

**THE STATE AGENCY
ON ENVIRONMENT PROTECTION
AND FORESTRY
OF THE KYRGYZ REPUBLIC**



**КЫРГЫЗ РЕСПУБЛИКАСЫНЫН
ӨКМӨТҮНӨ КАРАШТУУ
КУРЧАП ТУРГАН ЧӨЙРӨНҮ КОРГОО
ЖАНА ТОКОЙ ЧАРБАСЫ БОЮНЧА
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**To: Mr. Pa Ousman Jarju
Director of Country
Programming Division
Green Climate Fund**

Dear Mr. Jarju,

The State Agency for Environmental Protection and Forestry under the Kyrgyz Republic's Government (SAEPF) acting as NDA of the Kyrgyz Republic has the honour to greet you in the occasion of making reference to the funding proposals "Climate services and diversification of climate sensitive livelihoods to empower food insecure and vulnerable communities in the Kyrgyz Republic" and "Carbon Sequestration through Climate Investment in Forests and Rangelands in the Kyrgyz Republic (CS-FOR)" developed by the World Food Programme (WFP) and the Food and Agriculture Organization of the United Nations (FAO), respectively.

As you know, the NDA of the Kyrgyz Republic has actively engaged with Accredited Entities to ensure these proposals are completely aligned with country priorities and respond to recipients' needs to ensure paradigm shift in the agriculture sector through adaptation and mitigation measures that are ambitious and have a great potential to scale up to other territories. WFP and FAO have conducted important multi-stakeholder consultations, ensuring broad participation of the interested parties with a gender-sensitive approach, and the Government of the Kyrgyz Republic welcomes the strong collaboration between these agencies.

The SAEPF would like to take this opportunity to highlight the relevance of these proposals in the context of INDC implementation and the overall efforts to tackle climate change and achieve SDGs; we believe these investments will catalyze important changes in highly vulnerable territories and will allow improvement of quality of life of our citizens while ensuring a transition to a low-emission development path.

The SAEPF, together with FAO and WFP have discussed and identified opportunities for complementarities between these proposals and we stand ready to implement these important investments in a collaborative spirit. As you can see in the attached memo, the collaboration goes beyond these investments and is well aligned with the principle of country ownership that guides the work of the GCF.

In this regard, the Government of the Kyrgyz Republic would kindly request the Green Climate Fund Secretariat to consider the two proposals as high priority for the country and to be assured that the NDA is conducting all the needed efforts to ensure both proposals are complementary to each other and avoid overlapping. We would very much appreciate if GCF Secretariat could consider the FAO proposal for the Board 22 to maximize the synchronization of implementation with WFP's proposal. We remain available should there be any need to further discuss the issue of complementarity based on the attached document.

Sincerely,



Mr. Abdylkalyk Rustamov
Director, NDA of the Kyrgyz Republic

Cc Mr. Jerry Velazquez, Director of the Division for Adaptation and Mitigation-GCF

Climate Investments in the Agriculture sector, ensuring implementation of INDCs in the Kyrgyz Republic.

Background

The Kyrgyz Republic is a low-income food deficit country (LIFDC) with a population of nearly 6 million, of which two-thirds live in rural areas¹. Agriculture is one of the key economic sectors in the Kyrgyz Republic, with 48% of labor force dedicated to this sector and almost 15% of GDP coming from it.

The country is severely impacted by climate change, ranking among the most vulnerable countries in Central Asia; the agriculture sector is also, the most climate sensitive sector, experiencing important economic losses due to climate related disasters annually.

With more than 40 percent of the agricultural land seriously degraded and over 85 percent of the total land area exposed to erosion, as a result of poor pasture management, and with the increasing volume of rainfall in the spring and autumn falling on hillsides and waterways removed of their protective forest and vegetative cover, the degradation of natural resource systems due to human activities and unsustainable agricultural practices will continue to be the key reasons for the growing number of disasters.

As the country recognizes the importance of an adequate response to climate change, its Intended Nationally Determined Contribution (INDC), highlights relevant and ambitious adaptation and mitigation actions and refers to important policy and strategic documents such as the National Development Programme and the National Sustainable Strategy for the Kyrgyz Republic, which establishes a commitment to ensure a transition to a resource-efficient and low-carbon development based on rational nature use.

In this context, the Government of the Kyrgyz Republic, under the leadership of the Climate Change Coordination Commission and the State Agency for Environmental Protection (SAEPF) acting as National Designated Authority (NDA) to the GCF, has set clear scope for climate action in the country and provides important guidance with regards to the required support from the international community towards achieving the (INDC) targets for climate change adaptation and mitigation.

In line with this guidance, understanding the agriculture sector presents important opportunities for the implementation of adaptation and mitigation actions according to the country's INDC. The State Agency for Environment Protection and Forests (SAEPF), has requested the World Food Programme of the United Nations (WFP) and the Food and Agriculture Organization of the United Nations (FAO) to serve the country as Accredited Entity and to submit two complementary funding proposals for priority investments.

The WFP and FAO Project proposals have the following particularities and represent an important effort to ensure successful implementation of country commitments:

- *Climate services and diversification of climate sensitive livelihoods to empower food insecure and vulnerable communities in the Kyrgyz Republic* (WFP, 10m USD grant, 4 years): responds to the GCF **Climate Change Adaptation** result area.

¹ FAO. 2016. FAOSTAT Annual Population Indicator [online]. Rome. [Cited 31 December 2017]. www.fao.org/faostat/en/#data/OA

- Carbon Sequestration through Climate Investment in Forests and Rangelands in the Kyrgyz Republic (CS-FOR) (FAO, 30m USD grant, 8 years): responds to the GCF **Climate Change Mitigation** results area.

The development of these proposals is the result of a long lasting history of collaboration between the Government of the Kyrgyz Republic, through the SAEPF and the two United Nations Agencies. The proposed investments are also in line with the national support programmes that WFP and FAO have agreed with the country.

Country ownership is at the center of the work carried out by both WFP and FAO and the NDA is in the driving seat for both investments, systematically working with both institutions, to ensure complementarity of the proposals as well as to explore other collaborations to maximize the synergetic impact. This brief note addresses the main elements of complementarity and synergies between the two proposals and the recommendations to further maximize the impacts of GCF intervention for the country during the implementation.

Synergies and complementarities between the WFP and the FAO proposals for GCF financing.

It is important to highlight that the two proposals are different in nature (one focusing on adaptation, the other on mitigation), yet they present many complementarities as they build on the ongoing efforts of the Kyrgyz Government to increase resilience of highly vulnerable areas while complying with its commitment to reduce GHG emissions in the range between 11.49 and 13.75% below BAU in 2030.

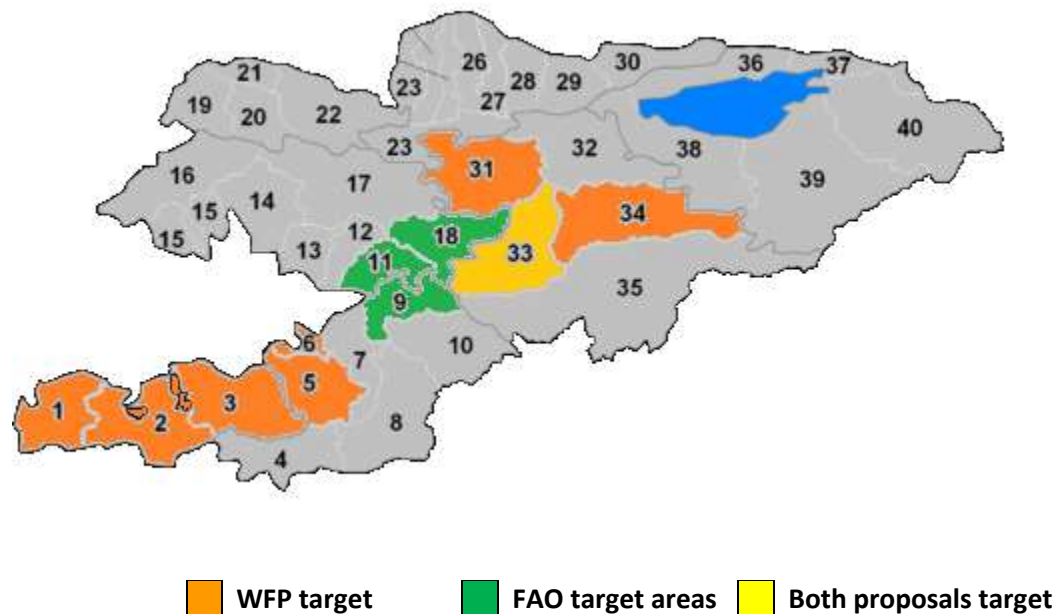
The two proposals are fully adhering to the priorities for climate finance in the country, and strengthen the overall vision of the Government to generate a paradigm shift through the transition to a resource-efficient and low- carbon development as stated in the National Sustainable Development Strategy and the Green Economy Strategy developed by the country in the recent years.

One of the elements of great relevance for this analysis on complementarity is the fact that while both proposals focus on highly vulnerable areas and rural contexts, with a prevailing subsistence agriculture (crop and livestock), and with similarly high exposure to natural disasters and climate change impacts **there is a clearly differentiated scope of work.**

The two proposals do not work in the same districts (with the exception of the district of Ak-Talaa, in Naryn Province),² but share two out of three respective target provinces, strengthening the capacities at the local level, enhancing the mechanisms to share knowledge among the communities and generating the conditions for broad stakeholder engagement and empowerment in these highly vulnerable territories. The target areas of work of the WFP and FAO proposals for GCF financing are highlighted below.

² The geographical overlapping WFP proposal focuses on Osh, Batken, and Naryn Provinces, while FAO will implement project activities in Osh, Naryn, and Jalal-Abad provinces, if FP was endorsed in due course.

WFP and FAO target areas under GCF financing



FAO and WFP concluded global partnership agreement based on successful experience, respectful mandates, strategic frameworks and joint work and partnership between the two agencies within the framework of enhanced Rome Based Agency collaboration. In line with the global MOU, FAO and WFP in Kyrgyz Republic concluded a country level partnership MOU outlining joint actions to support the country to improve Food Security and Nutrition, and in the areas of Rural Development, Disaster Risk Reduction and Climate Change.

Additionally, FAO and WFP co-chair two working groups under the Development Partners Coordination Council (DPCC WG) on Food Security and Nutrition, Agriculture and Rural Development and DPCC WG on Environment, Climate Change and Disaster Risk Management for the purpose of holistic coordination of actions of various stakeholders in these areas. Also, under UNDAF 2018-2022, FAO chairs the Outcome 3 of UNDAF on “Environment, climate change, and disaster risk management” while WFP co-chairs.

FAO and WFP established strong partnership at field and central levels. These include joint advocacy for food security and nutrition, school meals, support to smallholders, rural women economic empowerment, climate change adaptation, enhancing resilience and other areas. Namely, the following activities were jointly implemented by FAO and WFP increasing synergies and complementarities for greater impact of the project activities:

1. Supporting the Government in formulation of the FSNP 2018-2023. Ensuing common position on FSN – leading the process among all donors and development partners
2. Jointly implementing project on “Rural Women Economic Empowerment”
3. Promoting Government’s coordination on FSN and Climate Change Investments

4. Promoting Home Grown School Meals programme of the Government
5. Implementing “Sustaining Peace” activity
6. Supporting enhancement of coordination of activities of different stakeholders for food security and nutrition
7. Joint activities supporting improvement of productivity and production of poor and vulnerable smallholder farmers through social protection systems

Based on the many years of collaboration between FAO and WFP, and on the above mentioned agreements at the global level and on the ground, both agencies have discussed the implementation of these proposals to ensure strong cooperation and avoiding overlapping by establishing a practical coordination mechanism, which will involve the participation of the UN agencies in both projects’ steering committee, as a **high-level political coordination level**.

At technical level, the projects while maintaining an independent implementation calendar, will coordinate on (a) **knowledge generation and sharing**, to ensure a univocal and solid message on climate change adaptation and mitigation, benefitting from each other’s different perspective and focus; (b) **policy dialogue at national and local level**, ensuring cross participation at events and discussions; (c) **monitoring climate change and natural resources use**, through the platform and tools developed by FAO (Earth Map, Collect Earth...); (d) **livelihoods support** in districts and areas with similar challenges.

WFP is committed to disseminate the innovations and policy advocacy developed by FAO on Climate Change in areas where WFP operations take place in the framework of CSP to extent possible. While FAO will be mainly focusing on central level policy dialogue on CC and, strengthening the central capacity to deliver CC mitigation and adaptation decision-making, WFP will be focusing on strengthening the “implementation capacity” of such innovations and policies at central and local levels, including at individual levels.

In the projects envisaged to be financed through GCF, FAO and WFP will join the resources in the areas of afforestation and reforestations (FAO providing expertise and technology and inputs, while WFP will be responsible for community mobilization to ensure full participation and ownership of the communities). The innovations, best practices and the knowledge developed by FAO in the framework of CSFOR (funded by the GCF) will be disseminated and applied, to extent possible, in the areas where WFP works through the CSP 2018-2022.

FAO and WFP will jointly conduct advocacy campaign, linking the innovations, policy dialogue, examples of the field experience and practice and evidences from field level projects to ensure that any capacity strengthening or policy dialogues is based on the scientific and research base.

The foci of the two proposals, WFP on adapted agricultural livelihoods, and FAO’s investment of carbon sequestration through improved rangeland will generate the highest socio-economic co-benefits. Particularly in Ak-Talaa, the district where both projects intervene, the community planning will take into account the investment and support envisaged in WFP’s proposal, while WFP target communities will benefit of the additional investment on forestry and rangeland management (in an area with prevailing livestock related economic activities) provided by the FAO-proposed CS-FOR.

Finally, the economic perspectives and the linkages with market and private sectors of selected value chains promoted and supported through the Russian Kyrgyz Development Fund senior loan have a national scope, potentially able to target and include communities out of CS-FOR intervention areas, but still relevant as contributing to both proposals' paradigm shift.

The ultimate intention of the government of the Kyrgyz Republic is to use these investments as success cases that can be then replicated in other provinces and explore the potential for scaling-up project impacts to the rest of the country and to the regional level.

It is paramount that WFP and FAO projects collaborate and coordinate the activities properly during the project implementation phase to ensure the paradigm shift and respond to the needs of recipients. Therefore, the timing of intervention for both projects is very critical.

WFP proposal (included for consideration at B21), is expected to be implemented between 2019 and 2023, for 4 years. As per the revised proposal, FAO's project is expected to start from the first quarter of 2020 for 8 years. In light of this and of the above-mentioned complementarity and synergetic impacts of joint activities for the country, the project should be executed synchronically to ensure the results and benefits.