



**ANNUAL REPORT  
2013**



**REGIONAL  
ENVIRONMENTAL CENTER  
FOR CENTRAL ASIA  
2014**

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## 2. Welcome by the Chairman of the Board

Dear colleagues, dear friends!

The year 2013 is the beginning of a new dawn in the development of Regional environmental centre for Central Asia (CAREC) best demonstrated by the changes which took place: both a new Chairman of the Board and a new Executive Director were elected at the 29<sup>th</sup> Board Meeting and the composition of the Board continues to be renewed.

Accordingly CAREC's activities reflect new approaches in management and planning processes as outlined in the CAREC's change concept and related strategic planning.

I am confident that these innovations will enhance CAREC's role as a truly regional organization and a regional center of knowledge so as to enable the organization to perform its primary mission in line with its original mandate: *“CAREC seeks to promote cooperation between non-governmental organizations, government agencies, businesses and other stakeholders in addressing environmental problems at the national and regional levels to promote the free exchange of information, provide assistance to non-governmental environmental organizations and other stakeholders, enhance public participation in the decision-making process and, thus, ensure further development of democratic civil societies in Central Asia”*.

Undoubtedly, the future of the organization greatly depends on how successfully the Board will support the organization and the CAREC's Executive Director will manage its activities.

**Mr. Mukhammet Durikov,**  
Chairman of the Board of Governors  
Ministry of Nature Protection of Turkmenistan  
Director of Desert Research Institute

### 3. Message from the Executive Director

We are proud to present to you the CAREC Annual Report 2013. For CAREC this year has been the year of new endeavours: both a new Executive Director and a new Board Chairman have been elected, CAREC started to implement its Change Concept and to transform the implementation of large regional projects. In 2013 CAREC commenced to establish itself as a regional knowledge hub and as a facilitator of regional cooperation. CAREC's mandate as a regional organisation has been confirmed by a series of political meetings with national and regional partners in Central Asia. Both the environmental agencies as well as relevant NGOs of the five CAS have expressed their continuous support to CAREC.

CAREC also received international recognition as to pioneering new approaches in environmental management in the region. CAREC promoted and successfully conducted a number of innovative methods and new environmental management tools. The application of these new approaches reflects the cooperative attitude of the region's countries.

CAREC's cooperation with international aid agencies and financial institutions intensified during the period under review. The World Bank, the Asian Development Bank, USAID, UN-ECE, UN-ESCAP, etc. were regularly involving CAREC in high-level dialogues in Central Asia. CAREC became active not only in project implementation but also in international agenda setting for CAR on environmental issues.

As of 2013 CAREC is being transformed from a project management organization into an organization which will systematically focus on knowledge production, information sharing and management. CAREC will establish an effective and efficient internal management system which will enable it to follow its current development paths and enable it to continue to grow as an internationally recognized center of excellence.

**Dr. Iskandar Abdullaev,**  
Executive Director  
Regional environmental centre for Central Asia (CAREC)

## 4. Highlights, changes and challenges

### Challenges and opportunities

Successful transformation of CAREC from a core budget-based organization into a project-based one was the first and imminent step to develop CAREC into a lean, smart, learning and catalysing agency acting as a regional implementing, coordinating and advisory body as well as a clearing house adding value to public, private sector and civil society environmental and climate change related efforts on multiple levels.

At present the political will for regional cooperation in Central Asia remains limited. The donor community is supportive towards regional cooperation projects, yet, due to past experiences, there is an increasing donor fatigue on issues of regional cooperation that CAREC has to take into account when shaping its future strategies. The limited scope for regional cooperation on environmental issues may impede CAREC's aspiration to establish itself as an international organization of regional character.

CAREC and its Board will need to address the issue of regional environmental governance with a view to enhance regional cooperation.

CAREC is strengthening existing cooperation initiatives such as the International Fund for Saving the Aral Sea (IFAS), the Interstate Commission on Sustainable Development (ICSD), and the Interstate Commission for Water Coordination (ICWC). CAREC will contribute to the implementation of elements of the Aral Sea Basin Programme-3 (ASBP). Qualified staff is a precious resource for any organization. Therefore CAREC will give high priority to recruiting qualified staff. Capacity building is also key for CAREC's future development but limited time and funding for systematic capacity building may represent a challenge to CAREC.

CAREC continues to harmonize internal procedures and management styles with the international standards.

### CAREC in the changing environment

In 2013 CAREC started to implement an organisational development strategy, namely CAREC's Change Concept. The main aim of the change management process is to transform CAREC into a regional center of excellence. CAREC is improving its internal administrative policies and processes to match international standards and to improve its expertise so as to become an effective partner organisation.

This process strengthens CAREC's ongoing transformation from an asymmetrical towards a symmetrical resource mobilization situation by applying for competitive internationally tendered projects. CAREC has demonstrated the ability to generate an increasing flow of funds from a variety of international donors by combining its resource mobilization experiences with commu-

nication skills and advocacy abilities. CAREC is increasingly an internationally sought partner for both public- and private organisations to jointly implement tendered projects and programs in Central Asia of bi- and multilateral donors.

CAREC is currently focusing at a strategic planning process which will define the medium term strategic vision of CAREC – both for CAREC’s thematic interventions as well as an organisational entity. During this process CAREC will present and discuss its current approaches (ex., within the framework of the CAREC Conference) and systematically collect contributions from civil society initiatives, Central Asian governments and institutions, the Board and donor organisations to take the different perspectives into account for further development of the CAREC Strategy 2020.

### **Highlights of CAREC’s work**

CAREC’s activities program in 2013 has reflected its mandate as a regional environmental center and covered a variety of environmental aspects of relevance to Central Asia:

- integrated water resources management;
- climate change adaptation and mitigation;
- energy efficiency and renewable energies;
- sustainable development and “green growth”;
- awareness raising;
- education for sustainable development;
- disaster risk reduction;
- ecosystems services;
- resilience and biodiversity.

CAREC continues to act as a node for international and regional networking activities which provides and shares knowledge and information. CAREC facilitates Central Asian countries’ access to international knowledge, finance mechanisms, informs them of development planning and investment decisions and develops the capacity of national and local partners through network such as the Asian Pacific Adaptation Network (APAN) and the Civil Society Network to address dryland and poverty issues (Drynet). CAREC cooperates and, whenever possible, supports existing regional working groups such as the Regional Working Group on Water Quality and the Integrated Water Resources Management Group.

CAREC has also become a reliable partner for the international organizations to facilitate their events, e.g., in 2013 CAREC organized/facilitated several series of trainings for the World Bank, the World Bank Institute and the Asian Development Bank Institute. CAREC’s staff participated as speakers and presenters in many international conferences and workshops.

CAREC continues to strengthen its partnerships with institutions in Europe, the USA and Central Asia – either as a partner or as a leader of respective consortia.

## **CAREC in the regional context**

The future of CAREC will very much depend on the future security and development in the region. CAS governments have used the renewed external involvement to their sovereign advantage, fending off disruptive demands and reinforcing their political control. Thus, the Central Asian case today is not a throwback to the past but a guide to what is to come – the rise of new players in a multi-polar world. External involvement in Central Asia has strengthened CAS governments which have been able to play the suitors off one another to ensure economic benefits and political support. Furthermore, regional multi-polarity has eroded European economic influence. Over the next decade China is expected to emerge as the leading economic power in Central Asia. In addition, Central Asian governments have grown more critical towards value based agendas encompassing the promotion of the civil society role.

With this geopolitical scenario in mind an independent regional organization such as CAREC could contribute towards a more balanced approach in the regional governance of natural resources.

The economic development of the region continues to depend on extractive industries (oil, gas and mineral resources) and commodity production (cotton, wheat). The economic growths during the past 5 years reflected high prices for oil, gas and “cash crops”. Slowing-down of the global economy, reduction of prices for oil, gas and crops may result in an economic holdup in the region with an increasing potential for social protest and conflicts.

Regional organizations provide crucial platforms for cooperation and discussion on shared natural resources. Specifically regional organizations allowed the states of Central Asia to develop regional strategies and plans for cooperation. Although the key organisations received considerable support from international partners they have been acknowledged by the CAS as genuine regional organizations.

A major problem of the shared management of natural resources in Central Asia is the lack of coordination among the regional organisations. A crucial component of regional cooperation is coordination of respective functions and activities. CAREC has initiated and signed Memoranda of Understanding (MoUs) with all three regional organizations (IFAS, ICWC and ICSD) in order to facilitate partnerships and cooperation among them.

## **CAREC securing human capacities**

CAREC has highly skilled staff within both its programmes and support services. At present three PhD and twelve MSc degree holders are working at CAREC. CAREC staff has published more than 60 articles in peer reviewed international journals, a number of books and monographies. This increases CAREC’s international profile. CAREC takes care of its employees and their families, social benefits are provided to improve social security and welfare of the CAREC staff (Annex 08). The staff performance evaluation system at CAREC provides the opportunity

to grow within organization and to improve the skills of staff members through capacity building.

## **5. Progress review**

At present four CAREC programs have been established:

- (i) Environmental management and policies,
- (ii) Water,
- (iii) Climate change, adaptation, mitigation, energy efficiency. and
- (iv) Education for sustainable development.

The main aim of the programmatic work within the process of strategic planning will be that the four programs will define specific strategic objectives and approaches. Coherent and coordinated intervention strategies of CAREC programs will be the spearhead of the successful implementation of its mandate and objectives.

### **Participation in international processes**

In order to support the CAS and civil societies to be informed on, to participate in and to formulate joint positions for international environmental negotiations CAREC continues to represent the CAR – in line with the CAI priorities – at numerous international processes, namely during annual meetings of the UNEP Governing Council, meetings under the Conventions on Water, Climate Change, Biodiversity, Desertification, the Environment for Europe Action Platform, the Platform for Greening Economies (EaP Green), the Platform on Education for Sustainable Development, the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) as well as at relevant meetings of the OECD and the UNECE.

CAREC aims to draw the attention of international processes to the environmental concerns of Central Asia by providing information, advocating needs and facilitating joint positions of public and civil sectors. CAREC is actively participating in regional and international congresses, conferences and workshops to report the work of their programs and environmental concerns and challenges of the CAR.

### **Participation in regional processes**

CAREC is also participating in a number of regional processes. CAREC continues to facilitate the working groups on water quality, payment for ecosystem services and shared environmental information systems so as to disseminate knowledge among the participating parties.

**Contribution to national policies**

CAREC has country offices, branches or representation in all 5 countries of Central Asia which are participating in all process related to the environment in each individual CAS. Country offices are crucial in conveying the results of implemented projects to the policy makers of each country through workshops, seminars and trainings. In 2013 CAREC country offices have regularly met with state bodies responsible for environmental issues to establish cooperation mechanisms.

**Resource mobilization**

During 2013 CAREC has maintained its resource mobilization efforts to ensure its financial sustainability. In total – as a leader, partner or subcontractor – CAREC conducted 51 resource mobilization efforts in direct negotiations, calls and tenders.

Out of those 14 have been confirmed for funding with total budget approx. 1 million Euro. Currently 8 proposals are under development, 17 proposals are under consideration and 12 proposals did not receive support.

Consolidated information on CAREC resource mobilization efforts by thematic programs, offices and countries is presented in **Table 1.** below. More detailed information with project titles, potential donors and estimated budgets is presented in **Annex 9** to this Report.

**Table 1. Consolidated Portfolio of CAREC Resource Mobilization Efforts in 2013.**

	TOTAL		Signed contract		Under consideration		Failed		Under preparation	
	number	budget	number	budget	number	budget	number	budget	number	budget
<b>CA-REC TOTAL</b>	<b>51</b>	<b>15 038 686</b>	14	998 663	17	6 829 715	12	3 626 923	8	3 583 385
<b>by HQ</b>										
<b>HQ</b>	<b>44</b>	<b>14 578 451</b>	13	953 428	12	6 429 715	11	3 611 923	8	3 583 385
CCSE	10	2 773 000	0	0	6	2 450 000	1	80 000	3	243 000
EM	9	3 352 952	3	475 161	2	295 100	3	1 044 231	1	1 538 462
ESD	4	235 377	3	212 300	0	0	1	23 077	0	0
WIS	13	6 713 154	1	62 000	4	3 684 615	4	1 164	4	1 801

								615		923
Inter-program	2	1 300 000	0	0	0	0	2	1 300 000	0	0
Logistics	6	203 967	6	203 967	0	0	0	0	0	0
<b>by CO</b>										
<b>CO</b>	<b>7</b>	<b>460 235</b>	<b>1</b>	<b>45 235</b>	<b>5</b>	<b>400 000</b>	<b>1</b>	<b>15 000</b>	<b>0</b>	<b>0</b>
CO Kg	0	0	0	0	0	0	0	0	0	0
CO Tj	7	460235	1	45 235	5	400 000	1	15 000	0	0
CO Uz	0	0	0	0	0	0	0	0	0	0

### Environmental Management Program (EMP)

Environmental governance of the CAS is meeting challenges resulting from the use of natural resources, complex institutional arrangements, new national priorities and countries’ participation in multilateral environmental agreements.

CAREC Environmental Management Program is supporting Central Asian states and societies to cope with these challenges on multiple levels.

Supporting partner countries to develop compatible environmental information and reporting systems allow CAS to participate in global policy processes and facilitate the development of respective national environmental policies.

CAREC is supporting Central Asian countries and societies to develop new pathways to environmental management such as incentive-based instruments fostering ownership and participation and supplementing existing approaches of environmental management.

CAREC supports the role of networks, civil society and NGOs in environmental management by providing platforms for dialogues, thus, ensuring opportunities for participation, information exchange and capacity building.

### Approach

The aim of the Environmental Management Program is to meet the needs of ecosystems and its users, the objectives of the national strategies and regional initiatives as well as assist member-states in formulating and responding to the national commitments to multilateral agreements.

CAREC’s role is to support, develop and implement strategies, approaches and instruments of environmental management together with local, national and international partners. CAREC’s participation in international policy making processes provides a regional view on Central Asian

challenges, thus, supporting regional initiatives and national strategies for environmental management.

Access to environmental information is supported through assessment processes and the provision of knowledge, for example, through the introduction of the concept of Shared Environmental Information Systems (SEIS) in Central Asia and the promotion of international standards on environmental data management and reporting.

Innovative pathways to improve environmental management and mitigation of ecosystem degradation are promoted throughout Central Asia. The status of the environment in CAS is a reflection of current inadequate mechanisms of top-down, control based environmental governance which proves to be insufficient to address the problem. Incentive-based economic approaches to supplement and improve existing frameworks are being adapted and institutionalised such as the concept of Payment for Ecosystem Services which provides a platform for environmental protection, dialogue, and capacity building.

Active participation of civil society organizations and their networks can contribute to effective implementation of environmental management. CAREC supports networks to achieve respective targets and provides platforms for participation and representation of academic institutions, civil society, government agencies and international organizations.

## **Projects**

Within the EU action “Forest and Biodiversity Governance Including Environmental Monitoring” (FLERMONECA) CAREC is cooperating with the Austrian Environmental Agency (UBA) to implement the regional “Environmental Monitoring in Central Asia” (MONECA) component to develop capacities, infrastructure and institutional cooperation on environmental information in Central Asia.

In 2013 the Swiss-funded projects of the Federal Office for the Environment (FOEN) have been completed: the bilateral SEIS and the Assessment of Assessment project. Capacities and knowledge to assist CAS to participate in global environmental initiatives have been established.

New concepts to improve environmental management have been supported by the Norway-funded project on “Support Towards Local Initiatives For Sustainable Water Resources Management In Central Asia” and the Swiss Re Company funded project on “Integrating Payment for Ecosystem Services (PES) and Reducing Emissions from Deforestation and Degradation (REDD+) in Kyrgyzstan”. Currently 4 PES schemes are developed in Kazakhstan, Kyrgyzstan and Tajikistan with flexible cooperation mechanisms to adapt them to CAR contexts.

CAREC is the Central Asian node of numerous networks such as Drynet International, APAN and the Mountain Partnership in Central Asia and is facilitating an Interdisciplinary Working Group on Early Warning System and Transboundary Monitoring of geo-risks related to climate change.

## Results

The concept of Shared Environmental Information Systems (SEIS) contributing to the optimisation of the national environmental monitoring and data management systems in line with international standards is promoted by CAREC in the all CAS. Results, background information and country specific characteristics on SEIS have been published in the brochures “Promotion of the Shared Environmental Information System in Central Asia” and “Towards The SEIS Implementation In Central Asia”. Both publications (available in Russian and English) have been presented in Geneva in October 2013 to UNECE country representatives. National SEIS Working Groups recommended priorities for on-going interventions reflecting the components of the so called Driving forces, Pressures, States, Impacts and Responses (DPSIR) analytical framework and to guide national as well as regional activities.

Assessment of Assessments (AoA) reports on air, waste, biodiversity and climate change for Kazakhstan and Kyrgyzstan have been prepared to complement the efforts of the Europe Environmental Agency. The results of the assessment have been presented both at the national level as well as in Geneva on the “Joint Task Force meeting on Environmental Indicators” meeting in November 2013.

Innovative pathways to improve environmental management have been institutionalised and evaluated. The Payment for Ecosystem Services (PES) mechanism has been successfully introduced in CAS as a transparent system for the provision of environmental services through conditional payments to voluntary providers. Experiences and best practices are disseminated through PES guidelines and manuals. These approaches are innovative in the region and results are widely disseminated as best practices in local and national conferences, workshops and trainings. International networking enables CAREC to take part in global environmental policy making. Participation in activities of relevant networks increases the reach of CAREC’s activities. As focal point for Drynet International, APAN and the Mountain Partnership in Central Asia CAREC takes part in the governance of those networks and contributes to their activities in the region.



*Monitoring and Evaluation of PES scheme performed by a local multi-stakeholder group: collection of information on pasture and forest ecosystems. September 2013.*

## **Outlook**

The EM Program will continue to promote the SEIS concept in the region by implementing the MONECA activities and, thus, supporting adaptation of environmental indicators as recommended by UNECE. The program aims to harmonize the environmental reporting systems in CA and to strengthen cooperation between the EU and CAS on environmental information and management. Country specific MONECA activities are foreseen which will be supported by additional activities to increase the overall effectiveness of CARECs support.

Requests from Turkmenistan and Tajikistan to take part in the Assessment of Assessment process are taken into account and will be pro-actively advocated by CAREC.

The Program continues its efforts to promote the concept of Payment for Ecosystem Services. After successful institutionalisation and operation of the schemes up-scaling of best practices to “green economy” and “green growth” require new approaches of environmental management promoting economy-based instruments for environment management. Sustainable production and consumption will become an increasingly important issue in the CAR. CAREC will actively support the development of these approaches throughout the region.

## **Water Initiative Support (WIS) Program**

Central Asian countries face challenges in both water governance and water management systems such as inefficient irrigation and drainage networks, outdated legislation and agreements at all levels, lack of awareness on the most pressing issues in water management and their solutions, insufficient involvement and participation of local communities in water management, and lack of incentive-based economic tools to support basin management. In addition, water quality issues pose a major concern for local communities, farmers, water users, women and children.

In Central Asia there are hundreds of small transboundary river basins (STR) which accommodate about 1/7 of the total population and provide 30-35% of irrigation water. However, issues related to STRs are not considered within existing transboundary water management systems. Agreements on water allocation from Soviet times remain in force but in most cases they are violated by the parties hereto. Almost all small rivers have outdated hydrologic posts (water monitoring stations) or none at all; there are no automatic water metering posts; existing maps of the current state of irrigated areas, pastures, degraded land, etc. are all out of date. A deteriorated environment is characteristic for those river basins. CAREC's Water Initiatives Support Program specifically addresses STR challenges.

### **Approach**

Current water governance and management problems can be addressed by training water professionals at all levels of water resources management. Therefore CAREC is conducting seminars and trainings on IWRM principles, basin planning, water efficiency and water productivity practices for water practitioners and users.

CAREC considers the establishment of basin organizations such as Small Basin Councils and Working Groups which in a participatory manner involve local populations in water management – the key solution to address current water problems in the region.

Improved water management practices are being achieved through pilot projects in which CAREC's WIS Program is testing the effectiveness of economic tools for environmental governance, for example, the Payment for Ecosystem Services.

### **Projects**

In 2013 the WIS Program implemented 4 projects aimed at improving transboundary cooperation, capacity building of stakeholders, and piloting good practices in pilot areas.

Capacity building activities were carried out within the framework of several missions: the USAID-CAREC project on "Fostering Transboundary Cooperation On Small Watersheds In Central Asia", the CAREC-Norwegian Ministry of Environment project on "Support Towards Local Initiatives In The Environmental Governance And Water Resources Management In CA", and two projects within the WMBOCA component of the EU Initiative in Central Asia (CAREC

was subcontracted by the GIZ) on “Supporting Water Management And Strengthening Trans-boundary River Basin Administrations In CA” and on “Capacity Building On River Basin Planning For Water Management Organizations And Joint River Basin Structures”.

The WIS implemented a component of the AWARE project on increasing awareness on return and reused waters addressing gaps in water resources management.

Both the CAREC-USAID and the CAREC-Norwegian MoE projects focused on introduction of IWRM principles in pilot areas by establishing and/or supporting joint institutions for water management among the riparian states.

All WIS projects are implemented in coordination and with support of partners with state-and civil society organisations in all CA states. Moreover, the WIS Program is coordinating the implementation of its projects with international partners and donors to avoid overlapping efforts in target basins.

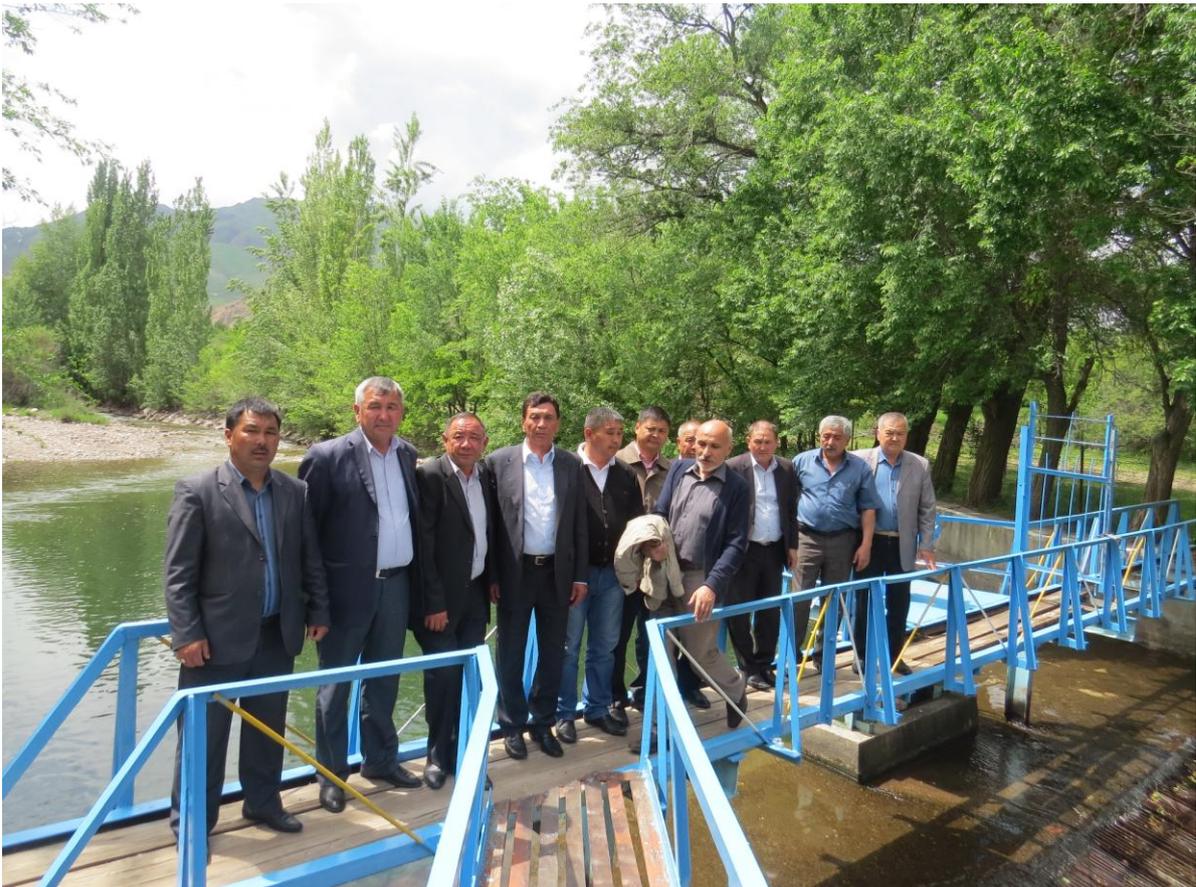
## Results

In 2013 the following results have been achieved:

- I. A comprehensive analysis of the current water management, environmental and socio-economic situation of 3 pilot areas was conducted. The analysis included the socio-economic assessment of the current situation in the Aspara River basin (both Kazakh and Kyrgyz parts), the Isfara River basin (both Tajik and Kyrgyz parts) and the Ugam River basin (both Uzbek and Kazakh parts); the ecologic assessment of current status of the Aspara River basin (both Kazakh and Kyrgyz parts), of the Isfara River basin (both Tajik and Kyrgyz parts) and the Kazakh part of the Ugam River basin; and the institutional-legislative assessment of the potential to introduce IWRM principles and basin planning in Kazakhstan, Kyrgyzstan and Tajikistan. Data from the pilot areas was inserted into the GIS-system and first drafts of GIS-reports were received from the project partner – the SIC ICWC.
- II. Institutional interventions for improving water management were carried out and 5 small basin councils (SBC) were created: two SBCs for the Aspara River, two SBC for the Isfara River and one SBC on the Kazakh part of the Ugam River. One joint meeting of the Aspara River SBC was conducted and according to its joint resolution first pilot project has been started – water measuring equipment was installed on both the Kazakh and Kyrgyz sides of the river. Two SBCs in the Kazakh part of Aral-Syrdarya basin are supported as well as the Aral-Syrdarya basin council and the Chu-Talas joint basin commission.
- III. Intervention Plans for water resources management have been developed. Based on the comprehensive analysis of the pilot areas a list of the problems for each basin was compiled and agreed with the SBC. The most important problems were selected to be addressed in the Basin Plans.
- IV. Regional Learning has been initiated through Regional Working Groups (RWGs). Two meetings of the Regional Working Group were conducted during the reporting period. The RWG includes representatives of ministries/agencies on water resources management, en-

vironmental protection, hydromets and emergency situations as well as representatives from the pilot areas (SBCs). The RWG coordinates all activities in pilot areas and supports the project implementation.

- V. **Capacity Building and Information Sharing.** A series of trainings on the IWRM principles, water saving technologies, water productivity, economic instruments and basin planning were conducted at local and regional levels. As part of an informational campaign, booklets and leaflets, the publication of the selected reports as well as 3 films on pilot areas were created; numerous articles were published by national and local media. Moreover, a series of demo tours were conducted for members of the RWG and media representatives.



*Waterworks facility on the Aspara River, may 2013.*

## **Outlook**

The Program will continue its efforts to become a knowledge hub on water related issues. Moreover, CAREC will focus on increasingly promoting the integrated approach by addressing the “energy-water- agriculture” nexus as the centerpiece of its WIS activities.

CAREC is planning to attract new projects to introduce economic instruments in the decision making of the water sector.

The Program will look for opportunities to continue supporting the Regional Working Group on water related issues in order to continue to implement its regional mandate.



*Demonstration of water measurement equipment on the Aspara Rive. Kazakhstan, May 2013.*

### **Climate Change and Sustainable Energy (CCSE) Program**

CAR is characterized by its vulnerability to climate change and, yet, accounts for the small share of global green house gas emissions. Whilst Tajikistan and Kyrgyzstan demonstrate only low carbon emissions (due to energy production by hydropower), the remaining countries of the region are responsible for a large share of regional CO<sub>2</sub> emissions. Yet, all of them understand the need to reduce carbon emissions and promoting the concept of a “green” economy.

The Program provides expertise in supporting the national policies on climate change mitigation and adaptation, carbon sequestration and green economy through its energy efficiency (EE) and renewable energy sources (RES) components through capacity building and information exchange. The Programme also serves as a knowledge hub and networking node for stakeholders, dealing with the issues of climate change and energy in the region.

### **Approach**

The overall approach of the Program is to promote new international mechanisms to mitigate climate change in the region through the joint DIW-econ/CAREC project on an “Integrated Approach for the Development of Low Carbon Development Strategies in Central Asia” (NAMA)

which aims at strengthening capacities of CAS to develop sectorial approaches towards the reduction of GHG emissions, and the “Sustainable Energy Programme for Central Asia” (CASEP) which supports governments to develop and introduce policies for the promotion of renewable energy and energy efficiency.

The Program maintains a close partnership with government officials, civil society, academia and the media. As the private sector role is still limited additional efforts to ensure an increased participation of the private sector in the future activities are necessary.

## Results

In 2013 the “Integrated Approach for the Development of Low Carbon Development Strategies in Central Asia” Project made progress in all 3 countries. In 2013 the Government of Kyrgyzstan approved the NAMA Concept focusing on the modernization of small coal-fired boilers. In fact, NAMA concept in Kyrgyzstan is the first document in Central Asia which has been approved by a government in the region and submitted for funding. Also the NAMA project in Tajikistan made significant progress in 2013. All forestry plots and sites for afforestation around the country have been identified and comprise 45 plots (the total area is 8,319 ha). As a result, the areas have been entered into the GIS-system and a country approach was developed to evaluate the sequestration of CO<sub>2</sub> by afforestation and reforestation in Tajikistan was developed.

In 2013 the NAMA project has been launched in Uzbekistan. The Government of Uzbekistan indicated its interest in refurbishing the residential buildings with energy efficient technologies and identified state organizations to be the key project partners. During the reporting period, assessment of the energy efficiency of residential buildings has started. It is expected that the results of the assessment will define the types of buildings and energy efficient measures to be proposed within the NAMA concept for Uzbekistan.

In 2013 the CASEP project successfully started with an inception period. It is expected that CAREC will take a lead to provide local technical expertise on EE and RES and ensure presence of project focal points in target countries.

The Program plans to execute an overview on transport and environmental issues in Central Asia, particularly in Kazakhstan. It will aim the promotion of low sulfur fuels as well as cleaner, more efficient vehicles in the region as well as will encompass a detailed assessment of current transport sector in Kazakhstan including information and trends on the number and types of vehicles, their fuel consumption, key problems and other issues, to provide an overview on vehicle-fuel economy and emission policies, fuel quality legislation as well as other relevant policies in Kazakhstan. It is expected that based on this assessment a roadmap for the introduction of stricter standards and policies on fuel economy, vehicle emission and fuel quality in Kazakhstan will be developed and shared with relevant stakeholders in Kazakhstan and other CAS.

In cooperation with the ICF CAREC has also developed the Energy efficiency e-learning portal for Central Asia (CAEELP) – its demo version should be finalized by the end of December 2013.



*Training on Renewable Energy Sources. Dushanbe, December 2013.*

## **Outlook**

In 2014 the Program will finalize NAMA projects in Tajikistan and Kyrgyzstan and explore opportunities for potential investments for two more NAMAs, i.e. in the sector of afforestation in Tajikistan and energy efficiency for small coal-fired boilers in Kyrgyzstan. In Uzbekistan the project will continue until June 2014. It is expected that the NAMA concept for residential buildings' refurbishment in Uzbekistan will be developed and finalized by that time.

CAREC's involvement in the CASEP project will extend beyond logistical support into technical expertise (studies, research, etc.). During the transition period (January 2014 and onwards) the Central Asia Energy Efficiency Learning Portal Programme (CAEELP) will transfer co-shared responsibilities to CAREC, namely to the CCSE Program. Over this period the Program will ensure that the information content for the e-learning web platform is being updated.

The Program will further involve governmental and non-governmental agencies in capacity building exercises and decision making processes, thus, ensuring national ownership and sustainability of project results. Partnership with the private sector will be enhanced so as CAREC will act as a facilitator between the private sector and the producers (RES and EE technologies, areas of collaboration).

The overall strategic plan of the Program is to extend the horizons of investments in areas beyond climate mitigation. Climate change adaptation and resilience (e.g. with a focus on social

and economic dimension) would become an integral component of the upcoming Program activities.

### **Education for Sustainable Development (ESD) Program**

Central Asian countries need more and better-qualified educators: teachers, decision-makers, experts and trainers who have advanced knowledge, skills and competences on sustainable development issues. Lack of qualified educators may become an obstacle to successful acceptance of the “green development” and “green growth” concepts in CAS.

The Program will link CAREC thematic areas and relevant stakeholders. Education in different areas of sustainable development such as climate change, energy efficiency, water, and biodiversity would facilitate inter-program activities.

The main objective of CAREC ESD Program is to promote the role of ESD as an instrument of greening the economy and equipping target groups in Central Asia with the knowledge, skills and competences in green development.

#### **The ESD Program objectives:**

- Support the dialogue and networks to exchange experience and best practices on ESD in CAR;
- Support legislative and institutional basis to promote ESD in the education systems of Central Asian countries;
- Develop capacity of stakeholders in ESD and sustainable development;
- Introduce modern educational and methodological materials on ESD;
- Promote instruments of energy efficiency and greening the economy in Kazakhstan.

#### **Approach**

CAREC promotes ESD principles, methodologies and key themes of SD into education systems of CAS by raising awareness on SD/ESD; facilitating sub-regional inter-government, -sector and -agency cooperation, dialogue and networking for SD/ESD on the base of the CA network for ESD; supporting CA Leadership Program for Environment and SD; adapting the best ESD education practices in Central Asia; and strengthening international cooperation and participation in global and regional (European/Asian-Pacific) ESD processes.

Target groups and stakeholders include governmental officials, young leaders, educators (from teachers training institutions, schools and universities) and NGOs.

ESD projects are supported through partnership and cooperation with various donors: the EC, UNESCO, UNECE, UNDP, UNEP, UNU/IAS, UN ESCAP, UNDP GEF SGP, REC, the OSCE Centers, the GIZ, the governments of Germany, Ireland, Italy (IMELS, ITF), Holland, Norway,

Switzerland, Sweden, the UK, and the private sector including such companies as Chevron, AGIP, BG Group and Coca-Cola.

## Projects

- “Green Pack for Central Asia – the “Glacier Edition” – development of multimedia educational resource for secondary schools in Kazakhstan and Kyrgyzstan in cooperation and with support of the BMU, the GIZ (2012-2013);
- “Caspian Green Pack as an instrument of public awareness and environmental education on water and water-related issues in the Caspian Sea region of Kazakhstan (Atyrau, Mangystau and Uralsk oblasts)” - development of the new multimedia educational resource for secondary schools in cooperation and with support of UNDP, Coca-Cola (2012-2013);
- “Caspian Green Pack” as an instrument of promotion energy efficient and energy saving technologies in schools of the Caspian Sea region of Kazakhstan (Atyrau, Mangystau and Uralsk oblasts)” in cooperation and with support of the SGP GEF (2013-2014);
- “SEARCH – School project on Health and Environment” in Kazakhstan and Tajikistan, REC, ITF, Italy (2011-2013);
- “Covenant of Mayors-East”, EC (1st stage of the project November 2011 - September 2013; 2nd stage – September 2013-June 2015);
- The 4th Central Asian Leadership Program on Environment for Sustainable Development (CALPESD) in cooperation and with support of UNEP, Government of Norway and the OSCE Center in Astana (September 16-24, 2013, Almaty). Organised and conducted the 9-days- 4th CALPESD for 30 young leaders of Central Asia and Afghanistan (September 2013);
- EU TEMPUS: I-WEB (Water, Education and Business) project in Kazakhstan (2012-2015);
- “Green Pack for Central Asia” as an instrument of awareness raising in Central Asia – educational component of AWARE project, EC, 5 CAS.



*Regional Forum “Covenant of Mayors – East” – a way to sustainable energy development at local, national and regional levels”” in the framework of EU Sustainable Energy Week. June 28, 2013.*

## Results

These projects:

- Helped to equip target stakeholder groups in Central Asia with the knowledge, skills and competences in green development;
- Provided evidence of a growing inter-program cooperation inside CAREC;
- Made an input into strengthening the cooperation among CAR NGOs;
- Demonstrated the potential of ESD as an instrument of greening the economy in Central Asia;

## Outlook

- Promote the role of ESD as an instrument of greening the economy;
- Promote the European multimedia educational resource (REC/CAREC) “Green Pack for Central Asia” as:
  - A tool for greening the economy in Central Asia;
  - A tool for e-learning in Central Asia;
  - A base for adaptation for different CA countries/local level/subjects/SD themes (“Glaciers Green Pack”, GIZ; “Caspian Green Pack”, UNDP, Coca-Cola);
  - A base for the joint CA resource “Aral Sea Green Pack”.

- Develop more joint projects to be implemented with NGOs (including through UNDP SGP GEF); – like “Caspian Green Pack” project (UNDP SGP GEF, NGO “Baiterek”, 2013-2014);
- Give more focus on CA youth’ capacity development - the CALPESD by UNEP and CAREC, successfully implemented in 2010-2013“; more partners/funds needed for support it in future after 2013.

## **Inter-program activities**

### **Civil society support, information and capacity building**

Information, awareness and skills are prerequisites for improving the current environmental situation in the CAR. In this regard, CAREC aims to address awareness gaps public and private sectors, media and civil society on important but yet unaddressed environmental issues by providing them with knowledge and tools to improve their overall performance.

The mandate and role of CAREC is recognized and reflected in the Regional Strategy Paper of European Community for Assistance to Central Asia for the period 2007 – 2013:

*“The region faces significant challenges with regard to environment protection.... Strengthening of public participation and awareness of environment issues is important for the development and implementation of environment policy. In this respect, the Central Asia Regional Environment Center can assist in promoting environmental awareness and protection through providing a forum for cooperation between various stakeholders”.*

### **Approach**

Information, awareness and capacity building are cross-cutting activities that transcend through all of CAREC’s programs and projects or are implemented via specific projects such as the EU funded project “Targeted Awareness Raising For EU-CA Partnership (AWARE)”.

For information distribution CAREC partners with existing informational networks in Central Asia such as CARNet, EcoIdea and Ecois and is present at regional platforms and conferences. For information and awareness raising CAREC uses both traditional and new technologies.

CAREC also organizes side events during international and regional conferences. For example, in the past CAREC did it at the UN Conference RIO+20, at ministerial events such as the EfE-7 and MCED-6 and other regional fora.

Whenever possible CAREC arranges seminars and demo tours for the media to improve the understanding of environmental issues.

## Results

During the reporting period CAREC has continued to target environmental issues such as: environmental governance, reporting and education; integrated water resources management; return and reused waters; impact of climate change, energy efficiency; green economy and eco-friendly development.

## Outlook

In order to become a “center of excellence” in the region for different target groups CAREC has to further improve its information and awareness component as well as the management of its knowledge products and project data. Therefore CAREC will start the creation of the CAREC data information system for exchange of data and information. CAREC staff will be trained on modern information systems.

## Projects

Since 2011 CAREC has been implementing the EU-funded project “Targeted Awareness Raising For EU-CA Partnership (AWARE)” aimed at increasing awareness on the most severe environmental issues in water management, environmental governance and climate change in 5 CAS and approaches like shared environmental information systems (SEIS); sustainable consumption and production, and public-private partnership (PPP) for energy efficiency. This substantial project is currently implemented in all 5 CAS.

## Logistics and maintenance services

CAREC provides logistic support to both internal and external users. During the past year CAREC has organized 5 regional events for WB, GIZ, EBRD, and other international partners with a budget of around 190 000 Euro (*see Table 2.* below). The partners value CAREC’s logistics services and support.

In the future CAREC will extend its support beyond logistics by providing intellectual inputs with a view to sharpen its profile as a regional platform for international cooperation and partnership.

**Table 2. List of Events organized by CAREC's Logistics and Maintenance Unit**

<b>Imple- menter</b>	<b>№</b>	<b>DONOR</b>	<b>Coun- try</b>	<b>Project Title</b>	<b>TERMS OF CONT- RACT</b>	<b>CONT- RACT AMOUNT (€)</b>	<b>CAREC's benefit (€)</b>
Logistics	<b>1</b>	World Bank (WB)	CA	Two Regional Work- shops on the IWRM model training	Jan 14-21, 2013	128 792	8 916
Logistics	<b>2</b>	World Bank (WB)	CA	Central Asia Climate Forum: Climate Resi- lience and Inclusive Development	July 2013	23 208	9 876
Logistics	<b>3</b>	EBRD (via Climat Focus)	Kz	Regional: Carbon Project and Asset De- velopment Facility, a Workshop on the Ka- zakh Emissions Trading Scheme for Businesses	May – 31, July 2013	12 674	3 350
Logistics	<b>4</b>	United Nations Economic Commission for Europe (UNECE)	CA	Organization of a sub- regional workshop under the Protocol on Water and Health for countries of Central Asia	Oct 21 -24, 2013	23 945	3 862
Logistics	<b>5</b>	Deutsche Ge- sellschaft für Internationale Zusammenar- beit (GIZ) GmbH	CA	Regional workshop, Professional education and training in CA	2-4 Dec, 2013	3 146	1 000
<b>TOTAL:</b>						<b>191 766</b>	<b>27 004</b>

## 6. CAREC Country Offices

CAREC has its headquarters in Kazakhstan, country offices – in Kyrgyzstan and Tajikistan, a representative office – in Uzbekistan, and a project office – in Turkmenistan.

Being an independent organization without institutional funding, all CAREC's units have to be financially independent also. CAREC Country Office in Tajikistan is fully financially independent since the beginning of 2010. The Kyrgyzstan Country Office, while having the opportunity to attract funds and implement national projects, remains financially supported by CAREC Headquarters. According to the national legislation the Uzbekistan representative office has no rights to sign contracts and provide services. The project office in Turkmenistan deals only with the implementation of activities of certain projects.

In order to improve its representation in the countries, increase the number of activities and create an income in 2013 CAREC started negotiations to improve the working opportunities for its Uzbekistan representative office and commenced negotiations about registration of the country office in Turkmenistan.

## **Kazakhstan**

CAREC signed a MoU with the Institute for Sustainable Development (ISD). ISD will provide staff and other relevant resources to represent CAREC in Kazakhstan. Ministry of Nature Protection and Water Resources of Kazakhstan have approved such approach. CAREC will further continue process of setting up priorities and goals for its activities in Kazakhstan.

## **Uzbekistan**

### **Main environmental and sustainable development issues in Uzbekistan**

Current environmental problems specific to Uzbekistan exist due to a number of external and internal factors. The external factors include limited water resources – the considerable part (more than 85%) of consumed water is streamed from outside the national borders; the overall influence of global issues like climate change and greenhouse emissions which may lead to even higher water deficiency; drying out of the Aral Sea which stimulates further deterioration of socio-economic conditions in the region; cross-border pollution; and the overall decrease of biodiversity in all CAS.

The internal factors include limited and polluted domestic water resources, overall land exhaustion and degradation, deterioration of lands overall reclamation condition, decrease of the amount of humus, erosion and salination of lands, desertification; constantly growing economic and demographic pressure on lands; problems related to provision of quality potable water to the population; polluted atmosphere in rural areas with a large number of industrial facilities; issues of utilization and processing of industrial and household waste.

During 2013 the work of the country office (CO) was aimed at assisting state bodies in implementing the principles of the Rio-de-Janeiro and Johannesburg Declarations on environment and sustainable development and the Millennium Development Goals approved by the UN taking into account Uzbekistan's obligations within the framework of a number of international conventions and agreements. The CO was also involved in the National Action Plan for environmental protection and sustainable development (NAP EPSD) as well as the Action Programs for environmental protection in the Republic of Uzbekistan for 2013-2017. The CAREC Uz CO activities have been carried out with participation and support of NGOs and business community.

### **Approach**

The CO works in close cooperation with government bodies, the Parliament, the Environmental Movement of Uzbekistan, business community, various NGOs, international organizations, fi-

financial institutions as well as a number of environmental foundations. The projects are implemented in partnership with the Ministry of Economics, Rural and Water Governance, the Ministry of Healthcare, the Ministry of Secondary and Higher Education, the Committee for Environmental Protection, the Uzkomkhizmat Agency, the Uzgidromet Agency, the ICWC, research and other organizations.

In addition to its project implementation efforts the CO is involved in the development of environment-related legislation (ex., the Law on Renewable Sources of Energy), strategies, national “green economy” plans, methodological and visual materials for education for sustainable education (ESD), etc. International and national experts on climate change and environment, environment management and governance, environmental impact assessment (EIA), environmental monitoring and use, biodiversity, environmental up-brining and education are widely involved in this type of work.

Through its project activities in Uzbekistan as well as by being involved in various international and national events including dialogues, information campaigns, trainings, conferences, round tables, public hearings and consultations the CAREC Uz CO is working towards resolving such issues as the deficit and pollution of water, insufficient provision of potable water to the population, degradations of lands and pastures (salination and subsequent withdrawal from agricultural use, desertification), environmental pollution due to solid industrial and household waste, biodiversity impoverishment and reduction of flora and fauna habitats, insufficient forestation and special protected zones, cross-border environmental pollution, RES application, etc.

## Results

During the reporting period a number of regional and national projects have been implemented. The “Payments For Ecosystem Services (PES): An Innovative Economic Tool To Preserve Ecosystems Of Uzbekistan” project received support from the Institute of Global Environmental Research (IGES) within the framework of the Asian-Pacific Forum for Environment and Development (APFED). PES is a market tool promoting more effective ecosystem management and biodiversity protection with the aim of more effective implementation of operational management activities. The project focused on biodiversity losses due to agricultural and timber-production operations in Ugam-Chatkal National Park. The project’s results included research and two corresponding analytical reports on PES applicability in Uzbekistan, the booklet describing the project, PES concept and related international experience in Russian and Uzbek languages. Two national-level seminars “The prospects for the development of new economic mechanisms to promote sustainable environmental management in the Republic of Uzbekistan: payments for ecosystem services” have been held. During these seminars the stakeholders presented project’s goals and objectives, discussed the results of the preliminary national expert assessment and related international experience as well as developed PES schemes to be launched in pilot areas.

The “Integrated Approach for the Development of Low Carbon Development Strategies in Central Asia” (NAMA) Project is aimed at the development of the national plan to increase energy

efficiency of residential and public buildings. Its implementation will allow raising energy efficiency of these buildings by more than 40%.

### **Interaction with civil society and NGOs**

In 2013 the CO has signed Memorandums of understanding with the Environmental Movement of Uzbekistan and the National Association of Non-Governmental Organizations. Local NGOs are always invited for collaboration within projects as well as to participate in trainings, seminars and round tables. Their perspectives are taken into account while developing work plans and choosing the focus for future projects to be implemented in Uzbekistan.

CAREC Uz CO awareness raising activities included participation in the annual World Water Day Conference. It also organized the Save the Environment Children Drawing Contest in cooperation with the State committee for environmental conservation of the Republic of Uzbekistan. The CO takes part in the Koplon Environmental Journalism Contest.

## **Tajikistan**

### **Environmental and development challenges**

Tajikistan is the country most vulnerable to climate change with the least potential to adapt in the region. Despite the abundance of water and the fact that 50% of the Aral Sea Basin water is located on the territory of Tajikistan its water management is quite poor as it is experiencing problems related to the quantity as well as quality of water. Precipitation exceeding soil absorption capacity causes landslides, mud streams and floods. Land degradation, deforestation and desertification threaten country's<sup>2</sup> rich animal and plant kingdoms.

CAREC Tj CO activities have been carried out in the context of government initiatives to promote sustainable development and combat poverty recognizing the importance of sustainable and healthy environment for successful economic development of the nation.

### **Approach**

The main principle of the Tj CO work is its close interaction with various state agencies on the national, regional and local levels as well as international, non-governmental, academic, and business agents.

The CO is actively involved in the discussion of national environmental priorities by way of assisting in the development of National Human Development Reports, strategic programs and draft proposals, action plans, environment management legislation, assessment of various beneficiaries' potential, etc. The office renders its expertise on such issues as adaptation to climate change, environment and protected areas management, poverty issues in the context of climate

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<sup>2</sup> Data taken from the National Human Development Report "Tajikistan: poverty in climate change context", Dushanbe, 2012 ([www.undp.tj](http://www.undp.tj)).

change, application of environment impact and strategic environmental assessment on environmental governance legislation, etc.

Through organization of multilateral dialogues, information campaigns, trainings, conferences, round tables, public hearings and consultations the CAREC Tj CO promotes the principles of “green” use of natural resources, water- and land-preserving technologies, biodiversity protection, energy efficiency, alternative energy sources, and adaptations to climate change in Tajikistan.

In addition to the CAREC HQ projects CAREC Tj CO assists in the improvement of national environmental monitoring and management by developing environment management plans, carrying out trainings and implementing specific actions, using environmental awareness raising tools, PES, education for sustainable development, and joint participation approaches.

The CAREC Tj Country Office maintains active cooperation with such government institutions as the CEP, the MRWR, the Ministry of Energy and Industry, the Mintransport, the TAACS, the Goskomzem, the AS of TR, Sugdsk Environmental Protection Department, the Ministry of Education, the Ministry of Economic Development and Trade, the Tajik Agrarian University, the Parliament of Tajikistan, OJSHC “Barki Tochik”, local authorities, etc.

The CO implements partnership projects, attracts NGOs’ representatives as experts and partners in projects, trainings, seminars, activities as well as assists civil society organizations by providing recommendations, consultations and information materials. A fund-raising event has been held in cooperation with local and international NGOs. The office also participated in joint meetings to develop tender project proposals.

The CAREC CO in Tajikistan has a long history of working together with such donors as WB, ABR, EC, UNESCO, UNECE, UNDP, UNEP, UNU/IAS, UN ESCAP, UNDP, the Regional Environmental Center for Central and Eastern Europe (REC), OSCE, GIZ, as well as the governments of Germany, Switzerland (FOEN), Norway and other countries.

## **Results**

During the reporting period the CAREC Tj Country Office promoted preservation of biodiversity and adaptation to climate change in the Republic of Tajikistan by building the capacity of the Working Group for the implementation of the Tiger Valley Reserve Management Plan and increased the overall environmental awareness of the population as well as state officials living in areas adjacent to the reserve.

The office also assisted in the implementation of a component of the Climate Change Adaptation Pilot Program by way of developing documents required by the environmental policies of the Asian Development Bank and the national environmental legislation.

The CAREC Tj CO was also involved in the efforts to mitigate the environmental impact of road construction executed within the framework of the roads improvement program within the CAREC Transport Corridor (road “Dushanbe - Tursun-Zad - border of Uzbekistan”) project.

Maximum assistance, consulting, organizational and logistic support has been rendered to ensure successful implementation of the CAREC programs in the Republic of Tajikistan.

CAREC Tj CO also supported the improvement of inter-sectorial dialogue between CAR states and Azerbaijan regarding the exchange of best practices and pilot research within the framework of the EIA and SEI expert capacity building project for specialists of the State Environmental Expertise including within the cross-border context.

## **Kyrgyzstan**

### **Challenges**

Improper utilization of natural resources leads to degradation of agricultural lands, grasslands and forest ecosystems as well as impacts water sources. Access to natural resources is already a source of conflicts. Degradation of the electricity supply systems results in greater use of fossil energy sources. All of the above problems are the focus of the Country Office in Kyrgyzstan and its activities, and were accordingly proposed for inclusion in the Program of the Government of the Kyrgyz Republic on transition to sustainable development for 2013-2017 which was developed for the purpose of drafting the Sustainable Development Strategy adopted by the Supervisory Board on Sustainable Development under the President of the Kyrgyz Republic.

### **Approach**

The key principle of work of the country office in Kyrgyzstan is close cooperation with government agencies, business organizations, academic institutions and NGOs through participation in conferences and workshops involving CAREC office in Kyrgyzstan as well as discussion of potential joint projects.

The office actively participates in thematic meetings with the government agencies, development organizations and businesses as well as provides expertise on the introduction of “green economic instruments”, creation of mechanisms fostering “green technologies”, integration of carbon mechanisms, and household waste management.

Efforts to mobilize resources, draft project proposals and conduct direct negotiations with potential donors such as the FAO, GIZ, Soros Foundation, Youth Development Networks, East-West Management Institute, OSCE, EC, and etc. are being undertaken.

## **Results**

An attempt to set up the Center for Environmental Policy to consolidate environmental NGOs was made in order to build a dialogue with the state authorities. As a result of a few meetings, business relationships with a number of NGOs were established and mechanisms for a dialogue with public organizations have started to form.

A multi-partner awareness campaign was organized and conducted to draw public attention to the problems of environmental pollution with solid waste and water quality.

Partnership was established with a number of academic institutions and international organizations in order to participate in international tenders and calls for grants.

Partnership to carry out joint environmental protection activities was also established with a number of private sector organizations. In addition interaction with business associations is maintained regularly.

The CO provided assistance, consulting, organizational and logistics support for the successful implementation of projects to all programs of the CAREC in Kyrgyz Republic.

CO provided expertise to the Center of the State regulation in the sphere of environmental protection and ecological safety for the revision of the National Strategy and Action Plan on biodiversity of the Kyrgyz Republic and the preparation of the 5th National Report.

CO provided capacity building for NGOs in environmental impact assessment, strategic environmental assessment and public environmental expertise, including in a transboundary context.

## **Turkmenistan**

In Turkmenistan, CAREC have signed MoU with Desert Research Institute of Ministry of Nature Protection. According to the MoU activities of CAREC in Turkmenistan will be implemented in partnership with Desert Research Institute. CAREC will support project office established within Desert Research Institute.

## **7. Outlook**

### **Summary**

The challenge of Regional Environmental Governance is that Central Asia is threatened by uneven economic development, aging infrastructure and associated difficulties, as well as mutual dependencies, regional and international geopolitics, new nations with emerging forms of sovereignty, transforming institutional systems and fragile mechanisms to implement transboundary cooperation. With the collapse of the previous system of cross-border resource management, cooperation has disintegrated, compromising energy reliability, energy costs, water security and interstate cooperation. This legacy reminds of the benefits of coordinated energy and water management, such as economic benefits in terms of reduced energy costs, enhanced energy security

with positive social impacts and effects on investment climates, and the greater capacity to address truly regional risks (e.g. security, climate change, disaster risk mitigation) and improved relations.

Regional environmental governance in Central Asia is shared between several institutions under the umbrella of the International Fund to Save the Aral Sea (IFAS): Executive Committee of IFAS, Interstate Sustainable Development Commission (ISDC), Interstate Committee on Water Coordination (ICWC).

While acknowledging the need to generate local benefits and create better conditions for the region, initiatives are needed to strengthen strategies, tools and capacities for cooperation in resource management. These strategies, tools and capacities are essential for regional cooperation. Building joint positions for regional dialogues would include shared data and information, joint analytical and managerial approaches that could as well contribute to national and sub-national planning, and the establishment of national expert groups.

Institutional and analytical strengthening is ultimately aimed at identifying investments in resource management at both regional and national levels to yield tangible development outcomes. The challenge, then, is to build a system and environment that engenders adequate confidence of the players to engage, and safeguards against both actual and perceived risks of cooperation. Markets will help, but they will not suffice.

Undoubtedly strong regional institutions are a key element. These institutions need to be staffed and supported by member countries, in order to provide objective regional technical analysis and political credibility to dialogue on difficult, so relevant transboundary issues.

### **Organisational Development**

CAREC will implement its Change Concept in order to become a recognized regional center for environmental knowledge. The organization will draw on the opportunities provided by its position as a regional cooperation platform, and its understanding of environmental issues to implement the changes outlined in the concept.

Prerequisites for the implementation of the Change Concept are competent staff members (*human resources*), a sustainable financial future (*economic resources*) and acceptance by partner countries and international organizations (*political resources*). CAREC is committed to successfully develop all three resources.

CAREC can achieve the ambitious goals of the Change Concept by: (i.) establishing a clear and transparent organizational structure with internal procedures compatible with international standards, (ii.) a successful resource mobilization strategy which will attract the necessary resources and (iii.) maintaining an effective, highly-skilled team capable of delivering excellent performance.

## Addressing the Future

### Turning CAREC into a Learning and Knowledge Center

CAREC is committed to becoming an internationally accepted hub of knowledge on environmental issues. By 2020 international, national partners, and regional stakeholders shall recognize CAREC as a source for knowledge and “best practices” on sustainable energy, climate change adaptation and mitigation, environmental management, water management and education for sustainable development. CAREC will provide knowledge to public and private sectors as well as to civil society in forms that are innovative, effective and easy to use.

The process of establishing CAREC as a knowledge hub will be a long-term process requiring improvement of both human capacities, technological potential and reporting skills within the organization. These are all aspects which are currently addressed by CAREC Change Concept. The aim to position CAREC as a knowledge hub is a major attempt of CAREC to ensure its further sustainability as an organization in a competitive and changing institutional environment. The goal is to project CAREC as a center of excellence of environmental issues – through information management, knowledge sharing, expertise and capacity building efforts.

CAREC has been the provider of information and knowledge since its establishment – its publications, seminars and training series are known as sources of learning and knowledge. CAREC will continue on this path of knowledge generation. CAREC management should show outstanding performance on not only collecting, systematizing of “best practices” and knowledge on environmental issues from around the world but also producing its own high quality knowledge.

The process of establishing CAREC knowledge center/hub profile can be divided into the following steps:

- Systematization of previous and current knowledge (information, tools, approaches and methods) and transformation into easily useable formats (electronic library, online, etc.). Information management;
- Establishing and facilitating Learning Alliances (LA) in partner states of CAS and Afghanistan as potential interfaces for knowledge sharing;
- Promoting and Managing Communities of Practice – the work of regional working groups on different environmental issues, this ensuring equality and relevance of knowledge;
- Provide and coordinate learning platforms: on line web-based and long-term capacity building efforts.

CAREC is already implementing some elements of the above listed four steps within its programmatic interventions. CAREC does manage information, work with Learning Alliances and manage working groups and e-learning platforms.

CAREC will further improve those four directions for a knowledge center/hub on environmental issues through inter- and trans-disciplinary approaches in its project management. Current program-based project management will be replaced by systematic project management principles.

CAREC Staff and experts will work in the same project which will address interdisciplinary approaches such as Payment for Ecosystem Services (PES), Shared Environmental Information Systems (SEIS), Environmental Impact Assessment (EIA), the “water-agriculture-energy” Nexus, etc.

CAREC will continue to enhance its inter- and trans-disciplinary work in its project implementation which will highlight its role of a knowledge center/hub. Internal changes within CAREC will facilitate inter-program cooperation so as to project CAREC as a knowledge center among its different partners (research organizations, local partners, international experts). CAREC will link and communicate (both internally and externally) its different efforts and activities aimed at becoming such a center/hub.

CAREC will make every effort possible to become both regional environmental cooperation coordination and knowledge center.

## 8. Financial Information

CAREC financial documents have been prepared in accordance with the International Financial Reporting Standards (IFRS). CAREC maintains its accounting records in Kazakhstani Tenge. However, for the reporting purposes CAREC has chosen to present its financial statement in EURO. These financial statements are preliminary calculated and contain 11 months of actual data and 1 month of forecast (Dec 2013) information. The financial data is compared to that of 2012.

### REVENUE/EXPENSES STATEMENT FOR THE YEAR ENDING DECEMBER 31, 2013

	Note	2013 EUR	2012 EUR
<b>REVENUE</b>			
Funds received	1	1 814 324	1463525
Amortization of government funds	2	65 995	64078
Income from rent and logistic services		172 655	174082
Foreign exchange gain		2 827	25469
Other income		9	0
		2 055 810	1 727 154
<b>EXPENSES</b>			
Direct programme expenses	3	1 537 006	1 108 059
General and administrative expenses	4	352 395	498 430
Depreciation and amortization		65 995	64 078
Foreign exchange loss		116	39 020
Other expenses			38 958
		1 955 512	1 748 545
<b>EXCESS/(DEFICIT) OF REVENUE OVER EXPENSES FOR THE YEAR</b>			
		<b>100 298</b>	<b>- 21 391</b>

**FINANCIAL STANDING STATEMENT AS OF DECEMBER 31, 2013**

	Notes	2013 EUR	2012 EUR
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed assets		138 465	191 643
Non-fixed assets		1 854	7 037
		140 319	198 680
<b>CURRENT ASSETS</b>			
Inventory		-	-
Accounts receivables	5	122 680	157 349
Advances paid			8 684
Other receivables			5 019
Taxes receivables			22 839
Cash and cash equivalents		276 034	476 589
<b>TOTAL ASSETS</b>		<b>539 032</b>	<b>869 160</b>

<b>FUND BALANCE AND LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Government grants		140 319	261 244
<b>CURRENT LIABILITIES</b>			
Accounts payables			70 374
Advances received	6	377 802	602 229
Taxes payable		12 277	8 092
Other accounts payables			18 884
<b>TOTAL LIABILITIES</b>		<b>530 397</b>	<b>960 823</b>
<b>FUND BALANCE</b>		<b>8 635</b>	<b>- 91 663</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>		<b>539 032</b>	<b>869 160</b>

**CASH FLOW STATEMENT FOR THE YEAR ENDING DECEMBER 31, 2013**

	2013 EUR	2012 EUR
<b>OPERATING ACTIVITIES</b>		
Excess/(Deficit) of revenue over expenses	100 298	- 21 391
Adjustments for:		
Depreciation and amortization	65 995	14 537
Loss from disposal of capital assets		
Reserve charge on doubtful debts		- 4 247
Provision for doubtful debts		
Unrealized foreign exchange losses		
<b>Changes in assets and liabilities</b>		
Decrease/(Increase) in inventories		
Decrease/(Increase) in accounts receivables	34 669	- 118 306
Decrease/(Increase) in advances paid	8 684	
Decrease/(Increase) in taxes payable	22 839	

Decrease/(Increase) in other receivables	5 019	
(Decrease)/Increase in accounts payables	- 70 374	454 573
(Decrease)/Increase in advance payment received	- 224 427	
(Decrease)/Increase in taxes payable	4 185	
(Decrease)/Increase in other account payable	- 18 884	
(Decrease)/Increase in government grants	- 120 925	
Deferred revenue		19 840
<b>Net cash from operating activities</b>	<b>- 192 921</b>	<b>345 006</b>

<b>INVESTING ACTIVITIES</b>		
Purchase of capital and non-fixed assets	- 7 634	24 982
Proceeds from disposal of capital assets		
<b>Net cash used in investing activities</b>	<b>- 7 634</b>	<b>24 982</b>
NET INCREASE/(DECREASE) IN CASH	- 200 555	369 988
<b>CASH at the beginning of the year</b>	<b>476 589</b>	<b>106 601</b>
<b>CASH at the end of the year</b>	<b>276 034</b>	<b>476 589</b>

**Notes description: Funds received** – funds received from donors where donors are supporting the activities of CAREC are recognized as income in the period to which they relate to. Funds received from donors financed for specified projects are recognized as income in the period when the relevant expenses are incurred. All funds received from donors for specified projects are restricted and used only for those specified projects.

<b>1. Funds received</b>	
	<b>2013 EUR</b>
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH	98 310
DIW econ GmbH	310 376
European Commission	546 850
GEF SGP UNDP	13 437
Institute for Global Environmental Strategies (IGES)	44 562
Italian Trust Fund via REC Hungary	8 205
Norway Ministry of Environment	216 195
OSCE	6 700
Swiss Development Cooperation (through BothEnds)	23 910
Swiss Federal Office for the Environment (FOEN)	149 286
Swiss Reinsurance Company (Swiss Re)	16 454
UNDP	57 493
UNEP	17 077
US Agency for International Development (USAID)	305 467
<b>Total</b>	<b>1 814 324</b>

## **2. Amortization of government grants**

**Government grants** – grants received from the Government of the Republic of Kazakhstan, Government agencies and similar organizations are recognized at fair value. In case when gov-

ernment grants are received as assets the fair value of assets received are stated as deferred income and amortized over the whole period of the respective asset's useful life.

<b>3. Direct programme expenses</b>	
	<b>2013 EUR</b>
Payroll	393 705
Rent of equipment, building and other conference and seminars costs	84 379
Consulting services of experts, consultants and translators	402 224
Audit services	18 521
Transportation costs	170 602
Travel expenses	290 433
Stationary, materials and publications	101 375
Communication services and bank commissions	30 247
Other direct costs	45 521
<b>Total</b>	<b>1 537 006</b>

As table shows direct costs of project activities increased in comparison with the Y2012 (1 108 059 EUR to 1 537 006 EUR).

<b>4. General and administrative expenses</b>	
	<b>2013 EUR</b>
Payroll	259 869
Communication services, Internet, stationery	4 235
Utility costs	4 844
Consulting services of experts and translators	-
Audit	14 335
Transportation costs	9 822
Travel costs	38 704
CAREC actions (Board Meetings)	10 734
Other expenses	9 853
<b>Total</b>	<b>352 395</b>

As table shows increase of project activities caused decrease of general and administrative expenses (498 430 EUR to 352 395 EUR).

<b>5. Accounts receivables</b>	
	<b>2013 EUR</b>
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH	32 551
DIW econ GmbH	37 050
European Commission	28 414
GEF SGP UNDP	1 299
Institute for Global Environmental Strategies (IGES)	6 700
Italian Trust Fund via REC Hungary	10 094

Swiss Development Cooperation (through BothEnds)	5 032
UNEP	1 538
<b>Total</b>	<b>122 680</b>

<b>6. Advances received</b>	
	<b>2013 EUR</b>
European Commission	216 493
Norway Ministry of Environment	130 964
Swiss Federal Office for the Environment (FOEN)	12 912
Swiss Reinsurance Company (Swiss Re)	17 434
<b>Total</b>	<b>377 802</b>

### Report on Operational Budget implementation within Jan 1 - Dec 31, 2013.

Within the approved 2013 Operational Budget the financial means in the amount of **1 167 428** euro have been received out of which **794 152** euros (**68.03%** of the overall budget) have been spent. The breakdown of the costs is presented below. The largest share of expenses was covered in the form of direct project costs for the following items:

1. Utility payments;
2. Equipment acquisition and maintenance;
3. Other obligations related to infrastructure support;
4. Internet, phone, fax.

The main expenses were related to salaries, accommodation, board meetings, international travel, trips associated with participation in seminars, conferences, trainings, resource mobilization activities, audits, transportation costs and contingencies. 2013 budget implementation is highlighted in **Table 3.** below. More detailed information is provided in **Annex 3** to this report.

**Table 3. 2013 Budget Implementation.**

<b>Nº</b>	<b>Expense</b>	<b>Planned for 2013</b>	<b>Actual</b>	<b>Variation</b>
I.	LABOR	838 155	683 955	154 200
II.	FRINGE BENEFITS	49 964	20 763	29 201
III.	CAREC EVENTS	91 500	4 205	87 295
IV.	TRAVELS	67 511	48 027	19 484
V.	PUBLICATIONS & LIBRARY	0		0
VI.	CAREC LEGAL STATUS IMPROVEMENT	0		0
VII.	REPRESENTATION COSTS	0		0
VIII.	AUDIT COST	20 000	11998	8 002
IX.	INFRASTRUCTURE MAINTENANCE COSTS	38 738	7225	31 513

X.	OFFICE EQUIPMENT, SOFTWARE, etc.	16 250	655	15 595
XI.	COMMUNICATION COSTS	10 105	866	9 239
XII.	TRANSPORTATION COSTS	11 940	6787	5 153
XIII.	MEMBERSHIP FEES, SUBSCRIPTION	2 000	328	1 672
XIV.	OFFICE SUPPLIES	2 400	10	2 390
XV.	OTHER OPERATIONAL COSTS	13 056	3 405	9 651
XVIII.	CONTINGENCIES (1%)	5 808	5928	-120
<b>TOTAL OPERATIONAL BUDGET</b>				
		<b>1 167 428</b>	<b>794152</b>	<b>373 276</b>
<b>TOTAL OPERATIONAL BUDGET (%)</b>				
		<b>100%</b>	<b>68,03%</b>	<b>31,97%</b>

### Audit report

In 2012, last year of audit, CAREC have recruited through competitive bid. 2012 audit report is annexed to this Report (**Annex 4**).

**Annexes**

**Annex 1: Projects by countries.**

Programs/Projects	GENERAL PROJECT INFORMATION				2014 BUDGET											
					HEAD QUARTERS	KA-ZAKHSTAN	KYRGYZSTAN		TAJIKISTAN		TURKMENISTAN		UZBEKISTAN		AZERBAIJAN	
	Source of funding	Source of funding by group	Total budget (Euro)	Time frame	Salary and other administrative costs	Direct project costs	Salary and other administrative costs	Direct project costs	Salary and other administrative costs	Direct project costs	Salary and other administrative costs	Direct project costs	Salary and other administrative costs	Direct project costs	Salary and other administrative costs	Direct project costs
<b>ENVIRONMENTAL MANAGEMENT PROGRAM</b>																
Integration PES and REDD in Kyrgyzstan	Swiss Reinsurance Company (Swiss Re)	Switzerland	116,790	13.04.11 - 01.05.14			6,462	16,877						-	-	
MONECA	Delegation of the EU in Kazakhstan	European Aid	338,926	01.05.13-30.04.16	27,000	25,200	2,500	25,200	2,500	25,200	2,500	25,200	2,500	25,200		
CAREC as Sub-regional Node of APAN for Central Asia_2013	Institute for Global Environmental Strategies (IGES)	IGES	38,462	01.05.13-28.02.14	3,600	7,300								-		
CAREC as Sub-regional Node of APAN for Central Asia_2014	Institute for Global Environmental Strategies (IGES)	IGES	36,255	01.03.14-01.03.15	8,700	5,511		5,511		5,511		5,511		5,511		
UNECE Indicators	Swiss Federal Office for the Environment	Switzerland	56,000	01.01.14-31.12.15	22,608	5,642	1,728	5,642	1,728	5,642	1,728	5,642		5,642		
<b>INERPROGRAM ACTIVITIES</b>																
Raising awareness to improve the partnership between the EU and CA	Delegation of the EU in Kazakhstan	European Aid	945,634	25.12.11 - 30.12.13	23,000	16,840		16,840		16,840		16,840		16,840		
<b>WATER INITIATIVE SUPPORT PROGRAM</b>																
ENHANCING TRANS-BOUNDARY WATER COOPERATION PROJECT-Aspara	US Agency for International Development (USAID)	USAID	223,156	16.04.12-15.10.15	12,299	24,474	969	24,474								
ENHANCING TRANS-BOUNDARY WATER COOPERATION PROJECT-Isfara	US Agency for International Development (USAID)	USAID	423,347	16.04.12-15.10.15	13,085		969	72,748	2,105	72,748			674			
ENHANCING TRANS-BOUNDARY WATER COOPERATION PROJECT-Ugam	US Agency for International Development (USAID)	USAID	410,764	16.04.12-15.10.15	12,220	78,033							674	78,033		
ENHANCING TRANS-BOUNDARY WATER COOPERATION PROJECT-Joint actions	US Agency for International Development (USAID)	USAID	664,080	16.04.12-15.10.15	33,400	33,861	785	33,861	702	33,861			489	33,861		

Support the efforts of local initiatives for water in CA	Norway Ministry of Environment	Norway	749,812	01.12.11 - 01.12.14	74,522	97,167	9,964	95,467	2,220	55,832	-	14,242	2,100	14,242		
LOT1 Support water management and strengthening transboundary river basin in Central Asia	Delegation of the EU in Kazakhstan	European Aid	81,285	01.03.12 - 31.05.14	11,823	6,376										
LOT2 Capacity building on river basin planning for water management org. and joint river bas	Delegation of the EU in Kazakhstan	European Aid	71,428	01.03.12 - 31.05.14	6,284	18,237										
<b>CLIMATE CHANGE FOR SUSTAINABLE ENERGY</b>																
NAMAs Central Asia	German Government via DIW econ GmbH	Germany	982,000	16.12.11-31.12.14	159,800	9,960		10,820		#####		46,000		5,500		
Sustainable Energy Programme for Central Asia Renewable Energy Sources & Energy Efficiency	European Commission, Brussels	European Aid	331,756	12.07.13-31.08.15	53,413	77,702										
Low carbon and clean energy sources	UNEP	UN	13,846	01.08.13-28.02.14		2,308										
<b>EDUCATION FOR SUSTAINABLE DEVELOPMENT</b>																
Covenant of Mayors-East	European Commission, Brussels	European Aid	138,000	22.11.11 - 19.09.13	100,000	15,000	-	3,000	-	3,000	-	16,000	-	3,000		
Harmonization of higher education in Kazakhstan	European Commission, Brussels	European Aid	61,368	15.10.12 - 14.10.15	2,727	9,167	-	-	-	-	-	-	-	-		
«Caspian Green Pack as instrument of promoting energy-efficient and energy-saving technologies	GEF SGP UNDP	UN	30,330	01.04.13-30.09.14	9,695	5,823	-	-	-	-	-	-	-	-		
CA Leadership Programme on Environment for Sustainable Development for Central Asia 2014	UNEP	UN	5,385	01.09.14-31.10.14	1,846	708		708		708		708		708		
CA Leadership Programme on Environment for Sustainable Development for Central Asia 2014	OSCE	other interntnl organiztns	6,700	01.09.14-31.10.14		6,700										
<b>Tajikistan's office</b>																
<b>Kyrgyzstan's office</b>																
<b>Uzbekistan's office</b>																
<b>Administrative department</b>																
CAREC development-Own resources from rent services used for CAREC	CAREC	CAREC	161,756	1.01.2014-31.12.2014	161,756											
<b>Total</b>			<b>5887077</b>		<b>737778</b>	<b>446008</b>	<b>23377</b>	<b>311147</b>	<b>9254</b>	<b>230481</b>	<b>4228</b>	<b>130142</b>	<b>6437</b>	<b>188536</b>	<b>0</b>	<b>0</b>

**Annex 2: Detailed budget implementation in 2013.**

№	EXPENSE	PLANNED 2013	ACTUAL	VARIATION
<b>I.</b>	<b>LABOR</b>	<b>838,155</b>	<b>683,955</b>	<b>154,200</b>
1.1	Gross salary	777,354	683,955	93,399
1.1.1	Program Staff	305,588	297,758	7,831
1.1.2	Country Office Staff	36,189	36,189	0
1.1.3	Administrative Staff	284,647	286,811	-2,164
1.1.4	Technical Staff	29,099	28,442	657
1.1.5	Inter-program Staff	121,832	34,757	87,075
1.2	Vacation reserve (incl. taxes)	60,801	0	60,801
1.2.1	Program Staff	23,329	0	23,329
1.2.2	Country Office Staff	3,174	0	3,174
1.2.3	Administrative Staff	22,512	0	22,512
1.2.4	Technical Staff	1,345		
1.2.5	Inter-program Staff	10,441		
1.3	Salary increase after PA (incl. tax)	0	0	0
<b>II.</b>	<b>FRINGE BENEFITS</b>	<b>49,964</b>	<b>20,763</b>	<b>29,201</b>
2.1	Home allowance	13,866	19,844	-5,979
2.1.1	Foreign Staff	13,866	19,844	-5,979
2.2	Medical insurance	33,878	661	33,217
2.2.1	Program Staff	13,456	636	12,820
2.2.3	Country Office Staff	0	0	0
2.2.4	Administrative Staff	13,976	25	13,951
2.2.5	Inter-program Staff	4,808	0	4,808
2.2.6	Technical Staff	1,639	0	1,639
2.3	Mobile phone communication	2,220	258	1,962
2.3.1	Program Staff	0	0	0
2.3.2	Country Office Staff	0	0	0
2.3.3	Administrative Staff	2,220	44	2,176
<b>III.</b>	<b>CAREC EVENTS</b>	<b>91,500</b>	<b>4,205</b>	<b>87,295</b>
3.1	Performance appraisal	400	0	400
3.2	Retreats	75,000	0	75,000
3.3	Trainings	6,000	0	6,000
3.4	Board meetings	5,100	285	4,815
3.5	Team building	5,000	3,920	1,080
<b>IV.</b>	<b>TRAVELS</b>	<b>67,511</b>	<b>48,027</b>	<b>19,484</b>
4.1	Local travels	53,861	25,424	28,437
4.1.1	Performance appraisal	0	0	0
4.1.2	Retreats	9,200	6,171	3,029
4.1.3	Trainings	7,960	1,606	6,354
4.1.4	Board meetings	18,000	11,947	6,053
4.1.5	CAREC Legal status improvement	0	0	0
4.1.6	Resource mobilization activity travels	5,925	4,777	1,148
4.1.7	Internal Audit travel cost	3,831	258	3,573
4.1.8	Recruitment	8,945	666	8,279
4.2	International travels	13,650	22,603	-8,953
<b>V.</b>	<b>PUBLICATIONS &amp; LIBRARY</b>	<b>0</b>	<b>0</b>	<b>0</b>
5.1	Publications	0	0	0
5.1.1	Annual Report	0	0	0
5.1.2	Brochures	0	0	0
5.1.3	PR leaflets	0	0	0
5.2	Library	0	0	0
<b>VI.</b>	<b>CAREC LEGAL STATUS IMPROVEMENT</b>	<b>0</b>	<b>0</b>	<b>0</b>
6.1	Reregistration of UZ CO	0	0	0
6.2	Founders' meeting	0	0	0
6.3	Experts	0	0	0
<b>VII.</b>	<b>REPRESENTATION COSTS</b>	<b>0</b>	<b>0</b>	<b>0</b>
7.1	ED representation expenses	0	0	0
7.2	Partnership meeting cost	0	0	0
<b>VIII.</b>	<b>AUDIT COST</b>	<b>20,000</b>	<b>11,998</b>	<b>8,002</b>
8.1	External audit of CAREC operations in 2012	20,000	11,998	8,002
<b>IX.</b>	<b>INFRASTRUCTURE MAINTENANCE COSTS</b>	<b>38,738</b>	<b>7,225</b>	<b>31,513</b>
9.1	Utility costs	11,583	1,973	9,610
9.2	Renovation	12,500	2,753	9,747

	9.3	Infrastructure appraisal		0		0		0	
	9.4	Landscape gardening		1,000		360		640	
	9.5	Other infrastructure maintenance costs		13,655		2,139		11,516	
	9.6	Kaidzen		0		0		0	
<b>X.</b>	<b>OFFICE EQUIPMENT, SOFTWARE, etc.</b>			<b>16,250</b>		<b>655</b>		<b>15,595</b>	
	10.1	Procurement HO		10,000		548		9,452	
	10.2	Office equipment maintenance HO		6,250		106		6,144	
	10.3	Procurement CO		0		0		0	
	10.4	Office equipment maintenance		0		0		0	
<b>XI.</b>	<b>COMMUNICATION COSTS</b>			<b>10,105</b>		<b>866</b>		<b>9,239</b>	
	11.1	Internet, phone, fax HO		7,705		714		6,991	
	11.2	Post service HO		2,400		152		2,248	
	11.3	Internet, phone, fax, post		0		0		0	
<b>XII.</b>	<b>TRANSPORTATION COSTS</b>			<b>11,940</b>		<b>6,787</b>		<b>5,153</b>	
	12.1	Transportation expenses		11,940		6,787		5,153	
	12.2	Transportation expenses CO		0		0		0	
<b>XIII</b>	<b>MEMBERSHIP FEES, SUBSCRIPTION</b>			<b>2,000</b>		<b>328</b>		<b>1,672</b>	
	13.1	Membership fees		0		0		0	
	13.2	Subscription		2,000		328		1,672	
<b>XIV.</b>	<b>OFFICE SUPPLIES</b>			<b>2,400</b>		<b>10</b>		<b>2,390</b>	
	14.1	Office supplies HO		2,400		10		2,390	
	14.2	Office supplies for CO		0		0		0	
<b>XV.</b>	<b>OTHER OPERATIONAL COSTS</b>			<b>13,056</b>		<b>3,405</b>		<b>9,651</b>	
	15.1	MIA, OVIR, Notarial services, etc.		600		576		24	
	15.2	Educational courses		0		0		0	
	15.3	Tender preparation		400		0		400	
	15.4	Compulsory insurance for employers		800		0		800	
	15.5	Website support		0		0		0	
	15.6	Software support		0		0		0	
	15.7	Office rent and utility cost in CO		0		0		0	
	15.8	Temporary Staff CO		0		0		0	
	15.9	Announcements & Advertisement		500		0		500	
	15.10	Bank fees		6,796		2,078		4,718	
		15.10.1	Bank fees HO	6,796					
		15.10.2	Bank fees CO	0					
	15.11	Other operational costs		3,960		751		3,209	
<b>XVI.</b>	<b>CONTINGENCIES (1%)</b>			<b>5,808</b>		<b>5,928</b>		<b>-119</b>	
<b>TOTAL OPERATIONAL BUDGET</b>				<b>1,167,428</b>		<b>794,152</b>		<b>373,276</b>	
<b>TOTAL OPERATIONAL BUDGET (%)</b>				<b>100%</b>		<b>68.03%</b>		<b>31.97%</b>	

**Annex 3: Detailed budget for 2014.**

<b>№</b>	<b>EXPENSE</b>	<b>PLANNED 2014</b>	
<b>I.</b>	<b>LABOR</b>		<b>877,176</b>
1.1	Gross salary		740,203
	1.1.1 Program Staff	330,778	
	1.1.2 Country Office Staff	78,690	
	1.1.3 Administrative Staff	302,799	
	1.1.4 Technical Staff	27,936	
1.2	Vacation reserve (incl. taxes)		57,230
	1.2.1 Program Staff	24,941	
	1.2.2 Country Office Staff	7,494	
	1.2.3 Administrative Staff	22,821	
	1.2.4 Technical Staff	1,973	
1.3	Salary increase after PA (incl. tax)		79,743
	1.3.1 Salary increase after PA (incl. tax)		
<b>II.</b>	<b>FRINGE BENEFITS</b>		<b>57,525</b>
2.1	Home allowance		17,820
	2.1.1 Foreign Staff	17,820	
2.2	Medical insurance		36,265
	2.2.1 Program Staff	16,620	
	2.2.3 Country Office Staff	4,000	
	2.2.4 Administrative Staff	12,525	
	2.2.5 Technical Staff	3,120	
2.3	Mobile phone communication		3,540
	2.3.1 Program Staff	720	
	2.3.2 Country Office Staff	0	
	2.3.3 Administrative Staff	2,820	
<b>III.</b>	<b>CAREC EVENTS</b>		<b>31,900</b>
3.1	CAREC team event		8,800
3.2	Training for staff		16,000
3.3	Board meetings		7,100
<b>IV.</b>	<b>TRAVELS</b>		<b>97,080</b>
4.1	Local staff travel		40,180
	4.1.1 Board meetings	24,000	
4.2	International travels		32,900
<b>V.</b>	<b>STRATEGIC PLANNING 2014 -2020</b>		<b>80,000</b>
5.1	Annual Report, Conference		30,000
	5.1.1 Annual Report	12,000	
	5.1.2 Brochures	3,000	
	5.1.3 CAREC Conference	15,000	
5.2	Strategic planning		50,000
<b>VI.</b>	<b>CAREC LEGAL STATUS IMPROVEMENT</b>		<b>7,500</b>
6.1	Reregistration of UZ CO		1,500
6.2	Translations		6,000
<b>VII.</b>	<b>PARTNERSHIP MEETING COSTS</b>		<b>4,500</b>
7.1	Partnership meeting costs		4,500
<b>VIII.</b>	<b>AUDIT COST / РАСХОДЫ НА АУДИТ</b>		<b>20,000</b>
8.1	External audit of CAREC operations in 2013		20,000
<b>IX.</b>	<b>INFRASTRUCTURE MAINTENANCE COSTS</b>		<b>122,506</b>
9.1	Utility costs		23,736
9.2	Renovation		58,900
9.3	Landscape gardening		2,000
9.4	Other infrastructure maintenance costs		37,870
<b>X.</b>	<b>OFFICE EQUIPMENT, SOFTWARE, etc.</b>		<b>41,005</b>
10.1	Procurement HO		32,595
10.2	Office equipment maintenance HO		6,250
10.3	Procurement CO		0
10.4	Office equipment maintenance CO		2,160
<b>XI.</b>	<b>COMMUNICATION COSTS</b>		<b>24,120</b>
11.1	Internet, phone, fax HO		16,800
11.2	Post service HO		2,400
11.3	Internet, phone, fax, post CO		4,920
<b>XII.</b>	<b>TRANSPORTATION COSTS</b>		<b>14,520</b>
12.1	Transportation expenses HO		10,440
12.2	Transportation expenses CO		4,080

<b>XIII.</b>	<b>MEMBERSHIP FEES, SUBSCRIPTION</b>				<b>9,840</b>
	13.1	Membership fees		<b>3,600</b>	
	13.2	Subscription		<b>6,240</b>	
<b>XIV.</b>	<b>OFFICE SUPPLIES</b>				<b>5,400</b>
	14.1	Office supplies HO		<b>2,400</b>	
	14.2	Office supplies for CO		<b>3,000</b>	
<b>XV.</b>	<b>OTHER OPERATIONAL COSTS</b>				<b>67,816</b>
	15.1	MIA, OVIR, notarial services, etc.		<b>3,920</b>	
	15.2	Compulsory insurance for employees		<b>800</b>	
	15.3	Website update & support		<b>31,304</b>	
	15.4	1 C Accounting software support		<b>600</b>	
	15.5	Office rent and utility costs in CO		<b>6,840</b>	
	15.6	Temporary Staff CO		<b>7,440</b>	
	15.7	Bank fees		<b>8,692</b>	
		15.7.1 Bank fees HO	<b>6,796</b>		
		15.7.2 Bank fees CO	<b>1,896</b>		
	15.8	Other operational costs		<b>8,220</b>	
<b>XVI.</b>	<b>CONTINGENCIES (1%)</b>				<b>14,584</b>
<b>TOTAL OPERATIONAL BUDGET</b>					<b>1,475,598</b>
<b>TOTAL OPERATIONAL BUDGET (%)</b>					<b>100%</b>

## Annex 4: Audit report for 2012

### «The Regional Environmental Center for Central Asia» Incorporation Financial statements for the year then ended December 31, 2012

We didn't watch inventory of fixed assets within contractual obligations and inventory holdings for December 31, 2012 as we were appointed auditors of the Company in October, 2013, we weren't present when carrying out inventory of money, stocks and fixed assets as of December 31, 2012. Within contractual obligations we carried out selective inventory of FA during audit.

We don't confirm balance of money for the end and the beginning of the reporting period as the act of inventory was issued during our audit.

We don't confirm initial balance of 2012 of receivables and payables as the documents confirming final balance of 2011 weren't submitted.

In 2011 the Form 4 "The report on cash flow" was audited an indirect method the previous auditor incorrectly.

In 2011 the Note 5 "Fixed assets" in the column of Other FA is reflected by the previous auditor incorrectly. The difference made 1 thousand tenge. The deviation not considerable, but takes place.

The company traces internal and external signs of depreciation, including receiving estimates of external experts concerning fixed assets. The management considered a question of existence of any signs of depreciation, especially concerning expected revenue and profit on activity of business and estimates of external experts.

Revaluation of object of the main means "Building" was made in 2006, seven years ago.

In 2012 the Company didn't create a reserve on illiquid materials as those weren't available. The reserve on unused holidays of employees was not created.

#### Opinion

We believe that the financial statements provide a fair presentation and objective information on financial position of the CAREC in all material aspects as of December 31, 2012 as well as its incurred expenses, cash flows, and changes in equity for the period from January 1, 2012 to the date of such financial statements preparation in accordance with the International Financial Reporting Standards

Sholpanay Kunaybergenova  
Auditor, General Director  
IAC «Russell Bedford BC Partners» LLP  
State license for auditing on the  
territory of the Republic of Kazakhstan  
МФЮ-2 series  
No. 0000097, issued by the Ministry of Finance  
of the Republic of Kazakhstan on March 11, 2013.

Auditor's Qualification Certificate  
No.0000453 as of November 14,1998

October 29, 2013

Member of Russell Bedford International, with affiliated offices worldwide  
Registered Office: 44a, 2, Luganskogo Street, Almaty, Republic of Kazakhstan



**Annex 5: MoU signed in 2013.**

<b>№</b>	<b>Partner Title</b>	<b>Agreement Type</b>	<b>Date of Signing</b>
<b>1</b>	Regional Center for Renewable Sources of Energy in Central Asia (RC RES CA)	Memorandum of Cooperation	10.05.2013
<b>2</b>	Science Research Center of the Interstate Coordination Water Commission in Central Asia (SRC ICWC CA)	Memorandum of Cooperation	06.05.2013
<b>3</b>	UNDP Small Grants Program of the Global Environmental Fund in Kazakhstan	Memorandum of Cooperation	Jan 2013
<b>4</b>	Akimat of the city of Turkestan, Karatau State Reserve, PA „BIOGEN“	Memorandum of Cooperation	15.03.2013
<b>5</b>	NGO „The Institute of Environment and Sustainable Development“	Memorandum of Cooperation	25.09.2013
<b>6</b>	Central Asia Research and Development Network (CARDN)	Memorandum of Understanding	24.06.2013
<b>7</b>	Ministry of Reclamation and Water Resources of the Republic of Tajikistan	Memorandum of Cooperation	30.10.2013
<b>8</b>	Executive Committee of the International Fund to Save the Aral Sea (EC IFSA)	Memorandum of Understanding	20.11.2013
<b>9</b>	GIZ Regional Programme “Professional Education and Training in Central Asia”	Memorandum of Understanding	01.11.2013
<b>10</b>	Central Asia Energy Efficiency Learning Portal Program	Memorandum of Understanding	28.06.2013

## **Annex 6: CAREC regional and national partners.**

### **REGIONAL PARTNERS:**

Asian-American Partnership  
 Asian-Pacific Network on Adaptation to Climate Change  
 CAMP Alatau, CAMP Kuhiston  
 Global Water Partnership  
 International Fund for Saving the Aral Sea  
 Interstate Commission for Water Coordination  
 Interstate Commission on Sustainable Development  
 Mountain Partnership  
 Red Crescent Societies in CA states  
 Regional Environmental Center (REC) for Central and Eastern Europe  
 Regional Environmental Center (REC) for the Caucasus,  
 Regional Environmental Center (REC) in Moldova

### **NATIONAL PARTNERS:**

#### **Kazakhstan:**

Almaty City Administration  
 Almaty University of energy and communications  
 Astana City Administration,  
 Coordination Center on Climate Change  
 Ernst & Young Kazakhstan  
 International Professional Academy "Turan-Profi"  
 Joint Stock Company "Samruk-Energy"  
 JSC "KazAgro Marketing"  
 JSC "KazAgroInnovation"  
 JSC "Kazakhenergyexpert"  
 JSC "National Company "Socio-entrepreneur corporation "Zetysy"  
 JSC "Zhasyl Damu"  
 Al-Farabi Kazakh National University  
 Kazakh Rice Research Institute  
 Kazakh-German University  
 Kazakhstan Center of Modernization and Development of Housing  
 Kh. Yasavi International Kazakh-Turkish University  
 Karatau National Reserve (protected area)  
 "Energy of Semirechiye" LTD  
 "Honeywell – Automatic management system" LTD  
 "Systemotechnics" LTD  
 "Damu Research Group" LTD  
 "Corporation Kazakhmys" LTD  
 Ministry of Agriculture  
 Ministry of Education and Science  
 Ministry of Environmental Protection: Department of Ecological conventions and agreements, Department of Natural Resources, Department of Strategic Planning and Monitoring  
 Energy and Environment Department, KazHydromet, Water Resources Committee  
 Ministry of Health: Committee for state sanitary epidemiological surveillance

Ministry of Industry and New Technologies  
Turkestan City Administration  
Zhana Ikan Village Administration

**Kyrgyzstan:**

Center on Climate Change  
Jogorku Kenesh Committee on Agrarian Policy, Water Resource, Ecology and Local Self-government of the  
Issyk-Kul Biosphere Territory  
Issyk-Kul Oblast Administration  
Kyrgyz National Academy of Education  
Kyrgyz-Slavic University  
Ministry of Agriculture and Land Reclamation: Department of water resources and land reclamation  
Ministry of Economics and Antimonopoly Policy  
Ministry of Education and Science  
Ministry of Energy and Industry  
Ministry of Foreign Affairs  
Ministry of Health: Department for state sanitary epidemiological surveillance,  
Ministry on Emergency Situations: Department of observation of environmental pollution,  
Kyrgyz national hydro-meteorological agency  
Ministry on Youth affairs and migration policy  
National Academy of science  
National Statistics Committee  
State agency on environment protection and forestry: Agency of ecological monitoring  
State Agency on Geology and Mineral Resources  
State agency on local government and ethnic relations  
State Entity "Bishkekwormenergy"  
State Entity "Kyrgyzhousing"

**Tajikistan:**

Academy of Sciences of Tajikistan  
Central Election Commission for Elections and Referenda  
Committee of Emergency Situations and Civil Defence  
Committee of Emergency Situations and Civil Defence: Department of population and territory  
Committee on Environmental Protection: Agency on Hydrometeorology; Agency on forestry and hunting; Agency on specially protected areas  
Communal services  
Dushanbe mayor's office  
Environmental Protection Department of Khujand  
Executive Apparatus of the President of Tajikistan  
JSC "Barky Tojik"  
Kurgan-Tube City Administration  
Local authorities (khukumats)  
Ministry of Agriculture  
Ministry of Economy Development and Trade  
Ministry of Education: ESD focal point, Department of pre-school and secondary education  
Ministry of Energy and Industry  
Ministry of foreign affairs of Tajikistan  
Ministry of Health: State sanitary and epidemiological service

Ministry of Land Reclamation and Water Resources  
Ministry of Transport  
Parliament of Tajikistan  
Physics Technical Institute of the Academy of Sciences  
Project Management units  
Republican Center of additional education  
State Committee for Land Registration  
State Enterprise of Natural Protected Areas Committee for Environmental Protection,  
Shyrkent Nature Historic Park  
Tajik Academy of Agricultural Sciences  
Tajik Agrarian University  
Technological University  
Vahdat City Administration

**Turkmenistan:**

Institute of Deserts, Flora and Fauna  
Institute of Strategic Planning and Economic Development  
Ministry of Agriculture  
Ministry of Energy  
Ministry of Nature Protection  
Ministry of Water Resources  
Society of Nature Protection of Turkmenistan  
State Committee for Geodesy, Cartography and Cadastre  
State Committee for Hydrometeorology  
State Committee for Statistics  
State Corporation "Turkmengeology"

**Uzbekistan:**

Academy of Science  
Agency "Uzcommunchizmat"  
Agency "Uzbekenergo"  
Association of professional organizations to manage and maintain the housing stock  
Cabinet of Ministers: Center of Hydro-meteorological Service  
Center for Economics Searches  
Institute of Energy and Automation of the Academy of Science  
Ministry of Agriculture and Water Resources  
Ministry of Economics  
Ministry of Finance  
Ministry of Higher and Secondary Special Education  
Ministry of Public Education  
Research and Innovation center "Eco-Energy"  
State Committee for Architecture and Construction  
State Committee for Nature Protection: Department for the protection and rational use of water resources, land conservation, common minerals and waste management; Department of Economics and Nature  
Abu Raikhan Beruni Tashkent State Technical University  
Tashkent Oblast Administration  
Ugam-Chatkal National Park

## **Annex 7: Donors and international partners.**

### **PUBLIC BODIES:**

Delegations of the European Union in CA states  
 European Commission  
 European Environmental Agency  
 German Federal Ministry for Development and Economic Cooperation  
 German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety  
 Hessian State Forest Administration, Germany  
 Norwegian Ministry of Environment  
 Swiss Federal Office for the Environment  
 Swiss Agency for Development and Cooperation  
 Swiss Ministry of Foreign Affairs  
 Umweltbundesamt Austria

### **Development organizations:**

Asia-Pacific Forum for Environment and Development (APFED)  
 Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH  
 Global Environmental Facility Small Grant Programme (GEF SGP)  
 Institute for Global Environmental Strategies (IGES)  
 Mercy Corps  
 Organisation for Economic Co-operation and Development (OECD)  
 Organization for Security and Cooperation (OSCE) Centers in CAS  
 United Nations Development Programme (UNDP)  
 United Nations Economic Commission for Europe (UNECE)  
 United Nations Environment Programme (UNEP)  
 United Nations Scientific and Cultural Organization (UNESCO) Offices in CAS  
 US Agency for International Development (USAID)  
 World Wide Fund for Nature (WWF)

### **Banks, funds and business:**

Asian Development Bank (ADB)  
 Eurasian Bank of Reconstruction and Development (EBRD)  
 Italian Trust Fund  
 Swiss Reinsurance Company  
 World Bank Institute (WBI)  
 World Bank (WB)  
 Business associations, international business councils and chambers of commerce in CAS

### **Consulting companies:**

Berekli-TaslamaI  
 Both ENDS  
 Climate Focus  
 DIW-Econ  
 EcoService Limited Trade Company  
 Elpikir social survey company  
 GFA Consulting Group  
 ICF International  
 KAVEIK, Kazakhstan Association of high-tech, energy-efficient and innovative companies  
 WYG International  
 Ynanch-Vepa, expert-analytical agency.

**Annex 8: Social security and welfare of CAREC staff.**

<b>№</b>	<b>Benefit/Item</b>	<b>Requirement to receive the benefit</b>
<b>1</b>	Staff employee health insurance plan	Employment contract
<b>2</b>	Payment for trip to/from Almaty for staff employee and his/her family (children, spouse) 1 time a year	1. Employment contract; 2. Foreign (non-Kazakhstan) citizen passport.
<b>3</b>	Home allowance (paid only to staff employees non-citizens of Kazakhstan)	1. Employment contract; 2. Foreign (non-Kazakhstan) citizen passport.
<b>4</b>	Payment for participation in corporate events (holidays, team-building, New Year's Party and Children Party, etc.)	Employment contract
<b>5</b>	Increase of the number of days off based on the years worked	1. Employment contract - under 2 years – 24 working days; - from 2 to 3 years – 26 working days; - over 3 years – 28 working days; - over 4 years – 30 working days.
<b>6</b>	Material assistance in case of death/birth of close relatives	Employment contract
<b>7</b>	Provision of extra days off in case of important dates, death/birth of close relatives	Employment contract
<b>8</b>	Salary increase based on staff performance evaluation	Employment contract
<b>9</b>	Money award based on staff performance evaluation	Employment contract
<b>10</b>	Coverage of staff employee expenses related to payment of retirement/income/bank processing taxes/fees	Employment contract
<b>11</b>	Additional payment in case of fulfilling extra duties in accordance with the Labor Code of the Republic of Kazakhstan	Employment contract

## Annex 9: CAREC detailed resource mobilization efforts in 2013.

#	Implementer	Targeted countries	Donor	Call/tender/bilateral agreement	Title of the proposed project	Budget (€)	Expected project period	Propos. status
1	CO Tj	Tj	Swiss Development Cooperation	tender	National Water Resources Management Project in Tajikistan (with ACTED and SAODAT)	300 000	2014-2015	under consideration
2	CO Tj	Tj	EBRD	tender	Corporate Development, Stakeholder Partnership Programme, City Support Programme (with ECOREM)	25 000	2014	under consideration
3	CO Tj	CA	Swiss Fed. Office for the Environment (FOEN)	bilat. agreement	Final Conference on EIA in Central Asia and Azerbaijan (Dushanbe, July 2013)	45 235	July 2013	signed contract
4	CO Tj	Tj	EBRD	tender	Waste Project in Tursun-Zade, Tajikistan with ECOREM	25 000	2013-2014	under consideration
5	CO Tj	Tj	WB	tender	Tajikistan country-level and Central Asia regional assessment of energy sector vulnerability to climate change (with LKS, TERI)	30 000	2013-2014	under consideration
6	CO Tj	CA	ADB	tender	TA 7548-REG. Improving the Implementation of Environmental Safeguards in Central and West Asia, IDCA: Environmental Safeguards Training Consultant and 3rd party Audi-	15 000	2013	failed

					tor – KAZ, KG			
7	CO Tj	Tj	KfW	tender	Feasibility Study for Climate Adaptation through Sustainable Forestry in Important River Catchment Areas in Tajikistan (with GFA)	20 000	2013	under consideration
8	CCS E	CA	Internatnl Finance Corporation (IFC)	call	Ensuring project sustainability of the energy efficiency learning portal	18 000	2014	under preparation
9	CCS E	Tj	Ministry of Foreign Affairs of Norway	call	Promoting policy dialogue and capacity building on low carbon initiatives in Tajikistan	25 000	2014	under preparation
10	CCS E	CA	EBRD	tender	Small business Climate Resilience Financing Facility_Project Preparation and Implementation Support (with GFA)	100 000	2014-2015	under consideration
11	CCS E	CA	USAID/CAR	call	Seminars in Tj and Kg on CC mitigation and adaptation, renewable energies and energy efficiency.	500 000	2014-2017	under consideration
12	CCS E	Kz	EBRD	tender	Improving environmental standards in the power sector of Kazakhstan	150 000	2013-2014	under consideration
13	CCS E	Kz	EBRD	tender	Kazakhstan Renewable Energy Financing Facility (KazREFF) (with ERM)	100 000	2013-2014	under consideration
14	CCS E	CA	EU	tender	EU Technical Assistance Facility for the “Sustainable Energy for All” Initiative (SE4All)_ European Neighbourhood Partnership Eastern	1 500 000	2014-2016	under consideration

					and Southern Regions and Central Asia_with GFA			
15	CCSE	Kz	EU	tender	Green Economy Kazakhstan	200 000	2014-2016	under preparation
16	CCSE	CA	IDRC and DFID	tender	Collaborative Adaptation Research Initiative in Africa and Asia (CA-RIAA) (with ODI University)	100 000	2014-2016	under consideration
17	CCSE	Kz	EU	tender	WFC_Policy advice and study on the Government of Kazakhstan's Green Economy Strategy (with Agreco)	80 000	2013	failed
18	EMP	CA	USAID DIV	call	Scaling up Payment for Ecosystem Services for sustainable management of natural resources in KG	1 538 462	2014-2016	under preparation
19	EMP	CA	Swiss Fed. Office for the Environment (FOEN)	bilat. agreemnt	Supporting the Central Asian countries in the development of State of the Environment Reports (SOE) and Environmental Indicators recommended by UNECE	61 661	2014	signed contract
20	EMP	CA	Swiss Fed. Office for the Environment (FOEN)	bilat. agreemnt	Up-scaling and follow up on Reward for Ecosystem Services (RES) in Kyrgyzstan and Uzbekistan	115 100	2014	under consideration
21	EMP	CA	Drynet	call	Drynet – CAREC as a coordinator for - CAREC as Network Coordinator of Drynet	200 000	2014-2015	failed
22	EMP	CA	Economics of Land Degradation Initiative (ELD)	call	Participatory Ecosystem Services Mapping and Valuation in Central Asia	180 000	2013-2014	under consideration

			Initiative)		(with CRAAS)			
23	EMP	Kg	USAID DIV	call	Scaling up Payment for Ecosystem Services for sustainable management of natural resources in KG	769 231	2013-2015	failed
24	EMP	CA	Institute for Global Environmental Strategies (IGES)	bilat. agreemnt	Asia-Pacific Adaptation Network Sub-regional Node for Central Asia_2013. Training on emergencies risk and Sub-regional conferene	38 500	2013	<b>signed contract</b>
25	EMP	CA	EU	tender	Forest and Biodiversity Governance and Environmental Monitorign in five CA states (MONECA part of FLERMO-NECA)	375 000	2013-2015	<b>signed contract</b>
26	ESD	CA	UNEP	bilat. agreemnt	Central Asian Leadership Programme for Sustainable Development - CALPESD-4 .	5 600	Sept 2013	<b>signed contract</b>
27	ESD	CA	OSCE	bilat. agreemnt	Central Asian Leadership Programme for Sustainable Development - CALPESD-4 . Co-funding	6 700	Sept 2013	<b>signed contract</b>
28	ESD	CA	UNESCAP	bilat. agreemnt	Central Asian Leadership Programme for Sustainable Development - CALPESD-4 . Co-funding	23 077	Sept 2013	failed
29	ESD	CA	European Aid (via Energy City)	bilat. agreemnt	COMO-East_2_Supporting Participation of Eastern Partnership and CA Cities in the Covenant of Mayors.	200 000	2014-2015	<b>signed contract</b>

30	WIS	CA	WBI	bilat. agreemnt		150 000	2014-2015	under preparation
31	WIS	Kz	GEF SGP	call	Effective water use technologies for Aspara Basin	38 462	2014	under preparation
32	WIS	CA	USAID DIV	call	Integrating economic instruments into basin management in Central Asia	75 000	2014	under preparation
33	WIS	CA	USAID and the Government of Sweden	call	Broad Agency Announcement for Securing Water and Food: A Grant Challenge for Development Competition_ Harvesting More Water with Smart Institutions in Central Asia	1 538 462	2014-2016	under preparation
34	WIS	Kz	UNDP-Coca Cola Kazakhstan	call	Improvement of Water Re-courses Management in Zhambul Oblast of Kazakhstan through introduction of effective water use system	62 000	2014	signed contract
35	WIS	CA	GIZ	bilat. agreemnt	Setting up partnership platform for mutual learning: Eurasia River Portal (EARP)	50 000	2014-2015	under consideration
36	WIS	CA	EAP TF	tender	Addressing joint water challenges by building platform for cooperation in EECCA	2 200 000	2014-2017	under consideration
37	WIS	CA	USAID	call	Integrating economic considerations, basin management principles and sustainability sciences into basin management to ensure rural water security in Central Asia and Afghanistan	1 384 615	2014-2016	under consideration

38	WIS	CA	WBI	bilat. agreemnt	Training for trainers	50 000	2014	under consideration
39	WIS	CA	UNESCAP	bilat. agreemnt	IWRM for Murgab river	200 000	2014-2016	failed
40	WIS	Kg	EBRD	tender	'Talas Water and Wastewater Project: Corporate Development and Stakeholder Participation Programme'. Kyrgyzstan (with EPTISA)	384 615	2013-2014	failed
41	WIS	Tj	EBRD	tender	Stakeholder Participation Programme in the framework of the 'Khatlon Water and North Tajik Water II Rehabilitation Projects'	500 000	2013-2014	failed
42	WIS	Kz	UNDP-Coca Cola Kazakhstan	call	Call_Every dropp matters_Effective Water use in sanitation	80 000	2014	failed
43	EMP	Kz	UNDP-Coca Cola Uzbekistan	call	Call_Every dropp matters_Introduction of Dry Urine Diversion Toilets in Brichmulla Public Schools_80 000 US dollars	75 000	2014	failed
44	IP	CA	USAID	call	Advocacy initiative for strengthening community based organizations in Central Asia	1 200 000	2014-2016	failed
45	IP	Kg	Swiss Development Cooperation	tender	Small and medium enterprises development in Alai and Chon Alai_Kyrgyzstan (with GFA)	100 000	2013-2015	failed
46	Logistics	CA	GIZ	bilat. agreemnt	logistic support to three SEPCA experts	4 965	2013	signed contract
47	Logistics	CA	EBRD (via REC)	tender	EBRD's Environmental Policy and Public Information Policy: Facilitation for EBRD consultation meetings	10 383	Febr 2014	signed contract

48	Logistics	CA	UNECE	bilat. agreemnt	Subregional workshop on the Protocol on Water and Health for Central Asia	23 945	2013	signed contract
49	Logistics	CA	Climate Focus	bilat. agreemnt	Regional: Carbon Project and Asset Development Facility, a Workshop on the Kazakh Emissions Trading Scheme for Businesses	12 674	July 2013	signed contract
50	Logistics	CA	World Bank (WB)	bilat. agreemnt	Central Asia Climate Forum: Climate Resilience and Inclusive Development	23 208	July 2013	signed contract
51	Logistics	CA	World Bank (WB)	bilat. agreemnt	Two Regional Workshop on the IWRM model training	128 792	Jan 14-21 2013	signed contract

<b>TOTAL</b>						<b>15 038 686</b>		
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**Annex 10: List of acronyms and abbreviations.**

APAN	- Asian Pacific Adaptation Network
ASBP-3	- Aral Sea Basin Program-3
AWARE	- Targeted awareness raising project funded by the EU
CA	- Central Asia
CAS	- Central Asian states
CAR	- Central Asian region
CA Network on ESD	- Central Asian network on Education for Sustainable Development
CALPESD	- Central Asian Leadership Programme for Sustainable Development
CAREC	- Regional Environmental Center for Central Asia
CAREC COs	- Country Offices of CAREC
CEP	- Committee on Environmental Protection
CSO	- civil society organization
EE	- energy efficiency
EIA	- environmental impact assessment
ESD	- Education for Sustainable Development
EU	- European Union
IFAS	- International Fund for Saving the Aral Sea
ICWC	- Interstate Commission for Water Coordination
ICSD	- Interstate Commission on Sustainable Development
I-WEB	- Integrated Water Cycle Management
IWRM	- Integrated Water Resources Management
JSC	- Joint Stock Company
Kz	- Kazakhstan
Kg	- Kyrgyzstan
NGO	- non-governmental organization
MLRWR	- Ministry of Land Reclamation and Water Resources
OECD	- Organization for Economic Co-operation and Development
OSCE Centers	- Organization for Security and Co-operation in Europe
PES	- Payment for Ecosystem Services
PPP	- public-private partnership
SAEPF	- State Agency for Environment Protection and Forestry
SIC ICSD Center	- Interstate Commission on Sustainable Development Scientific Information Center
SEIS	- Shared Environmental Information System
SPC	- Sustainable Production and Consumption
Tj	- Tajikistan
Trm	- Turkmenistan
UN	- United Nations
UNECE	- United Nations Economic Commission for Europe
UNEP	- UN Environmental Program
Uz	- Uzbekistan
WIS	- Water Initiatives Support