

# Green Bonds Readiness Initiative for Kyrgyzstan

Introductory slide about developing green bonds in  
Kyrgyzstan

# Introduction



## Introduction to the Green Bonds Readiness Initiative for Kyrgyzstan

The goal and scope of the Green Bonds Readiness Initiative project



## Overview of key project activities

Main activities that will be undertaken as part of the initiative



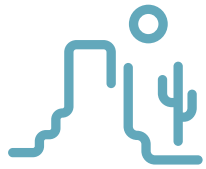
## Expected project timeline and milestones

High-level timeline for the major phases and milestones of the initiative

# Summary

- **Country's background and context**  
Provide high-level overview of country's geography, demographics, economy, climate vulnerability
- **Nature of climate-related challenges**  
Summarize key climate hazards and vulnerabilities such as flooding, droughts, food insecurity
- **Climate background and institutional framework**  
Outline country's climate policy, NDCs, national adaptation plan, green investment frameworks
- **Problem statement**  
Articulate need and rationale for green bonds to finance climate adaptation and resilience projects
- **Socio-economic context and rural-urban migration**  
Highlight key socio-economic trends including urbanization and rural-urban migration patterns

# Situation Analysis - Country's Background and Context



## Diverse geography and climatic zones

Mountains, valleys, deserts, and steppe, with climates ranging from subtropical to high alpine



## Majority rural population

Over 60% of 6 million people live in rural areas and rely on agriculture



## Transitioning economy

Moving from Soviet-era central planning to market economy since independence in 1991

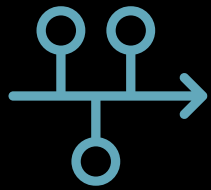


## Vulnerable to climate change

Prone to natural disasters like floods, droughts, landslides due to melting glaciers

Kyrgyzstan's economy and rural population are vulnerable, so green bonds can help finance climate resilience projects.

# Situation Analysis - International Climate Projects



## Current progress

Overview of implementation status of major climate projects in Kyrgyzstan



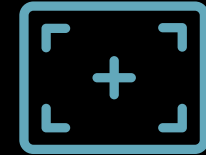
## Key stakeholders

Major international organizations involved in climate projects like UNDP, World Bank, USAID



## Funding sources

Major sources of funding for climate projects including multilateral banks, bilateral aid agencies, Climate Investment Funds



## Focus areas

Priority sectors for climate projects such as energy, agriculture, disaster resilience

Kyrgyzstan has made progress on implementing major international climate projects across priority sectors, with funding support from multilateral banks and aid agencies.

# Situation Analysis - Institutional and Governance Framework



## New Banking Regulation

The National Bank adopted a new banking regulation to strengthen risk management and supervision.



## Green Bond Guidelines

The National Bank issued the first version of Green Bond Guidelines aligned with ICMA principles.



## Dedicated Green Finance Unit

The National Bank established a dedicated green finance unit to build capacity on sustainable finance.

The institutional and governance framework for green finance has strengthened with new banking regulation, green bond guidelines and a dedicated green finance unit.

# Situation Analysis - Strategic Frameworks and Policies



## Existing climate strategies

High-level climate strategies exist but lack concrete implementation plans and financing mechanisms



## Policy gaps

Key policy gaps remain around mobilizing climate finance, tracking flows, and aligning policies



## Coordination needs

Better coordination needed across government agencies to develop coherent climate finance policies

While high-level climate strategies exist, more detailed policies and coordination are needed to mobilize and deploy climate finance effectively.

# Theory of Change



## Goals and objectives

Define the high-level goals and specific objectives of the initiative



## Barriers

Identify potential barriers or obstacles that could prevent achieving the goals and objectives



## Assumptions

State key assumptions or conditions that must hold true for the initiative to succeed

Understanding the goals, barriers, and assumptions is crucial for developing an effective theory of change.



# Logical Framework

- **Objective**

The objective of the readiness support is to enable environmentally sustainable growth in Kyrgyzstan through green bonds.

- **Outcome(s)**

The key outcomes are increased awareness and capacity building for green bonds in Kyrgyzstan.

- **Output(s)**

The main outputs are training workshops, feasibility studies, and policy recommendations.

- **Indicators**

Indicators include number of people trained, studies completed, and policies implemented.

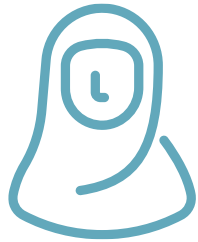
- **Means of Verification**

Means of verification include participant lists, completed studies, and policy records.

- **Assumptions and Risks**

Key assumptions are continued political will and stakeholder buy-in. Risks include lack of technical expertise and funding.

# Implementation Arrangements



## Defining roles

Clearly outline the roles and responsibilities of key stakeholders involved in the implementation of green bonds



## Coordination

Ensure proper coordination between government agencies, regulators, issuers, verifiers, investors etc.



## Capacity building

Conduct capacity building and training programs for stakeholders to enable effective implementation

Well-defined roles and robust coordination mechanisms are crucial for the successful implementation of green bonds in Kyrgyzstan.

# Budget and Implementation Plans



## Preparation of budget

Draft the budget for the Green Bonds initiative covering costs for issuing bonds, marketing, legal fees, etc.



Estimate required resources like manpower, advisors, consultants needed for successful issuance of Green Bonds



## Implementation roadmap

Create a detailed timeline of activities from budget finalization to issuance of bonds and reporting mechanisms

With a clear budget plan and implementation roadmap in place, we can ensure efficient and successful launch of Green Bonds for Kyrgyzstan.

# Conclusion



## Green Bonds established

Green Bonds framework introduced to mobilize funding for green projects



## Workshops conducted

Multiple workshops organized to spread awareness about Green Bonds



## Policies updated

Regulations updated to facilitate Green Bonds issuance

The Green Bonds Readiness Initiative has laid the foundation for sustainable funding in Kyrgyzstan through establishing frameworks, building capacity and updating policies.