ECONOMIC COMMISSION FOR EUROPE

EXECUTIVE COMMITTEE

127th meeting

Geneva, 16 March 2023

Item 8 of the provisional agenda

Informal Document No. **2023/13**

Extrabudgetary project

Energy Connectivity in Central Asia

(for approval)

UNITED NATIONS ECONOMIC COMMISSION FOR EUROPE

TECHNICAL COOPERATION PROJECT FORM

Project title: Energy Connectivity in Central Asia

Expected timing/ duration: June 2023 – December 2024

Objective and brief summary of the project:

Enhancing regional energy connectivity and energy trade through cooperation is a critical factor to improve the resiliency of the energy system and the energy security in Central Asia. An integrated and interconnected energy system, that encompasses electricity and gas grid, and is also compatible for transport and trade of low-carbon and green hydrogen, can help create a more reliable, affordable and sustainable energy supply and allow deep decarbonization as well as more effective integration of scaled renewable energy capacity into the energy system. Central Asia is a diverse region rich in natural resources and with vast potential to develop large scale renewable energy projects. However, despite a positive trend and increasing renewable energy capacity, the region still heavily depends on fossil fuels. Coal and natural gas still dominate regional electricity generation mix and will continue meeting increasing regional energy demand in a foreseeable future. There is a need to scale and integrate additional renewable energy capacity into the current energy systems effectively to improve the overall resiliency of the energy systems. The objective of the project will be achieved by implementing the following activities:

A1.1. Conduct comparative analysis of energy systems of beneficiary countries;

A1.2. Conduct an analysis of economic benefits and losses of sharing energy and resources regionally vs. operating domestic energy systems self-sufficiently;

A1.3. Organize two regional peer-to-peer workshops to gather data and enhance understanding of local conditions as well as barriers and opportunities for regional energy system integration;

A1.4. Develop a roadmap for a regionally interconnected energy system in Central Asia;

A2.1. Organize a policy dialogue to identify prerequisites to enhance political, technical and institutional support for regional energy interconnectivity;

A2.2. Develop policy recommendations to enable a more resilient and regionally interconnected energy system in Central Asia;

A2.3. Identify projects of common interest aimed for improved regional energy connectivity and energy system resiliency;

A2.4. Organize a seminar for representatives of governments, industry and academia to present and discuss recommendations and projects of common interest that can enhance energy connectivity and energy system resilience in Central Asia.

Link to the SDG targets: SDG 7 (targets 7.1, 7.2, 7.3, 7.A, 7.B), SDG 9 (9.1, 9.4), SDG 11 (11.1, 11.6, 11.B), SDG 12 (12.1, 12.1 12c), SDG 13 (13.1, 13.2, 13.3, 13.A, 13.B), SDG 17 (17.3, 17.7, 17.9, 17.14, 17.15, 17.16, 17.17)

Expected results of the project:

EA1. Improved understanding of national stakeholders on regionally connected energy system in Central Asia;
EA2. Strengthened national capacity of countries in Central Asia on developing a regional interconnected energy system.

Target group and beneficiaries of the project:

Beneficiary countries: Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan and Turkmenistan. The target groups are policymakers, regulators, industry actors, electricity and gas grid operators, non-governmental organisations, academia and other experts dealing with the development and deployment of energy connectivity projects.

Justification of project and its relationship to the programme of work:

The project directly contributes to the objective of Subprogramme 5 "Sustainable Energy" "to ensure access to affordable and clean energy for all and reduce greenhouse gas emissions and the carbon footprint of the energy sector in the region" of the UNECE Programme budget for 2023.

Estimated UN regular budget resources (work months of RB staff/level of Staff):

3 months of P4

Estimated extra budgetary resources:

Please ensure that the below amount matches the total estimated costs in the annex

Donor	**Amount (US$)**
Germany	248,600

Project Manager: Iva Brkic 14.02.2023	**Section/Division:** Energy Systems Section /Sustainable Energy Division	
Cleared by Programme Management Unit: Nicolas Dath-Baron 14.02.2023	**Approved by EXCOM[1]**	**16.03.2023**

[1] See paragraph 31 (a) of Commission decision A(65).

Annex
Results-based budget for the extrabudgetary project

Expected Accomplishments	Planned activities	Estimated costs (US$)
EA1. Improved understanding of national stakeholders on regionally connected energy system in Central Asia	A1.1. Conduct comparative analysis of energy systems of beneficiary countries P3/P4 x 0.5month x $15,000 per month 1 consultant to conduct an analysis x 2 months x $5,000 per month	17,500 7,500 10,000
	A1.2. Conduct an analysis of economic benefits and losses of sharing energy and resources regionally vs. operating domestic energy systems self-sufficiently P3/P4 x 0.5month x $15,000 per month 1 consultant to conduct an analysis x 2 months x $5,000 per month	17,500 7,500 10,000
	A1.3. Organize two regional peer-to-peer workshops to gather data and enhance understanding of local conditions as well as barriers and opportunities for regional energy system integration P3/P4 x 1month x $15,000 per month Travel of 1 staff x 2 missions x $1,500 Travel of experts: 10 experts x 1 mission x $1,500 per trip Contractual services (individual contractors to help with web design and IT, interpretation, materials)	35,000 15,000 3,000 15,000 2,000
	A1.4. Develop a roadmap for a regionally interconnected energy system in Central Asia P3/P4 x 1month x $15,000 per month 1 consultant to conduct an analysis x 6 months x $5,000 per month	45,000 15,000 30,000
EA2. Strengthened national capacity of countries in Central Asia on developing a regional interconnected energy system	A2.1. Organize a policy dialogue to identify prerequisites to enhance political, technical and institutional support for regional energy interconnectivity P3/P4 x 1month x $15,000 per month Travel of 2 staff x 1 mission x $1,500 Travel of experts: 10 experts x 1 mission x $1,500 per trip Contractual services (individual contractors to help with web design and IT, interpretation, materials)	35,000 15,000 3,000 15,000 2,000
	A2.2. Develop policy recommendations to enable a more resilient and regionally interconnected energy system in Central Asia P3/P4 x 0.5month x $15,000 per month 1 consultant to conduct an analysis x 2 months x $5,000 per month	17,500 7,500 10,000
	A2.3. Identify projects of common interest aimed for improved regional energy connectivity and energy system resiliency P3/P4 x 0.5month x $15,000 per month 1 consultant to conduct an analysis x 2 months x $5,000 per month	17,500 7,500 10,000
	A2.4. Organize a seminar for representatives of governments, industry and academia to present and discuss recommendations and projects of common interest that can enhance energy connectivity and energy system resilience in Central Asia. Travel of 2 staff x 1 mission x $1,500 Travel of experts: 10 experts x 1 mission x $1,500 Contractual services (individual contractors to help with web design and IT, interpretation, materials)	35,000 15,000 3,000 15,000 2,000
Budget summary		220,000
13% of Programme Support Costs		28,600
Total		**248,600**