consultation Workshop with CSOs, Gender Organisations and Research Institutes Objectives: <ul style="list-style-type: none"> • Present and collect feedback on the SPCR Consultation Draft <i>Expected duration: 3h</i>	Bilateral meeting with PPCR Focal Point & Government Office: <ul style="list-style-type: none"> • Prime Minister and/or Vice Prime Minister Objectives: <ul style="list-style-type: none"> • Agree on the process for finalising and submitting the SPCR to PPCR Sub-Committee
AFTERNOON		Bilateral meetings with: <ul style="list-style-type: none"> • Ministry of Finance • Ministry of Economy • National Institute for Strategic Studies 		Consultation Workshop with Development Partners Objectives: <ul style="list-style-type: none"> • Present and collect feedback on the SPCR Consultation Draft <i>Expected duration: 3h</i>	

5. MISSION COMPOSITION

MDB engagement for the Second Mission is coordinated by EBRD, and includes participation by ADB and WB, as well as the Expert Team supporting the implementation of PPCR Component 1 work.

The mission will involve the following staff and experts:

<i>Organisation</i>	<i>Core MDB and Expert team</i>
European Bank for Reconstruction and Development (EBRD)	<ul style="list-style-type: none"> • Neil McKain, Director for Central Asia • Craig Davies, Associate Director, Head of Climate Resilience Investments • Marta Modelewska, Principal, Climate Resilience Investments • Nurgul Esenamanova, Associate, Climate Resilience Investments • Talay Asylbekov, Principal Banker, Infrastructure
World Bank (WB)	<ul style="list-style-type: none"> • Bolormaa Amgaabazar, Country Manager, Kyrgyz Republic • Philippe Ambrosi, Senior Environmental Economist • Tolkun Jukusheva, Operations Officer
Asian Development Bank (ADB)	<ul style="list-style-type: none"> • Candice McDeigan, Country Manager, Kyrgyz Republic • Nathan Rive, Climate Change Specialist
Climate Funds	Representatives of: <ul style="list-style-type: none"> • Climate Investment Funds' Pilot Program for Climate Resilience (CIF PPCR) • Green Climate Fund (GCF) • Global Environment Facility (GEF)
Expert Team	<ul style="list-style-type: none"> • Almaz Asipjanov, Institutional Expert