MINUTES OF THE MEETING First Meeting of the Coordination Mechanism on financing through the Green Climate Fund

Project: Readiness Program "NDA Strengthening and Country Programming support for Turkmenistan and initiating a Regional Approach to Climate Action" by GCF.

Main purpose of meeting: Introduction to the GCF requirements: Coordination Mechanism, No Objection Procedure, Country Programme. To hold the first working meeting of the Coordination Mechanism on engagement wih the GCF for funding.

Venue: Ashgabat, Yyldyz Hotel, Conference Hall No. 3.

Date and time: June 21-22, 2021, 10.00 - 15.00

Number of participants: 25

Hosted by: Bagirova Irana (CAREC Project Coordinator in Turkmenistan), **Berdiyev Berdy** (Head of the Department on Coordination of International Environmental Cooperation and Projects, Ministry of Agriculture and Environmental Protection of Turkmenistan, National Focal Point for the GCF).

International experts team: Pavel Činčera (International Consultant for the introduction of the Coordination Mechanism and No Objection Procedures in Turkmenistan, and for the development of the GCF Country Programme for Turkmenistan).– Event Moderator, Carmen Maria Arguello Lopez (International Consultant on Strengthening Strategies for Financing Measures to Combat climate change and portfolio).

National experts team: Orazdurdiyeva D. (Senior National Consultant for Stakeholder Analysis, Engagement and Support to Country Programme Process), Akmuradov K. (Junior National Consultant on Climate Finance), Pendzhaev O. (Junior National Consultant on Stakeholder Analysis), Mamedov A. (Junior National Consultant to support the NDA in capacity building).

Coordination Mechanism Members: representatives of the Mejlis (Parliament) of Turkmenistan, the Ministry of Foreign Affairs of Turkmenistan, the Ministry of Agriculture and Environmental Protection of Turkmenistan, the State Committee for Water Management of Turkmenistan, the Ministry of Adalat (Justice) of Turkmenistan, the Ministry of Finance and Economy of Turkmenistan, the Ministry of Health and Medical Industry of Turkmenistan, the Ministry of Education of Turkmenistan, the Ministry of Energy of Turkmenistan, the State Committee on Statistics of Turkmenistan, Academy of Sciences of Turkmenistan, Union of Industrialists and Entrepreneurs of Turkmenistan.

Invited participants: S. Erejepov (Green Climate Fund), Kurban Allaberdiyev (UN FCCC "Sustainable Cities Project"), Akopova Victoria (UNFCCC "Sustainable Cities Project"), Orunov Farhat (United Nations Development Programme (UNDP) in Turkmenistan).

Prepared by O. Kharchenko

<u>21.06.2021</u>

Welcoming speech:

The meeting was opened with welcoming words by **Berdiyev Berdy** (Head of the Department on Coordination of International Environmental Cooperation and Projects, Ministry of Agriculture and Environmental Protection of Turkmenistan, National Focal Point for the GCF), **Erejepov Salamat** (Regional Officer of the Green Climate Fund, Regional Office for Eastern Europe and Central Asia, Country Programming Division) and **Irana Bagirova** (CAREC Project Coordinator in Turkmenistan).

Berdiyev Berdy (Head of the Department on Coordination of International Environmental Cooperation and Projects, Ministry of Agriculture and Environmental Protection of Turkmenistan, National Focal Point for the GCF) informed that the Project "NDA Strengthening and Country Programming support for Turkmenistan and initiating a Regional Approach to Climate Action" by GCF is considered a very first and important step towards establishing key processes and structures to engage with the GCF fund. The current project will support Turkmenistan in achieving its climate resilient development goals, comply with its international climate change obligations and national development priorities and objectives by effectively and efficiently strengthening its access, management and monitoring of climate financing through the GCF. Briefly informing the participants of the meeting about the progress of the project, Mr. Berdiyev as the NDA representative noted that today's meeting is the first round of consultations of the Coordination Mechanism for defining and discussing national priorities in the development of the Country Programme. At the end of his welcoming speech, Mr. Berdiyev encouraged the meeting participants to be active and wished everyone productive work.

Erejepov Salamat (Regional Officer of the Green Climate Fund, Regional Office for Eastern Europe and Central Asia, Country Programming Division) noted that this meeting is very important for the GCF and for the country, because is one of the first, but very significant steps for the development of cooperation and expanding the country's access to the resources of the GCF, while he noted the special role of CAREC and thanked for organizing this event and for supporting the implementation of the project in the country.

Mr. Erejepov reiterated that the aim of this project is to assist the government of Turkmenistan in strengthening national capacities to effectively access, manage, and use and monitor climate finance, including projects funded by the GCF. The representative of the GCF emphasized that all projects will be carried out in accordance with the state policy and national priorities of the country, including climate strategies for adaptation and mitigation, and this is in line with the basic principle of the GCF. The main important elements of this project are the creation of a Coordination Mechanism for planning and coordinating climate Programmes and projects at the national level and interaction with the GCF and the development of a Country Programme, which includes an assessment of the country's needs. The project "NDA Strengthening and Country Programming support for Turkmenistan and initiating a Regional Approach to Climate Action" is the first project of Turkmenistan, meanwhile, the second Readiness project for Turkmenistan has already been approved, which provides assistance in the development of a national adaptation plan. In addition, Mr. Erejepov expressed his conviction that the Readiness project will lay the foundation for regional cooperation.

Irana Bagirova (CAREC Project Coordinator in Turkmenistan) said that a total, five meetings of the Coordination Mechanism are planned, during which the GCF modalities will be introduced to the participants; the necessary documents will be considered and adopted. The first meeting will focus on the requirements and basic conditions for working with the Green Climate Fund. Ms. Bagirova informed that for today's meeting, a team of national and international experts, having analyzed national Programmes, strategies and policies of Turkmenistan, as well as the experience of other countries, prepared project documents for consideration by the members of the Coordination Mechanism, which are fundamental for the opening of climate finance and the implementation of projects on the climate in the future. Also during the meeting, the first module of the series of trainings on working with the GCF will be held.

Pavel Činčera (International Consultant for the introduction of the Coordination Mechanism and No Objection Procedures in Turkmenistan, and for the development of the GCF Country Programme for Turkmenistan) briefly presented the agenda and outlined the main issues to be considered:

1. Goals and priorities of the GCF - what types of projects are supported by the GCF and have a chance or cofinancing;

2. Which organizations can assist to develop cooperation with the GCF (assistance in the preparation of requests, identification of country priorities and assistance in project management);

3. Investment criteria of the GCF;

4. Development of national mechanisms, identification of national priorities;

5. Main tools for engagement with the GCF are the Coordination Mechanism, No Objection Procedure, Country Programme.

In his presentation during the session "*GCF objectives and modalities*", the expert informed that the GCF provides support and funding only to projects that meet the goals of the Paris Agreement, preference is given to large projects, since the project is expected to bring changes in different areas, provided examples on financing of country and regional projects in CA, the high-level six investment criteria of the GCF, as well as the goals and mechanisms of the GCF, the Coordination Mechanism, highlighted the role of the NDA and Technical Experts Group.

During the session "GCF Country Programme" Pavel Činčera acquainted the participants with the determination of the country's priorities for financing through the GCF, briefed on the Project Ideas Portfolio on adaptation and mitigation of the consequences of climate change, presented the process of development of the Country Programme.

During the session "GCF Investment Criteria" - a presentation and information on the role of education in the light of investment criteria was shared.

During the Group Work on GCF investment criteria, the participants were divided into three groups and were asked to evaluate as technical experts the potential of the project (high, medium, low).

Session "GCF Investment Criteria - Group Work Presentation"

Yellow Group, the results were presented by Makhtumkuli Akmuradov (Advisor, Department of International Organizations, MFA of Turkmenistan):

• **Impact potential** - high level, as the main goal of the GCF is being fulfilled - to reduce emissions into the environment.

• **Paradigm Shift Potential** - between medium and high as policy and regulatory frameworks will be developed under this criterion.

• Sustainable Development Potential - high level; the project is potentially sustainable, as the air emissions will be reduced in one year, then this tendency will be continued.

- **Responsive to recipients needs** medium / high level, 70% of public buildings sector built 30 years ago, i.e. the intensity of exposure to risks is not so high.
- Promote country ownership medium / high.

• Efficiency and effectiveness - high level, because if take the data on the estimated expenditures, the country contribution is a very high.

Green Group, the results of the group work were presented by Victoria Akopova (UNFCCC, environmental monitoring specialist of the Sustainable Cities project)

• **Impact potential** - medium / high. Since data on annual carbon reductions in the country were not provided, it is impossible to reliably determine the economic potential.

• **Paradigm shift potential** - high. A comprehensive policy and regulatory framework will be developed. Taking into account the large percentage of the state construction public sectors - 11% is a high percentage at the country level.

• Sustainable Development Potential - high level, because 80% of the beneficiaries are women and this is always a great potential for promoting issues. In addition, it includes such important social facilities as schools, kindergartens, medical centers, clinics.

- **Responsive to recipients needs** medium level, 70% of public buildings sector built more than 30 years ago, i.e. the potential of these buildings will not always correspond to the needs and requirements of the project and the possibilities.
- Promote country ownership high level as the bulk of the project is funded by the country (80%).

• Efficiency and effectiveness - medium level, as in the long-term projects, the results may vary and not be as high as it were planned initially. There are usually force majeure and hidden risks.

Red Group, the results of the group work were presented by Lyale Ovezova (Chief Specialist, State Corporation "Turkmenenergo")

• Impact potential - high level, as it meets the main goal and reduces emissions to the environment.

• Paradigm shift potential - medium level, as the project involves only 11% of the public building sector.

• Sustainable Development Potential - high level, as the thermal comfort of public buildings (kindergartens, schools, clinics) and those who will use it increases.

• **Responsive to recipients needs** - high level because energy efficiency was not taken into account during the construction and now their average electricity consumption will decrease by up to 60%.

• **Promote country ownership** - medium / high because we do not know for how long the project will last, defined as medium / high level.

• Efficiency and effectiveness - medium / high level because we are not quite focused on how long the project will take.

Summing the Group Work up, Pavel Činčera thanked all the participants for their productive work, presented the GCF assessment on this training case and explained the evaluation of the GCF technical experts. The first day of the event was completed with announcement of the scheduled agenda for 22 June 2021.

22.06.2021

The second day of the meeting was opened by international expert Pavel Činčera, who briefed the participants on the topics and results of the workshop first day and informed them on Agenda and Concept for the Day 2 on 22 June 2021.

Questions & Answers session:

- Question: Victoria Akopova (UNFCCC, environmental monitoring specialist of the Sustainable Cities project): Each country has its own characteristics, to which criterion can national characteristics be assigned?

- **Answer: Pavel Činčera**: Each country has its own approaches, which are different. The most important thing is to find a middle between the expectations and goals to which the Green Climate Fund strives, to prepare proposals at the expert level, based on the country's capabilities to make strategic decisions and prepare its own methodologies.

- Question: Sapar Durdiyev (Head of department, National Institute of Education under the Ministry of Education of Turkmenistan): What role does education play in GCF projects? Is there any opportunity within the Readiness project to include education projects, for example, methodology development, research work? Or organize teacher training, such as postgraduate training or retraining?

- **Answer: Pavel Činčera**: There is an opportunity to implement education projects. There are data collection projects in which employees of the Academy of Sciences, as well as students of high education facilities, take part. Method development is also possible, but the purpose of the methodology needs to be clarified to show the GCF that the methodology will be of real benefit. With regard to teacher education, it is possible to arrange co-financing. But the goal should coincide with the overall goal of a specific project. One aspect could be the education of experts or teachers. However, education support will be carried out as part of the project, but not as an independent project.

Session "GCF Coordination Mechanism and No Objection Procedure"

During this session, Pavel Činčera (International Consultant for the introduction of the Coordination Mechanism and No Objection Procedure in Turkmenistan, and for the development of the GCF Country **Programme for Turkmenistan**) made a presentation and introduced the participants to the GCF Coordination Mechanism and No Objection Procedure, as well as the roles of the NDA and Technical Experts Group.

Questions & Answers session:

- Question: Makhtumkuli Akmuradov (Advisor, Department of International Organizations, MFA of Turkmenistan): Are there templates for filling out requests?

- Answer: Pavel Činčera (International Consultant for the introduction of the Coordination Mechanism and No Objection Procedure in Turkmenistan, and for the development of the GCF Country Programme for Turkmenistan): Yes, there are templates for all types of requestss, which are available on the GCF website. However, only accredited entities have the right of access, including development of project requests, applying and receiving funding.

- Question: Makhtumkuli Akmuradov (Advisor, Department of International Organizations, MFA of Turkmenistan): Is it possible to apply for projects related to energy efficiency and biodiversity? How can they then be linked to a climate change project?

- Answer: Pavel Činčera (International Consultant for the introduction of the Coordination Mechanism and No Objection Procedure in Turkmenistan, and for the development of the GCF Country Programme for Turkmenistan): It is possible if the overall goal is related to climate change or reduction of greenhouse gas emission.

- Comment to the answer: Irana Bagirova (CAREC Project Coordinator in Turkmenistan): GCF focuses on projects related to mitigation, adaptation or cross-road projects.

- Question: Makhtumkuli Akmuradov (Advisor, Department of International Organizations, MFA of Turkmenistan): Is the country Programme has a lifespan? How often the country Programme should be updated?

- Answer: Pavel Činčera ((International Consultant for the introduction of the Coordination Mechanism and No Objection Procedure in Turkmenistan, and for the development of the GCF Country Programme for Turkmenistan): The lifespan of the country Programme is five (5) years. When it comes to investment projects, 5-7 year periods are possible. However, the project pipeline is updated annually.

- Comment to the answer: Irana Bagirova (CAREC Project Coordinator in Turkmenistan): When the Country Programme is developed, usually the development process consists of several stages - first, a general idea of the project is prepared, then the country's priorities and country plans for projects are determined. The country should revise its plans on regular basis, which is why the Country Programme is advised to be revised once every five years, and project proposals once every two years. At the same time, it is very important to develop the Country Programme following the guidelines of the GCF, as Outcomes are identified clearly. This information is available on the GCF website.

- Comment to the answer: Berdy Berdiyev (Head of the Department on Coordination of International Environmental Cooperation and Projects, Ministry of Agriculture and Environmental Protection of Turkmenistan, National Focal Point for the GCF): The Country Programme and priorities of the country can be developed according to the national programmes for a five (5) years period, and the projects pipeline – for a two (2) years period. The NDA was offered to update the projects pipeline every two (2) years, all members of the commission supported this proposal.

Session "No Objection Procedure, Questionnaire for the TEG":

Mr. Činčera reiterated the main aspects of the No Objection Procedure and invited participants to split into groups in order to receive training handouts for the Group Work using the developed checklist as a tool for the No-Objection Procedure. Within half an hour, the members of the Coordination Mechanism, with the help of facilitators from among the national experts of the GCF in Turkmenistan, had to familiarize themselves with the TEG Questionnaire and present the opinion of their group regarding the compliance of the potential project with national and sectoral priorities: Is the project proposal in line with national policies and laws in the field of climate change and development listed in the Questionnaire.

Session "Presentation of Group Work"

"Yellow group"

The presentation was made by Kerim Udayev, Chief Specialist, Desalination Facilities Department, State Committee for Water Management of Turkmenistan, facilitator Oraz Penjayev - Junior National Consultant on Stakeholder Analysis.

On behalf of his group, Kerim Udayev noted that, in general, the group agrees with all national programmes listed in the Questionnaire, but some amendments:

1. It was proposed to replace the "National Programme for the Aral Sea" with the "Concept of the National Programme for the Aral Sea" with a comment that the "Concept of the National Programme for the Aral Sea was submitted for approval".

2. As for the National Action Plan for Gender Equality (NAPGE) for 2021-2025: a comment was added that "There is no difference between a man or a woman - climate change does not affect the level of pollution in any way."

"Red group"

The presentation was made by Lyale Ovezova, Chief Specialist, State Corporation "Turkmenenergo"; Facilitator Jahan Orazdurdiyeva - Senior National Consultant for Stakeholder Analysis, Engagement and Support to Country Programme Process.

During her presentation, Lyale Ovezova noted that the members of the group agree with the listed laws and programmes, but some additions:

1. As for the National Forest Programme of Turkmenistan for 2013-2020: comment reads "Currently, a draft of the National Forest Programme of Turkmenistan for 2021-2025 is being developed". It was proposed to replace the comment with "The Draft is currently under consideration by the government of Turkmenistan".

2. As for National Programme for the Aral Sea: the comment "Currently the Draft has been developed and is subject to approval" was proposed to be replaced by "The Draft is under development".

3. Law of Turkmenistan "On Waste": it was proposed to list the Law of Turkmenistan "On Waste" also in the "Mitigation" Section.

4. It was proposed to add into the "Mitigation" Section the Law of Turkmenistan "On electric power industry" with the comment "In relation to projects for the production, distribution and consumption of electrical (heat) energy" and to exclude the Law of Turkmenistan "On Drinking Water".

5. In the "MULTILATERAL ISSUE" section / "Sustainable Development Goals Voluntary National Review (VNR)", it was proposed to add the comment "To mainstream the SDGs into the national development programs and strategies, an Inter-Ministerial Commission at the level of deputy ministers was established in the country".

"Green group"

The presentation was made by **Sapar Durdiyev**, **Head of the Department**, **National Institute of Education** under the Ministry of Education of Turkmenistan; Facilitator Kerim Akmuradov - Junior National Consultant on Climate Finance.

Sapar Durdiyev noted that after carefully studying everything and having consulted, the members of the group came to the conclusion that, in general, the laws and national programmes correspond to the potential project, but some comments:

1. Integrated Water and Energy Resource Management (IWRM) Strategy. In Turkmenistan, the Water and Energy sectors are separate, therefore it was proposed to split the strategies into two separate sectors and add into the "Mitigation", the adopted law "About Renewable Energy Sources".

2. We guess the Law of Turkmenistan "On Environmental Audit" is indirect.

3. Laws of Turkmenistan "On fauna" and "On Plant Protection" are indirect.

4. It was recommended to add:

- "Law on Education" (new edition), which was recently adopted a week ago,

- "State Program for development of natural and exact sciences in Turkmenistan" – as the Program describes the priority directions of development of science.

Upon completion of the Group Work, Pavel Činčera thanked all the participants for their work and presentations and expressed the hope that after this meeting and practical training, the meeting participants would be able to evaluate the project and undrestand how to work with it.

Questions & Answers session: no questions.

Closing speech:

Irana Bagirova (CAREC Project Coordinator in Turkmenistan) summed up the results of the meeting, thanking all the participants for their active work and noted that this was the first, but not the last meeting, since four more meetings of the Coordination Mechanism are planned. Our goal, said Irana Bagirova, is to help and train how to evaluate projects at a technical level and what requirements must be met. The main goal of the trainings are to train specialists who will be able to competently evaluate project proposals and benefit their departments in the future. The event was concluded with words of gratitude for the active work and hope for a new meeting.