



Add a classification if required. Please refer to the guide whilst completing this form.

## PROJECT DOCUMENT

### A1: Basic Information

Departmental Strategic Objective	To promote a low carbon, high growth, global economy		
Fund/Programme	SPF/Low Carbon-High Growth		
Programme Indicator	Indicator 6		
Country Business Plan Objective	Objective 1		
Project Title	Strengthening the policy framework for sustainable and rational use of energy and alternative/renewable sources of energy		
Countries covered	Turkmenistan		
Cost to FCO (total from Budget below)	£ 149,930		
Start of project date	May 2009	End Date	March 2011

**Project Purpose** (1 sentence **only**, describing the anticipated change. The direct benefit the project will achieve resulting from the activities and outputs. The reason for doing the project )

Policy framework developed in Turkmenistan to improve energy efficiency and increase use of renewable and sustainable energy by end of 2010.

Indicators of success <i>(evidence: how we will know the purpose (above) has been achieved)</i>	Status before project/baseline data <i>(what is the situation before the project starts?)</i>	Source of information <i>(where you obtain the information to demonstrate if the indicators have been achieved)</i>
Law signed by the President by end of 2011.	No legislation regulating sustainable use of energy and renewables	Parliamentary resolution
National sustainable energy strategy and action plan developed by end 2010 and formally adopted	No policy framework for sustainable energy use	Governmental decree

for implementation within six months from development		
Global best practices and expertise provided by the project contributed to development of internationally aligned law and strategy on sustainable use of energy resources in Turkmenistan	Limited exposure to worldwide experience and knowledge on energy	Evaluation report. The evaluation will assess the extent to which the final draft law on rational use of energy and renewable sources and the national sustainable energy strategy and action plans includes elements of the draft produced by the project. The evaluation will also compare the Turkmen legislation with best examples of international best practice.

<p><b>Outputs</b>  <i>(The results. What remains once the project finishes. These should be sufficient to <u>achieve the project purpose</u>)</i></p>	<ol style="list-style-type: none"> <li>1. Capacity development needs of key Turkmen stakeholders in the energy sector determined and local knowledge/expertise on energy efficiency and use of alternative/renewable increased.</li> <li>2. Draft law on rational use of energy and renewable sources of energy prepared using best practices and in consultation with all stakeholders submitted to Parliament for adoption.</li> <li>3. National sustainable energy strategy and action plan is drafted based on stakeholder consultations and submitted to government for approval.</li> </ol>
<p><b>Main Activities</b>  <i>(List the planned activities to deliver the outputs above)</i></p>	<p><b><u>Activity 1 Formation of the energy working group to develop the draft law on rational use of energy and renewable sources of energy and national sustainable energy strategy and action plan</u></b></p>

	<p>This activity supports outputs 2 and 3.</p> <p>1.1 UNDP will identify key stakeholders in the energy sector to form a an energy working group (EWG), which will include but will not be limited to the Ministries of Energy, Oil and Gas, Economy, Finance, Nature Protection, Turkmen Gas, Turkmen Oil, Turkmen Statistics, Union of Economists, Solar Research Institute, International Organizations, Major Businesses and other relevant sectors/entities.</p> <p>The EWG will focus on developing the Energy efficiency and renewables law and national sustainable energy strategy and action plan by the end of 2010. <b><u>Activity 2 Assessment of the current energy sector and potential for renewable sources of energy</u></b></p> <p>This activity supports outputs 1, 2 and 3.</p> <p>2.1 Terms of reference for international consultancy will be drafted in consultation with all stakeholders and recruited through an open international tender. The analysis of the energy sector will include:</p> <p>2.2_A comprehensive assessment of Turkmenistan’s energy sector and its potential for use of alternative and renewable sources of energy. In order to carry out this assessment, the international expert will spend 20 days in Turkmenistan. The assessment is expected to take place within 1-3 months after the start of the project and receipt of funds</p> <p>2.3_Analysis of the existing energy related legislation, regulations and policies and identifying gaps and recommendations. In order to carry out this analysis, the international expert will spend 20 days in Turkmenistan.</p> <p><b><u>Activity 3 Development of the Turkmen capacity in the renewable energy sector to</u></b></p>
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**ensure that the draft law on rational use of energy and renewable sources of energy and national sustainable energy strategy and action plan can be effectively implemented.**

This activity supports output 1 and 3.

3.1 International and national consultants to undertake an assessment of Turkmen capacity development needs through a developed action plan and training methodology.

3.2 Specific capacity building gaps addressed and national knowledge of the experience on sustainable management of the energy sector with particular focus on renewables and their long term perspective enhanced through the provision of:

- i. 5 one day workshops. Participants of the workshops will include members of the EWG and other key representatives from the energy related sectors, ministries and institutions.

1<sup>st</sup> workshop – one day workshop with 20-30 government officials on strategic use and development of alternative and renewable sources of energy

2<sup>nd</sup> workshop – one day workshop with 30 representatives from energy related sectors on promotion of energy efficient technology and subsequent inter-agency coordination

3<sup>rd</sup> workshop - one day workshop for 30 representatives for discussion of legislative long-term measures on pricing and other financial mechanisms of energy products and services

4<sup>th</sup> workshop - one day workshop for 30 representatives on integration of Clean Development Mechanisms and other international commitments on energy efficiency for climate change in the national law

5<sup>th</sup> workshop - one day workshop for 30 representatives on defining measures for

ensuring sustainability of the strategy implementation and roles and responsibilities of each party concerned before endorsement

- ii. Sharing of international experience and best practice on rational use of energy and renewable sources of energy through 7 day study tour to a European country (destination of study tour will be decided jointly by all stakeholders – British Embassy, key ministries, UNDP). A group of 3-4 official government representatives (level to be decided by the government) is expected to form a delegation for a 7-day study tour to address a specific capacity related matter such as current best practices for developing and implementing pricing mechanisms for energy services and products.

#### **Activity 4 National Forum**

This activity supports outputs 2 and 3.

- 4.1 Organize a national forum at the level of decision-makers representing the energy and development sector for presentation of global priorities for ensuring energy security through energy efficient policies and technology and use of alternative and renewable sources of energy as well as the project goal and objectives on the energy law and strategy. The forum is expected to gather 40-50 representatives of various energy related sectors, ministries and institutions at different level and will last 3 days.

Providing a national forum in the inter-ministerial and presentation and discussion-based format. The assessment of the energy sector, analysis of the energy legislation and capacity assessment (distributed in advance) will be presented at the forum as baseline for further development of the law and strategy. The forum is expected to seek agreement on main priorities for development of these products and on the time-frame as well as responsible parties. International consultants will need to be involved as moderators of various

sessions, presentations and discussions, offering international view and experience on the process.

Approximately, 100 copies of the assessment report will be printed both to be presented at the forum and circulated in advance to all the stakeholders for initial review and comment prior to the forum.

**Activity 5 Final development/agreement on text for the draft law on rational use of energy and renewable sources of energy through delivery of 3 roundtables**

This activity supports output 2.

5.1 Organizing at least three stakeholder and EWG round tables (milestones and schedule to be identified) gathering experts and specialists from the ministries of energy, oil and gas, nature protection, economy, finance, Turkmen statistics, Parliament and others to develop and agree upon a draft law text on rational and sustainable use of energy and renewables based on international best practices. Each roundtable will last 2 days.

A clear picture on the format, number and time-frame of the round tables will be known after the national forum, at which roles and responsibilities of each ministry/agency will be affirmed. The round tables will be provided for the work of the energy working group backstopped by international (three expected) and national consultants in charge of information collection and analysis and drafting of the law.

A draft law will define types of energy resources relevant to the country, concrete provisions and regulations required to ensure sustainable use of energy resources at national and sub-national level, adequate institutional arrangements (roles and responsibilities) for sustainable coordination and management, roles of other stakeholders: private sector, communities, and stipulate the

normative framework for promotion/development of alternative/renewable sources of energy

Like other explanations above and below, these are responses to the comments both from London and Astana detailing the activities prescribed

**Activity 6 Final development/agreement on text for the National sustainable energy strategy and action plan through delivery of 3 workshops**

This supports output 1 and 3.

6.1 Provide at least three EWG workshops on issues relevant to the national sustainable strategy and action plan provisionally proposed to be on revising the domestic energy supply policies, strengthen national energy pricing methodologies, institutionalize the use of renewable sources of energy and other priority interventions, scope and sustainability issues for the national strategy as well as determining milestones and timeframes of the formulation process to be finalized by the end of 2010.

1<sup>st</sup> workshop for 30-35 representatives to outline country's perspectives and strategy for development of alternative and renewable sources of energy and integration into the national energy network

2<sup>nd</sup> workshop for 30-35 representatives on short-, medium- and long-term promotion of energy efficient technology in key sectors like oil and gas, power industry, transport etc.

3<sup>rd</sup> workshop for 30-35 representatives to work out a long-term strategic approach on pricing and other financial mechanisms of energy products and services to ensure sustainability of

	<p>the strategy</p> <p>The same approach will be applied to strategy development as to law drafting. Outcomes will be revisions and corrections of the draft strategy sections and parts. International experts will be invited to speak and facilitate discussions at the workshops. Each workshop is expected to last 2 days and gather 40-50 representatives of the key energy related entities such as ministry of oil and gas, Turkmengas, Turkmenoil, ministry of power energy, Turkmenenergo, ministry of nature protection, Turkmenstatistics, ministry of economy, ministry of finance etc.</p> <p><b><u>Activity 7 Final meeting at the level of decision-makers and EWG to agree upon the national sustainable energy strategy.</u></b></p> <p>This supports output 3.</p> <p>7.1 Draft strategy will be expected by the end of 2010. Highest level attendance (similar to the initial national forum) will be anticipated from the energy, oil and gas and other relevant sectors.</p> <p>7.2 Providing follow up and other required measures for finalization of the submission-ready energy strategy through lobbying the final product to the Govt, and covering final editorial, translation, printing (for instance, copies will be distributed among all stakeholders), distribution and other related costs. It is very difficult to be very specific on the format of follow-up to the project products in two years from now. So, this activity will include any possible measures to finalize and formalize the project products as per potential comments, revisions, add-ons etc.</p>
<p><b>Background 250 words max.</b> Please include relevant work conducted in this area by UK and other donors and</p>	<p>Key issues that the project aims the address are:</p> <ul style="list-style-type: none"> <li>- Developing a policy framework which will enable Turkmenistan to introduce effective legislation on</li> </ul>

coordinators)

renewable energy and energy efficiency which is in line with international standards

Why is now a good time to be doing this

- The President of Turkmenistan, since he took office, has several times urged his government through his statements at the sessions of the Cabinet of Ministers, the Parliament and at the last September People's Council meeting to revise and develop the energy efficiency policies of the country and prioritise the use of alternative and renewable sources of energy such as wind and solar power that have huge potential for development in the country. The government is currently in the process of formulating a socio-economic strategy of Turkmenistan until 2030, to which the project-envisages energy law and strategy can greatly contribute to ensure sustainability of energy resources and the sector in general.
- As stated by the President, the issue of rational use of energy at the domestic level and prioritization of alternative and renewable sources of energy is becoming even more acute, as the country increasingly expands its gas export potential to boost the socially oriented economic growth of Turkmenistan.
- Thus, it is now a very good opportunity to take advantage of the reforms that the government is undertaking now in all socio-economic process of the country and provide concrete assistance in achieving sustainable energy policy framework .

Does the project have local or host government support and **engagement**? Please briefly

describe. (1 or 2 sentences max)

Cabinet of Ministers will be the strategic national focal point supervising the implementation of this project. Ministry of Energy, Ministry of Nature Protection and, as required, Ministry of Oil and Gas will be main national implementing partners and key beneficiaries of the project, having already indicated the need for external assistance on improving the enabling environment for the energy sector and will be responsible for engaging all stakeholders in the energy sector.

## A2 Project Risk Analysis

\*A project risk analysis must be completed either here in Part A or for projects over £30,000 this can wait until Part B. Please consult your Programme Manager if you are uncertain.

Risk*	Likelihood (H/M/L)	Impact (H/M/L)	Management
Law will not be adopted	L	M	Stronger reference will be provided to the ongoing legislative reform initiated by the President and regular contacts will be ensured with representatives from each Ministry involved
Strategy will not be approved	M	M	Priorities of the draft national energy strategy will be re-visited and submitted for integration into national socio-economic strategy covering the energy chapter/section of this country level policy

## A3 Project Budget

Has funding for this project been sought from other donors, private institutions or co-funding with the host government? If <b>yes</b> , please complete below: If <b>no</b> , go to FCO Costs.	<b>Yes/No</b>
Name of organisation?	UNDP
Have you heard the outcome? Briefly describe the	Co-funding

position.			
Type (e.g. in kind or budget) :	budget	If budget, amount:	£15,000

#### A4 FCO Costs

Proposed start date of project	April 2009	Estimated end date	March 2011
Please state how costs will be divided in each Financial Year (FY April – March)	FY 2009/10 FY 2010/11 FY 20**/** Total cost to <b><u>FCO</u></b>	£ 105,453 £ 34,663 £9,814 on administration costs (GMS) £ 149,930	

Total Cost of Project? (FCO/other donor(s).	£ 164,930
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#### A5 Post Contact Information

Post	Ashgabat	Contact e-mail address	<a href="mailto:Murad.Kakajykov@fco.gov.uk">Murad.Kakajykov@fco.gov.uk</a>
		Contact no	+993 12 363462 ext 2227 FTN: 8254 etx 2227

#### A6 Implementing Organisation

Name of Implementing Organisation		UNDP Turkmenistan	
Contact Name	Rovshen Nurmuhamedov Programme Officer for Environment & Energy UNDP Turkmenistan	e-mail/fax or phone	<a href="mailto:rovshen.nurmuhamedov@undp.org">rovshen.nurmuhamedov@undp.org</a> +99312425250 ext 333

#### A7 Beneficiary Organisation

Name of Beneficiary Organisation		Ministry of Nature Protection (one of the beneficiaries)	
Contact Name	Mr. Bekmurad Eyeberdiyev Head of Department for Coordination of International Programmes	e-mail/fax or phone	<a href="mailto:eyeberdiyev@mail.ru">eyeberdiyev@mail.ru</a> +99312398594

### A8 Post Comments Log

Date	Comment
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### A9 Programme Team Comments

Date	Comment
08/01/09	<ul style="list-style-type: none"> <li>• Recommend for full bid. This is a clearly written proposal that meets the project strategy. The activities clearly lead to the outputs and the outputs clearly lead to the project purpose.</li> <li>• The proposal indicates that the President has requested this work. The full bid should explain why this work hasn't been done already if the President is so interested and whether this project is likely to happen without SPF funding. The level of buy-in from the Ministries should be made clear. Although the proposal indicates that they acknowledge the need for external assistance it does not indicate whether they are interested/ committed to this project with UNDP at this time. As the proposal indicates, the ministries will effectively be an implementing partner and as such they need to be very engaged with the project or it will not be able to succeed.</li> </ul>
UNDP comments 29/01/09	<p><i>The President has clearly indicated the urge for revision of the enabling environment, including the one on the energy sector, and his recent speech at the inauguration of the new parliament attests of that intention. However, there is an understanding that national capacity is not there to drive such a comprehensive strategic process. Commitment to the project will be formally sought through the Ministry of Foreign Affairs</i></p>

<p>UNDP comments  29/01/09</p>	<p><i>ensuring involvement of all the relevant stakeholders. A sample of effectiveness of this approach has been demonstrated at the recent inter-ministerial dialogue on climate change under the UNDP project on capacity building for climate change and adaptation, with participation of six deputy ministers of energy, oil and gas, nature protection, transportation and agriculture. In fact, this proposal will be closely linked with and build on the energy working group to be established under the UNDP project, thus ensuring coordination of interests and discussions and participation from the non-energy sector. Furthermore, at the request of the Vice Prime-Minister (VPM) in charge of foreign affairs, there was a meeting between him and UNDP Resident Representative in Turkmenistan, at which VPM clearly express the country's request for cooperation with UNDP on climate change and energy issues, specifically accessing carbon finance opportunities and other energy efficiency issues. To this end, UNDP is now planning a carbon finance mission to take place in February 2009.</i></p> <ul style="list-style-type: none"> <li>• There are more risks that should be highlighted in the full bid in relation to the project, for example relating to delays and working with a number of different ministries.</li> </ul> <p><i>Addressed in B2 Project Risk analysis</i></p>
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## A10 Programme Panel Comments

Date	Comment
8/01/09	<ul style="list-style-type: none"><li data-bbox="502 338 1374 712">• A good project, which fits directly into the programme indicators and works towards our DSO7 goals. It will also do a lot to helping with the bilateral relationship building in the energy sphere and will allow access to the legislation process in the energy sector which in the long term will facilitate reaching our long term goals in Turkmenistan. UNDP as a partner organization is a really good way of leveraging other project funds and ensuring that there is government buy in for the long term.</li><li data-bbox="502 745 1142 779">• Recommend for working up into a full bid.</li></ul>

**If the total value of the project is less than £30,000 you do not need to complete section B. However, all projects irrespective of cost need to complete the activity based budget at Annex A and the Monitoring and Evaluation Plan below.**

## Further Information

<b>Expected Outputs</b> (as outlined in A1 above)			
<b>Outputs</b>	<b>Indicators of success</b> <i>(evidence: how we will know <b>each output has been achieved</b>)</i>	<b>Status before project/baseline data</b> <i>(what is the situation before the project starts?)</i>	Source of information <i>(where you obtain the information to demonstrate if the indicator has been achieved)</i>
Capacity development needs of key Turkmen stakeholders in the energy sector determined and local knowledge/expertise on energy efficiency and use of alternative/renewables increased.	Capacity development action plan is integrated in the strategy based on specific capacity needs and pilot measures provided throughout the project	Limited capacity on ensuring strategic approach and analysis to sustainable use of energy resources and, especially, on alternative/renewable sources of energy	Capacity needs assessment,  Training/study tour evaluation report, capacity development action plan
Draft law on rational use of energy and renewable	Law on rational use of energy and renewable sources of energy accepted by the parliament for adoption	No national legislation stipulating sustainable use of energy or energy efficient practices and support to use of renewable	Mejlis (Parliament) of Turkmenistan

sources of energy prepared using best practices and in consultation with all stakeholders submitted to Parliament for adoption		sources of energy	
National sustainable strategy and action plan is drafted based on stakeholder consultations and submitted to government for approval	Strategy and Action Plan on Sustainable Use of Energy accepted by the Government for approval and implementation	No cross-sectoral plan or strategy on energy efficiency and alternative sources of energy	Cabinet of Ministers

## B1 Institutions

Please briefly describe the implementing organisation's capacity to deliver the project (1 or 2 sentences max)

UNDP Turkmenistan has proven itself as an important partner to the government via providing advisory and technical assistance in the form of advocacy and preparatory work for introducing carbon finance projects and trading schemes in Turkmenistan. As a result of this cooperation, formation of a designated national authority for the Clean Development Mechanism is pending in early 2009 and will entail a capacity building project and support in identifying carbon finance projects. This process involved a similar range of stakeholders as proposed in this project.

UNDP Turkmenistan is now actively engaged in a policy dialogue with the Government of Turkmenistan on climate change and energy efficiency issues and areas of cooperation. Concrete examples include a carbon finance mission from 15 to 20 March 2009 to help the government in identifying and developing CDM projects as well as discuss opportunities for targeted capacity development measures on implementing carbon finance projects. In addition, development of a project note is underway to promote energy efficient practices and methodologies in the residential sector.

The environment & energy portfolio is the largest in the programme of UNDP Turkmenistan addressing various matters ranging from enhancing environmental governance to supporting on-the-ground land management and biodiversity conservation measures. For the past year, UNDP Turkmenistan has been successful in mobilizing the Government's interest in energy efficiency initiatives such as introduction of carbon trading schemes in the country, resulting in a follow-up mission on carbon finance opportunities at the request of the Vice Prime-Minister.

Please briefly describe the level of participation of the **beneficiary** organisation in planning the project? *(1 or 2 sentences max)*

Strategic co-ordination will be at the ministerial level supervising the practical analysis and drafting work at the level of experts and specialists on different aspects and issues. The energy working group will be formally established through the ministry of foreign affairs, a national agency coordinating the work of international and bilateral organizations in Turkmenistan, based on the composition of the energy working group pre-agreed and to be established by UNDP. To ensure coherence and co-ordination of both strategy and law development processes, nomination of a contact person will be requested from the oil and gas department of the Cabinet of Ministers. This contact person will maintain information flow and project update at the highest level and co-ordinate the technical work of the relevant ministries.

The working group will consist of representatives from the ministries of energy, oil and gas and nature protection of Turkmenistan.

**There is overall national commitment to enhancing the energy policy and law framework that has been further affirmed during the 15-20 March carbon finance mission of UNDP in Turkmenistan at high level meetings with relevant ministers, deputy ministers, heads of departments and specialists. It was now agreed that the Russian version of the project bid will be circulated shortly through the foreign ministry to all the participating ministries in order to facilitate the project planning, supervision, nomination and technical implementation processes. Furthermore, preliminary talks have been held at the recent climate change and CDM workshops with the representatives and specialists of the energy, oil and gas sectors, who had confirmed their interest**

and initial support to the SPF proposal.

## B2 Project Risk Analysis

\*If you completed this question in part A, please ignore this question here. Typically this should be completed here for projects over £30,000.

Risk*	Likelihood (H/M/L)	Impact (H/M/L)	Management
Lack of effective coordination among participating ministries	L	M	Treat: Co-ordination mechanism formally established with a schedule of meetings and milestones approved
Legislation and strategy development may be hindered by different views, level of understanding and approach of the participating ministries	L	H	Treat: Regular contacts with officially nominated representatives from each ministry and ensuring their further commitment. The British Embassy in Ashgabat will also maintain regular contact with the participating Ministries and lobby when appropriate.
Higher initial tariff for energy produced from renewable sources leads to opposition to the development of renewable energy legislation from major businesses.	M	M	Treat: Regular discussions with major businesses to shift their mentality of seeing energy as a purely economic product to understanding the rational use of energy and subsequent environmental and financial benefits from sustainable energy policies.
Energy efficiency and renewables law and national sustainable energy strategy and action are	M	H	Treat: UNDP will continue to highlight the potential benefits of the new legislation and maintain links with all

drawn up by the completion of the project, but is subsequently not effectively implemented.			stakeholders after the completion of the project to ensure that the legislation is effectively implemented.
Regular dismissals of Turkmen officials from their posts causes delay to project	M	M	Treat: Ensure participation of more than 1 representative from each participating ministry
External pressure causes the Turkmen Government to be reluctant to co-operate with the UK on energy issues.	L	M	Treat: The UK has just signed a new Protocol of Intentions (February 2009) with the Turkmen Government and will use this Protocol as a means of strengthening energy co-operation.

<p><b>B3 Sustainability</b> (<i>how will the project ensure benefits are sustained after the project has come to a close?</i>)</p>	<p>One of the initial goals of the project will be to trigger and sustain strategic discussions among all the relevant sectors and ministries, so that the mentality of perceiving energy as a purely economic product could be shifted towards understanding and supporting rational use of energy and subsequent environmental and financial benefits from sustainable energy policies and mechanism. This is one essential prerequisite for adequate policy and law development on energy in Turkmenistan. More concretely, what will make the project's benefits continue beyond the project's timeline, thereby making the project's outputs more sustainable, are the following.</p> <p>Approval and implementation of both the strategy and law on energy will promote environmental sustainability of such a powerful economic sector as energy through emission reductions, opportunities through Clean</p>
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	<p>Development Mechanism and relevant climate change benefits.</p> <p>As mentioned earlier, the project will promote change in the exiting philosophy over the current use of energy resources through developing information and knowledge at the systemic and institutional level and will implement targeted capacity building measures required for further alignment and delivery of national energy policies and laws.</p> <p>Adoption and implementation of the strategy and law will open up further opportunities for investment and other financial flows, both internal and external, into the energy sector, thus ensuring economic sustainability of the project's results.</p>
<p><b>B4 Longer Term Impact</b> <i>(what long term impact is anticipated?)</i></p>	<p>In the longer-term perspective, the project will contribute to Turkmenistan's energy security and socio-economic development, and encourage a more effective and participatory approach to policy making. The processes of preparing the Strategy and Law will enhance technical capacities of government officials, relevant experts and specialists.</p> <p>The passing of energy efficiency legislation will allow the country to tap its energy efficiency potential and have energy generation at sustainable level with consideration of economic, environmental and security issues.</p> <p>The project will as well promote further relationship and productive cooperation between Turkmenistan and UK, in particular in the area of energy. The UK is currently looking to deepen energy co-</p>

	<p>operation with Turkmenistan and signed a new Intergovernmental Protocol of Intentions with Turkmenistan in February 2009 (Country Business Plan Objective 1 Outcome 3).</p> <p>Increased co-operation between the UK and Turkmenistan in renewable energy might also facilitate the entrance of UK companies into the renewable energy sector (Country Business Plan Objective 1 Outcome 1).</p>
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## B5 Monitoring & Evaluation Plan

<p>How will the project be monitored?</p>	<p>Through quarterly, annual, final and post-project reports. Implementation of the project will be supervised and co-ordinated by the project board (project steering committee) represented by key national stakeholders, British embassy in Ashgabat and UNDP Turkmenistan. The project board will meet on a quarterly basis to review the progress achieved and approve a next quarterly workplan. Representatives of the British Embassy will also be invited to attend key project events such as the energy working groups, roundtables and workshops.</p>
<p>The project completion report is <b>due up to 3 months</b> after the project is over and is linked to the final payment.</p>	
<p><u>All projects require a project completion report. <b>In addition</b></u>, all projects over £100,000 require evaluation. For projects over £500,000, independent external evaluation is required. <b>Have you included the cost of evaluation in your budget?</b> Please carefully note, other projects below these thresholds may also require independent evaluation.</p>	<p>Evaluation is incorporated in the project budget. Terms of Reference will be drafted for an evaluation exercise and a selection process will be done in consultation with the British Embassy in Ashgabat. A company or a team of international experts will be contracted to undertake evaluation of the project outcomes and outputs. Recruitment will</p>

	<p>be done through an open international tendering process. Draft evaluation report will be shared with all national stakeholders and the British Embassy in Turkmenistan for review before finalization. Evaluation will aim at measuring project progress and delivery in terms of outputs and activities planned, assess sustainability of the project in the post-project life, revise risks and threats if any, and establish a concrete plan of action to address results achieved and setbacks faced within and outside the project life-time.</p> <p>International expertise in conducting this evaluation will be required, as there is no local capacity available in Turkmenistan for performing strategic assessments and evaluations in line with UNDP and EU standards.</p>
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**B6 Procurement** *To access the links type Ctrl + click*

<p>External Contracting and Procurement. <a href="#">Larger projects</a> (June 08 over €133,000) should be in line with EU purchasing guidelines. Refer to <a href="http://www.ogc.gov.uk/key_cross-cutting_government_policies_the_policy_and_legal_framework.asp">http://www.ogc.gov.uk/key_cross-cutting_government_policies_the_policy_and_legal_framework.asp</a>. FCO Corporate Procurement Group can advise further.</p>		
<p>Have you considered EU thresholds for the project (these might be subcontracts within the project) as highlighted in the box above?</p>	<b>Yes</b>	No

**B7 Cross Cutting effects of the project.**

<p><b>Does the project have any cross cutting effects? E.g. Environment, Human Rights and Diversity etc.?</b></p>
<p>Environment is the primary area that will have a direct effect from this project, as the newly adopted policy and law will enable application of climate change friendly</p>

practices in the country, namely emission reductions, energy efficient technology, financial incentives and increased awareness of climate change.

The project will as well allow participation on non-energy sectors in discussions over the use of energy resources of the country, thus ensuring diversity of views and interests in this strategic process.

**Now go to Annex A below and complete the VFM question and the activity based budget before submitting this bid.** If you are unable to access the embedded Excel Spreadsheet, please complete a separate spreadsheet and **attach** this with your bid document.

## Annex A

1. How will you ensure that all procurement is fair and transparent and seeks value for money (VFM)?

International procurement rules and regulations of the United Nations Development Programme will be applied to all procurement processes within the project to ensure fairness, transparency and value for money for products to be delivered under the project. The possibility of the Government's in-kind contribution or any other commitment to the project will be raised and discussed at the highest level meeting between the UNDP management and the VPM



Programme Office  
Foreign &  
Commonwealth Office



## **B2: ACTIVITY BASED BUDGET (FCO COSTS ONLY)**

*Please separate budget into activities and detail when costs are likely to fall. Please provide sufficient detail to allow programme to assess value for money and, if approved, track progress of project. For example, if one element of your project is to run 3 workshops, please include the number of participants, and break costs down into key component parts on separate lines, e.g. Consultant Costs (including number and rate per day); travel; room hire. Personnel costs should include overheads. Administration costs should not exceed 10% of the total project costs. If listing materials produced by the project, this should include the quantity.*

See attached Excel file for budget



Now submit this bid to the Post Project Committee

Foreign & Commonwealth Office  
Signature *Peter Butcher*.....

(I confirm that all relevant budgetary details have been submitted with this bid and I am content for this bid to now be considered by the relevant FCO Board)

Name .....Peter Butcher.....

Committee Chairperson.....