

**ASIAN DEVELOPMENT BANK**

**TAR: OTH 33547**

**TECHNICAL ASSISTANCE  
(Financed by the Government of Finland)**

**FOR THE**

**REGIONAL ENVIRONMENTAL ACTION PLAN**

**IN CENTRAL ASIA**

**September 2000**

## ABBREVIATIONS

ADB	–	Asian Development Bank
CAR	–	Central Asian Republic
ENRIN	–	Environmental and Natural Resources Information Network
GDP	–	gross domestic product
GRID	–	Global Resource Information Database
NEAP	–	national environmental action plan
REAP	–	regional environmental action plan
REC	–	regional environmental center
TA	–	technical assistance
UNDP	–	United Nations Development Programme
UNEP	–	United Nations Environment Programme

## NOTE

In this report, "\$" refers to US dollars.

## I. INTRODUCTION

1. The Central Asian Republics (CARs) today face serious environmental problems that have a distinct regional character. The necessity to address these problems has been recognized and a number of initiatives have been taken. A regional initiative is considered highly desirable to establish a firm foundation for taking further necessary action in a coordinated way. A regional technical assistance (TA) is proposed for preparing the first regional environmental action plan (REAP) in Central Asia in a highly participatory and well-coordinated way.<sup>1</sup>

## II. BACKGROUND AND RATIONALE

2. The CARs face daunting constraints to economic development as a result of overexploitation of environmental resources.<sup>2</sup> Since the breakup of the Soviet Union in 1991, the newly independent republics in the region have shared the urgent need to develop new institutions, policies, and skills to function as a state—a process made more difficult by the severe economic contraction associated with that breakup. Markets for raw materials and industrial products evaporated quickly. Real gross domestic product (GDP) fell by 30-50 percent, inflation reached over 1,000 percent per year, and unemployment soared. Prior to the Russian economic crisis in 1998, the former Soviet republics had begun to recover from the economic downturn of the early 1990s. Inflation had been reduced with monetary stabilization programs and currency controls, GDP was rising, and production and trade were gradually recovering. Privatization of major industries and services has provided a foundation for new investment and economic activity. But appropriate attention has not been paid to the quality of the environment and to the sustainable exploitation of natural resources. That problem is more or less similar in all CARs. There is political agreement to address common concerns and transboundary issues through regional cooperation.

3. The environmental authorities of the CARs have clearly understood the importance of environmental information in economic development. The necessity of addressing these problems through regional cooperation was recognized in 1993 with the establishment of the international fund for Aral Sea rehabilitation, and an intergovernmental commission for sustainable development. The agreement on cooperation in the field of environment protection and rational use of nature was signed in 1998. The same year the five Central Asian countries made a joint statement on the matter at the Fourth Ministerial Conference on Environment for Europe, in Aarhus. The Aarhus initiative included, among other issues, a new approach (Infoterra) to assist countries in transition to establish a national environmental information service, and to exchange sound environmental information among partners at the national level and among countries. At the UN Economic and Social Commission for Asia and the Pacific (ESCAP) meeting on regional ecological cooperation in Tehran in February 2000, the five ministers of environment reaffirmed their commitment to the needs of a REAP. In 1999 and early 2000, the Asian Development Bank (ADB) carried out fact-finding for a regional TA to strengthen environmental management in line with the REAP. In March 2000, the United Nations Environment Programme (UNEP) appointed a Central Asian task force and commissioned a fact-finding mission to the region. The UNEP mission confirmed the need for REAP. The proposed regional development was then discussed in June 2000 in a meeting of the five ministers of environment, in a workshop in August 2000 in Bangkok, and will be further deliberated on at the Ministerial Conference on Environment and Development in Asia and Pacific in Japan in September 2000, and in the Interim Meeting on Environment for Europe in

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<sup>1</sup> The TA first appeared in *ADB Business Opportunities* on 26 January 2000.

<sup>2</sup> Asian Development Bank. Interim Central Asian Assistance Plan 2000–2002. May 2000.

October 2000, in Almaty, Kazakhstan. UNEP has taken a lead role in regional capacity building for environmental management in Central Asia. The partnership with ADB will generate synergy for regional cooperation between governments and aid agencies. The governments of the CARs have requested assistance in preparing a REAP.

4. Some other groups active in the environment sector in the subregion include European Union, Finland, Japan, Netherlands, Switzerland, and United States. A coordinated subregional approach to capacity building and other forms of environmental assistance by those nations and aid agencies is essential to optimize assistance efficiency and effectiveness, as well as environmental benefit. A dynamic and responsive subregional program based on the REAP is proposed to accomplish these and accelerate efforts for environmental improvement such as cleaner production, policy formulation, planning, institution building, and financing.

5. In early 1994, ADB began baseline studies of the state of the environment, starting in Kazakhstan, then Kyrgyz Republic and Uzbekistan, in close cooperation with the ministries or state committees for environmental protection. Those profiles were published in 1998. In 2000, ADB published the environment profile for Tajikistan. All these country-level information points to the fact that accomplishing environmental improvements requires capacity to manage strategies and make decisions on environment protection and natural resources management. The available information needs to be converted into action plans, to support sustainable economic development.

6. The environment ministers of the CARs have met biannually since 1998. The summits have reaffirmed their commitment to environmental cooperation as evidenced by establishment of a regional environment center (REC 1999), and preparation of an outline REAP (June 2000). The outline REAP was essentially a compilation of outdated national environment action plans (NEAPs). In February 2000, the ministers met in Tehran, and requested assistance from funding organizations in preparing a comprehensive REAP incorporating updated information from the national level and focusing on necessary actions that require a coordinated, regional approach. REAP would be established in collaboration between the governments, aid agencies, and UN agencies.<sup>3</sup> In June 2000, the ministries approved the REAP concepts, procedures, and schedule.

7. The five Central Asian countries involved are Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan, and Uzbekistan. ADB recently financed three TAs for environmental capacity building in the region.<sup>4</sup> In 2000 ADB initiated a regional TA to address concerns about the mountain ecosystems, and an advisory TA for capacity building in Kazakhstan. Those approaches have been designed in line with the NEAP, most of which were prepared in the early 1990s to mid-1990s and are being updated by the countries. The updated NEAPs will be the bases in preparing the REAP.

8. A particular concern in development planning is the shortage of data and information to provide knowledge-based planning and management of the environment and natural resources. Lack of such information is a significant regional problem and barrier to sustainable economic growth. The cited national profiles at the level of countrywide summaries, and the Environmental

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<sup>3</sup> Summary of Environmental Management in Central Asia, compiled by UNEP/EAP-AP, Bangkok, May 2000.

<sup>4</sup> TA 2397-KGZ: *Strengthening Environmental Institutions and Improving Procedures for EIA*, for \$556,000, approved on 13 September 1995; TA 2934-KGZ: *Environmental Monitoring and Management Capacity Building*, for \$598,000, approved on 11 December 1997; TA 2859-UZB: *Strengthening of Institutions Engaged in Environmental Protection*, for \$675,000, approved on 8 September 1997.

and Natural Resources Information Network (ENRIN) of the UNEP Global Resource Information Database (GRID), support the formulation of an information framework that is dynamic and depends on timely input of environmental information. Access to and familiarity with that database may facilitate efficient planning for decision makers in the CARs, for updating and presenting of the national and regional environmental conditions, and consequent updating of action plans. Lack of financial and institutional capacity has to be addressed by capacity-building development cooperation to permit preparation and implementation of national and regional plans.

9. The current capabilities of the environment ministries and other focal point agencies involved are limited, as there is continuous lack of financing in implementing of urgent environmental plans. All recipient agencies have the necessary government organizations in place, but training is needed to address the requirements resulting from the transition to a market economy. Regional cooperation has been clearly acknowledged as a tool to address the capacity gap as well as transboundary environmental concerns. UNEP has prepared a project proposal, which aims at preparing the REAP through similar activities as those identified during fact-finding by ADB, proposing comanagement and offering cofinancing. Pooling the resources of ADB and of UNEP and the regional offices of the United Nations Development Programme (UNDP) will accomplish synergism and enhance efficiency and effectiveness in delivering assistance. The national experts and representatives of CARs expressed support for the merged effort during the REAP workshop in Bangkok in August 2000. Cofinancing with UNEP would be parallel, partly in kind and partly in cash.

### **III. THE TECHNICAL ASSISTANCE**

#### **A. Objective**

10. The objective of the TA is to strengthen regional cooperation among the five CARs in the area of improved environmental management, by supporting the process of and the mechanism for REAP development and implementation.

#### **B. Scope**

11. To achieve the objective, the TA will focus on both the process and the product, by developing the mechanism and building the institutional capacity to prepare and implement an ambitious but feasible regional environment action planning process; and preparing of the first REAP as the starting point for national actions, which will lead to effective regional cooperation. Accordingly, the TA includes the following:

- (i) prepare a REAP with close participation of the national institutions in the CARs, involving the following: (a) drawing up of a plan and guidelines for the REAP, including the methodology and procedures to be followed, (b) training workshops to prepare for developing the REAP, (c) completion of the first draft in April 2001, (d) initial review in May 2001, and (e) a high-level workshop in June 2001 to disseminate the major elements of the REAP and prepare for initiating implementation;
- (ii) help to establish regional environment networks, including the mechanism and procedures for exchange of information among the CARs;

- (iii) establish the necessary mechanism (including identifying the focal points) for implementing regional programs in water resources, air quality, land degradation, waste management, and mountain ecosystems;
- (iv) help develop an overall program for regional cooperation, including other important environmental issues and areas; and
- (v) provide support for capacity building by (a) training the staff in organizing and managing environmental data networks, (b) establishing pilots in each participating country to initiate networking, (c) preparing various required manuals in English and Russian to implement the REAP, and (d) undertaking on-the-job training of the counterpart staff involved in the TA.

12. A series of regional-level workshops will be held on each key issue, encouraging a transparent participatory process. The consolidated REAP will be reviewed by CAR experts, nongovernment organizations, and representatives of governments. Aid agencies and governments active in CARs will be invited to the workshops. A high-level workshop with ministers and senior aid representatives in June 2001 may be followed by further tuning of the REAP in August 2001. The TA framework is in Appendix 1.

13. To facilitate environmental networking, the materials prepared for the international meetings, including the updated environmental data for each country, will be offered to the ENRIN network for public access. Three persons from each country will be trained in maintaining, updating, and utilizing environmental data networks, to provide assistance to strategy-level decision makers in environmental management. The training will consist of four weeks on-the-job training in Central Asia. A pilot working station with two computers and peripherals will be established in each participating country, in cooperation with the scientific information center, which is the designated node of the CARs.

### **C. Cost Estimates and Financing Plan**

14. The total cost of the RETA is estimated at \$600,000 equivalent (Appendix 2), of which \$500,000 equivalent is to be financed by the Government of Finland, on a grant basis, and administered by ADB through the channel financing agreement, and \$100,000 by UNEP, in the form of parallel financing. The assistance will cover Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan, and Uzbekistan.

### **D. Implementation Arrangements**

15. ADB will be the Executing Agency for the TA, which will be implemented in close cooperation with the UNEP task force for the REAP, the national governments, and the Intergovernmental Sustainable Development Commission of the Central Asian countries, as well as the offices of UNDP. A detailed work program will be agreed upon at inception. Following the inception meeting, ADB, CARs, and UNEP will exchange letters of agreement detailing the implementation arrangements, respective responsibilities and schedules, and exchange of information.

16. The central points for implementation will be the environment ministry in each CAR. The national focal points appointed by the ministers of environment and the international agencies

involved will form a steering committee. Each focal point will be responsible for overall coordination of the work plan in its country, and take the lead in one of the identified key environment issues.

17. The TA will be implemented over 11 months, from September 2000. It provides 10 person-months (2-3 visits) of international and 25 person-months of CAR national consulting services. An international consultant will be recruited by ADB, and CAR national consultants will be employed by UNEP in consultation with ADB,<sup>5</sup> all in accordance with ADB's *Guidelines on the Use of Consultants*, and other arrangements satisfactory to ADB. The terms of reference (TOR) is attached as Appendix 3.

18. ADB will coordinate the TA at the national level, in consultation with UNEP. The ADB resident missions in CARs will be invited to the workshops and other activities, to generate awareness about the program. ADB, in consultation with UNEP and the CAR governments, will monitor and periodically review the progress reports and progress of TA implementation through a review of monthly and other progress reports, and participation in at least three review missions.

19. There will be three core reports: (i) inception report two months after starting the work, (ii) interim report five months from the start, and (iii) draft final report in nine months. The final report should include the REAP. Other reports are monthly progress reports, documents of each of the four workshops/meetings, and manuals or handbooks in the use of data networking equipment and software. The reports will be in English and Russian.

20. ADB will be responsible for procuring equipment and training materials that it is financing under the TA. ADB may, however, agree on arrangements with the participating governments or UNEP, or as otherwise appropriate, to carry out procurement satisfactory to ADB and in accordance with ADB's *Guidelines for Procurement*.

#### **IV. THE PRESIDENT'S DECISION**

21. The President, acting under the authority delegated by the Board, has approved ADB administering technical assistance to the Central Asian Republics in an amount not exceeding the equivalent of \$500,000, to be financed by the Government of Finland on a grant basis, for the purpose of the Regional Environmental Action Plan in Central Asia, and hereby reports such action to the Board.

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<sup>5</sup> This approach has been demonstrated to be effective and efficient in previous cooperative TAs with UNEP in the Greater Mekong Subregion.

### TECHNICAL ASSISTANCE FRAMEWORK

Design Summary	Performance Targets	Monitoring Mechanisms	Assumptions and Risks
<p><b>Sector Goal</b> Environmentally sustainable decision making for economic growth in Central Asia</p>	<p>Institutional capacity to plan and implement environmental management for decision making</p>	<p>Review and compare new and existing systems for resource management</p>	<p>Commitment to transition to market economy and willingness to resolve transboundary concerns of environmental management</p>
<p><b>Purpose</b> Prepare a regional environmental action plan (REAP) in cooperation with United Nations Environment Programme (UNEP)/United Nations Development Programme (UNDP), in six international meetings</p> <p>Obtain regional agreement on a regional environmental strategy</p>	<p>First REAP prepared, regional information exchange, operational connections to relevant data networks</p> <p>Agreeable strategies for different environmental sectors considered in regional and national meetings</p>	<p>Monitor functioning of regional and international information networks</p> <p>Monitor changes in policies and management systems</p>	<p>Commitment of developing member countries (DMCs) to share information</p> <p>Willingness to adopt new regional practices in managing natural resources</p>
<p><b>Outputs</b> Regional strategies for sustainable management of natural resources and environmental management Information and technology communication system on regional environmental management shared</p>	<p>Changes in national/regional environmental strategies beginning 2002</p> <p>Regional environmental action plan drafted</p> <p>Operational information exchange in 2002</p> <p>Improved environmental development and management catalyzed</p>	<p>Through annual DMC reports</p> <p>Post-project monitoring of information and technology exchange</p> <p>Observing the formation of new activities and development cooperation</p>	<p>Institutional and financial capabilities to maintain the environmental management</p> <p>Maintenance modernization, and updating of data networks</p> <p>Poor coordination between aid agencies will be addressed by strengthening the exchange of information.</p>
<p><b>Inputs</b> Consultants: Team Leader Regional Consultants</p> <p>Meetings: DMC Ministers and other experts Other Aid Agencies</p>	<p>Consultant (10 person-months international, 25 person-months regional)</p> <p>Effective cooperation between national focal points</p>	<p>Performance reports Meeting and workshop reports, final reports</p> <p>Monitoring progress in preparing the REAP</p> <p>Monitoring the updating of national environmental action plans</p>	<p>Competent team leader</p> <p>Appropriate expertise in Central Asian Republics (CARs) and environmental strategies</p> <p>Can obtain data and conduct fieldwork in cooperation with the counterparts</p> <p>Lack of financing</p> <p>Willingness to pool resources</p>

(Reference in text: page 4, para. 12)

**COST ESTIMATES AND FINANCING PLAN**  
(\$'000)

Item	ADB Financing <sup>a</sup>	UNEP Financing	Total Cost
1. International Consultants	140	–	140
2. CAR National Consultants	55	20	75
3. International and Regional Travel	40	15	55
4. Per Diems	30	10	40
5. Equipment <sup>b</sup>	50	10	60
6. Workshops and Training	60	25	85
7. Office Support/Reports	30	10	40
8. Resource Persons <sup>c</sup>	20	10	30
9. Contingencies	75	–	75
<b>Total</b>	<b>500</b>	<b>100</b>	<b>600</b>

ADB = Asian Development Bank, CAR = Central Asian Republic, UNEP = United Nations Environment Programme

<sup>a</sup> Financed by the Government of Finland through the Channel Financing Agreement.

<sup>b</sup> Information technology tools.

<sup>c</sup> Covers costs of ADB and UNEP staff in key seminars/training as resource persons.

Source: Staff estimates.

(Reference in text: page 4, para. 14)

## TERMS OF REFERENCE FOR CONSULTANTS

### A. General

1. An international individual consultant will be recruited by the Asian Development Bank (ADB). The engagement of the five Central Asian Republic (CAR) national consultants, using the simplified technical proposal procedure, is the responsibility of the United Nations Environment Programme (UNEP) in consultation with ADB. The international consultant will have expertise in environmental strategy planning, including data networks. The international consultant will be assisted by five CAR national consultants, with expertise in environmental research and planning, for five person-months each. The core outcome of the regional technical assistance (TA) is a draft regional environmental action plan (REAP). The work will be done in close cooperation with the involved offices of UNEP and the United Nations Development Programme (UNDP), which offer comanagement and parallel financing for the REAP.

### B. International Consultants

2. The international consultant will take care of overall management of fieldwork in Central Asia. The five participating countries are Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan, and Uzbekistan. ADB financing will be limited to its member countries. The detailed tasks will include, but will not necessarily be limited to, the following:

- (i) design the detailed work programs for the team members together with UNEP, and supervise their activities during implementation;
- (ii) draft and prepare all progress reports of the TA, and submit them to ADB and the counterparts including the monthly progress reports, the inception report, interim report, and draft final and final reports, which will contain the draft REAP;
- (iii) organize, in close cooperation with UNEP/UNDP and the ministries of environment in the counterpart countries, five international meetings, one in each CAR; prepare materials for ministerial-level discussions, and prepare summaries of the proceedings of the meetings (the topics of the meetings are water management, air pollution, waste management, soil degradation, and mountain ecosystems);
- (iv) maintain contact with the national focal points in the participating countries, assist them in establishing an updated connection to the UNEP-GRID and other databases, which are relevant in environmental management;
- (v) assist the national focal points (including on-the-job training of the counterparts) in establishing data networking, and in the exchange of environmental data at strategy level;
- (vi) organize workshops with the national hot spots staff to familiarize them with the REAP and related data management;
- (vii) design strategies to address transboundary environmental issues on the way a market economy, and present those strategies for REAP;

(Reference in text: page 5, para. 17)

- (viii) assist the counterparts in preparing a REAP by reviewing materials and writing a draft for the REAP;
- (ix) organize the participation of experts from aid organizations in the international workshops;
- (x) act as facilitator of the workshops and meetings as appropriate, and liaise with the participating organizations;
- (xi) maintain contact with the government officials who will become involved in implementing the REAP;
- (xii) liaise with nongovernment organizations (NGOs) and interested stakeholders to incorporate their views into REAP preparation, and to provide them with information on the progress of the project; and
- (xiii) provide comanagement for the TA on behalf of ADB, in close coordination with the resident missions and liaison offices of ADB.

### **C. CAR National Consultants**

3. The five CAR national consultants will have expertise in (i) mountain ecosystems, (ii) water management, (iii) air pollution, (iv) solid wastes, and (v) land degradation. They will assist the international team leader in all his/her relevant activities, with particular concern on the following:

- (i) collect and review the available relevant environmental data from each country, to prepare comprehensive record lists of existing reliable statistics and to draft introductory materials for the ministerial and other meetings;
- (ii) assist in organizing expert meetings in CARs, in close cooperation with the national focal points and the offices of UNEP/UNDP;
- (iii) assist in preparing of background documents for different topics for discussions on regional environmental strategies, and prepare draft reports of the discussions;
- (iv) maintain contact with the relevant national, regional, and other international experts, organizations (including NGOs), and authorities, and provide on-the-job training in data and information management;
- (v) assist in preparing monthly progress reports, inception report, interim report, and draft final and final reports of the TA, and attend workshops where they will be reviewed, as appropriate; and
- (vi) identify environmental information resources, information network design, training materials development, and identify trainers and training activities.