
Updated Implementation Plan: Republic of Kazakhstan



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An Update on Changed Scope of Work Program

The objectives of the changed activities:

- Conduct an economy-wide assessment of the GHG mitigation potential of all sectors to inform Kazakhstan's updated NDC that would be submitted to the UNFCCC Secretariat in 2020
- Develop a technical implementation roadmap to guide the implementation of the updated NDC for the period of 2020–2025
- Conduct stakeholder engagement with all relevant agencies and build internal capacity of the MoE and key stakeholders concerned

An Update on Changed Scope of Work Program

Update Kazakhstan's NDC and Provide a Roadmap for NDC Implementation for post-2020

Task 1: Conduct a top-down (CGE) economy-wide assessment of the GHG mitigation potential of all sectors to inform Kazakhstan's updated NDC that would be submitted to the UNFCCC Secretariat in 2020

Studies and modeling tools to be considered under this component include those developed by the Government of the Republic of Kazakhstan. This modeling exercise will also identify the benefit/risks associated with each NDC scenario.

Analysis of indicators mentioned in the national strategy documents, state programs and strategic plans of key ministries that could contribute to achievement of the first NDC of the Republic of Kazakhstan under the Paris Agreement.

Through stakeholder consultations with all relevant ministries and line agencies, all assumptions and modeling tools would need to be agreed with the MoE to ensure enactment by the Government. **The modeling exercise should present alternative NDC scenarios and the policy suite in addition to Kazakhstan's ETS necessary to reach the desired NDC. Similarly, the benefit and risks of each scenario will also be analyzed.**

Final deliverables

Final deliverables from this component are the following:

- An inception report outlining the methodology and assumptions for the assessment
- A Final Technical Report
- A Summary for Policymakers
- An Updated NDC informed by the economic assessment for the MoE's endorsement

Scope of Work and Deliverables

Update Kazakhstan's NDC and Provide a Roadmap for NDC Implementation for post-2020

Task 2: Develop a technical implementation roadmap to guide the implementation of the updated NDC for the period of 2020–2025

The objective of this component is to provide technical guidelines to the Cabinet and other relevant agencies on how Kazakhstan can achieve the targets on the updated NDC developed through component 1.

This exercise will include a thorough study of existing policies in place (in the country context) and identify what is already aligned and what are the gaps to achieve the updated NDC. This will include factors that will impact Kazakhstan's ability to achieve the updated NDC.

The roadmap will include practical recommendations, timeline of actions and indicators to track progress in implementing the Roadmap. Prioritization of recommendations will seek to maximize environmental effectiveness, socio-economic impacts and co-benefits and feasibility of implementation.

Scope of Work and Deliverables

Update Kazakhstan's NDC and Provide a Roadmap for NDC Implementation for post-2020

Task 3: Conduct stakeholder engagement with all relevant ministries, line agencies and build internal capacity of the MoE and key stakeholders concerned

Regular and thorough stakeholder engagement will be a key cross-cutting activity throughout this assignment

At least two capacity-building exercises will be organized during the length of this assignment to train staff on topics such as economic modeling/use of modeling tool, environmental policy analysis and effective stakeholder engagement

Final deliverables

Final deliverables from these components are the following:

- A Final Report on the Updated NDC Implementation Roadmap
- Dissemination Workshop

Timeline and Budget for NDC Update

Milestone/Event	Estimated Date	Estimated Budget
1. Methodology and Workplan	By June 2019	<i>US\$ 370,000</i>
2. Inception Report	By August 2019	
3. First Draft of the Technical Report	By October 2019	
4. Draft of the Updated NDC	By December 2019	
5. Final Draft of the Technical Report	By January 2020	
6. A Summary for Policymakers	By February 2020	
7. Updated NDC for MoE Endorsement	By January 2020	
8. Dissemination Workshop	By March 2020	
9. At least two Capacity Building Workshops	By March 2020	

An Overview Outline of the Remaining Activities

The objective of the remaining activities for 2019-2020 is two-fold:

- 1) Conduct a study on the allocation of quotas for the next National Allocation Plan (NAP) for post-2020 and the carbon market regulation for post-2020 and
- 2) Legal and Technical Diagnostic of the State Registry of the GHG ETS of Kazakhstan

Scope of Work and Deliverables

The allocation of quotas study for the next National Allocation Plan (NAP) and the carbon market regulation post 2020 and Legal and Technical Diagnostics of the State Registry of the GHG Emissions Trading System of Kazakhstan

Task 1: Update benchmarks for quotas allocation

The overall objective of this task is to analyze and update existing benchmarks in the sectors (industry, oil and gas and power) included in the current ETS of Kazakhstan

Stakeholder consultations

Deliverables of the task

The deliverables under this task are as follows:

- An Inception Report outlining the assumptions and methodology for the benchmarking exercise
- A final technical paper on the updated benchmark on each of the ETS sector
- Translations of the PMR Technical Guides on ‘A Guide to Greenhouse Gas Benchmarking for Climate Policy Instruments’ and ‘Establishing scaled-up Crediting Program Baselines under the Paris Agreement’ into Russian

Scope of Work and Deliverables

The allocation of quotas study for the next National Allocation Plan (NAP) and the carbon market regulation post 2020 and Legal and Technical Diagnostics of the State Registry of the GHG Emissions Trading System of Kazakhstan

Task 2: Analysis and consultation to inform decision-making for the next period of the domestic Emissions Trading System (ETS) of Kazakhstan

Consultations on a duration for the next National Allocation Plan

Study and stakeholder consultations on a proposal to introduce primary sales of quotas (organization of auctions) for the next NAP, and therefore to determine a price for carbon

The exercise will also consider potentially allocating quotas for other GHGs such as methane

Key outcomes

The key outcomes of this analysis would be on the following:

- (i) duration of the cap
- (ii) introduction of auctions
- (iii) type and quantity of auctions

Deliverables

The final deliverables under this task are as follows:

- A Final Report with a set of recommendations on the implementation for the next National Allocation Plan
- A Final Workshop on the next National Allocation Plan

Scope of Work and Deliverables

The allocation of quotas study for the next National Allocation Plan (NAP) and the carbon market regulation post 2020 and Legal and Technical Diagnostics of the State Registry of the GHG Emissions Trading System of Kazakhstan

Task 3: Legal and Technical Diagnostics of the State Registry of the GHG ETS of Kazakhstan and Opportunities for the Future for Kazakhstan's Registry

Conduct a review of the legal, institutional and technical issues for the proper functioning of the state registry. This includes the development and agreement on a Terms of Reference for Data Exchange Standards (DES) for the registry under the Kyoto Protocol and its adaptation under the Paris Agreement.

Analysis on how the registry can be ready for future linking with the international market.

New Emerging Technologies: Potential use of blockchain/Digital Ledger Technology for Kazakhstan's Registry.

Key outcomes

The goal of this task is to conduct an analysis on the legal and technical framework of Kazakhstan's current registry system to determine any potential gaps as well as deviation from international practices.

The final deliverables of this task are as follows:

- An Inception Report outlining the literature to be used for the analysis and the list of stakeholders who will be interviewed for the analysis
- A Final Report that will include recommendations and an actionable roadmap
- A Stakeholder Workshop

Timeline and Budget for ETS Activities

Task	Timeline	Estimated Budget
Task 1: Update benchmarks for quotas allocation	June 2019 – December 2019	<i>US\$ 280,000</i>
Task 2: Analysis and consultation to inform decision-making for the next period of the domestic Emission Trading System (ETS) of Kazakhstan	June 2019 – April 2020	
Task 3: Legal and Technical Diagnostics of the State Registry of the GHG ETS of Kazakhstan and Opportunities for the Future for Kazakhstan's Registry	June 2019 – June 2020	

The Climate Change Department within the Ministry of Energy of the Republic of Kazakhstan will work alongside the World Bank to monitor and evaluate effective and timely implementation of all activities, as well as the impact(s) of project activities.

Thank You for Your Attention

FOR MORE INFORMATION, PLEASE CONTACT:

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