

**RECOMENDATIONS
on the results of the Roundtable**

COP-27: RESULTS AND PROSPECTS FOR KAZAKHSTAN

Participants of the Round Table, organized by the Agency of strategic planning and reforms of the Republic of Kazakhstan, REC «Green Academy» with the support of the World Bank, EBRD in the RK – representatives of state central bodies (MNE, MTI, ME, MIID, MFA, MEGNR) and international organizations (EU, ADB, EDB Delegations in the RK), expert and business associations, discussed the results of COP-27, the draft Strategy for achieving carbon neutrality by 2060 (hereinafter - the Strategy), presented by the «Economic Research Institute» under the Ministry of national economy of the Republic of Kazakhstan, adopted the following recommendations:

1. Kazakhstan has ratified the Paris Agreement, which clearly states the goal of actively assisting the world community in preventing global temperatures from increasing above 2°C. To achieve this goal, the Government of the Republic of Kazakhstan is developing a Strategy, which will contain a conceptual vision for the development of economic sectors, considering the decarbonization goals. At the same time, it is necessary to fix in the Strategy the commitment of Kazakhstan to achieve previously announced at the 26th Conference of the Parties to the UN Framework Convention on Climate Change goals of increasing the share of renewable energy to 15% and reducing the share of coal to 40% of total electricity generation by 2030. Also, the Strategy should contain a set of targets and priorities for achieving the national commitments to reduce greenhouse gas emissions by 2030, defined at the national determined contribution (hereinafter - NDC) in the sectoral and regional context.

2. As part of the implementation of the Strategy, an Action Plan should be developed by the end of 2023, which should include:

– review of current energy generation assets, improvements in energy efficiency (industrial sector and buildings), transition to low carbon emitting alternatives in heat and power generation, and improvements in the enabling

environment and current national auction system to ensure competitiveness of renewable energy scale-up;

- measures to create and develop institutional mechanisms that support the directions and goals of the Strategy, including appropriate pricing of carbon emissions in a manner that covers a wider swath of emitters and cost-reflective utility tariffs;

- a package of necessary policies and programs across the economy with detail concerning their scope and ambition, aimed at ensuring a fair and inclusive transition.

3. In order to successfully implement the future Strategy and prevent desertification, degradation of ecosystems, reduce technological backwardness of extractive industries, improve public health, as well as attract tools of international climate financing, the government of Kazakhstan should develop a policy of energy transition from carbon-intensive fuel to «green» energy sources and begin a phased transition to low-carbon development.

4. There is a high depreciation of fixed assets in the manufacturing sector, as well as high energy intensity of the economy, which exceeds twice the world average. Today, the mining and metallurgical complex and the fuel and energy complex need **to develop effective public-private partnership (PPP) strategies for decarbonization**, aimed at deep technological modernization of enterprises, in which:

- 1) There is availability of technology, know-how, and financing for the modernization and renovation of the production infrastructure, as well as the introduction of innovative least-cost technologies, aimed at achieving zero greenhouse gas emissions by 2060;
- 2) There are sustainable financing mechanisms to improve energy efficiency and decrease carbon intensity of the production.
- 3) integrated systems based on the digitalization of the full production cycle from production to sales;
- 4) natural capital is protected, sustainably managed, and restored;
- 5) the health and well-being of the citizens of mining regions will be protected from the risks and impacts associated with emissions and environmental conditions.

5. It is necessary to continue work on cooperation with international organizations and experts on the implementation and monitoring of low-carbon development policies.

6. An important component of the Strategy should be a transparent and publicly accessible system of emissions monitoring, in accordance with the requirements of the UNFCCC and organized using digital, including blockchain technology.

7. Communication strategy: there should be increasing transparency around the impacts of the energy transition, including actual energy costs and a movement towards reflecting those costs in the public discourse. The communications strategy should reflect measures to manage impact on vulnerable people and communities.

8. As part of the implementation of the future Strategy, there should be mechanisms to improve inter-agency and inter-sectoral coordination of the Strategy implementation process through the establishment of an analytical center for sustainable development under the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan.