CARBON MARKET DEVELOPMENT IN KYRGYZSTAN

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CFC main functions

- Attracting climate & carbon financing
- Inter-ministerial coordination
- Advancing programs and projects
- Capacity building activities

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Decree on Carbon Market Development

The purpose is to formation of a **national system for accounting and circulation of carbon units**, to determine the **MNRETS** responsible for the management and development of the **national registry of carbon units**, to procedure for **MRV** and registration of climate projects, to establish the **legal basis for the domestic and international carbon markets**, and to establish Coordination Committee shared by the Deputy PM and the CFC its Secretariat.

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Innovation Finance for Resilient and Sustainable Energy Transition (iFIRST) project by WB TCAF

Kyrgyzstan and the World Bank (WB) energy team on the iFIRST project (TCAF-funded, US$50 million grant):

Implementation arrangements, Review of Methodology and Crediting Program Design Document (C-PDD), Legal Agreements, including an Emissions Reduction Payment Agreement (ERPA), Mitigation Outcomes Purchase Agreement (MOPA), and a Host Country Agreement (HCA) and future steps and plans.

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BRIEF HISTORY

JCM The Joint Crediting Mechanism

Signed a Memorandum of Cooperation (MoC) to establish the JCM
6 July 2023

Cabinet of Ministers of Kyrgyzstan established a Joint Committee on JCM
3 Oct 2024

1st JCM Joint Committee Meeting
16 May 2025

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Project Idea Note (PIN) in Kyrgyzstan

Bishkek Low-carbon Municipal Building Upgrade (5 schools and 1 kinder garden in Bishkek)

- Scope of works
  - **Passive measures** (thermal insulation: floor, wall, window, door, roof)
  - **Active measures** (heat-recovery ventilation, heat pumps: air-to-water, wastewater-to-water, ground-to-water) Construction: in **2026**
- Financing
  - **ADB: $3 M** (1.5 M grant | $1.5 M loan)
  - **JFJCM: $5 M** grant against government commitment to issue project-backed carbon credits
- Estimated GHG emission reductions
  - **6,400 tCO2e/year** (total 160,000 tCO2 for 25 year)

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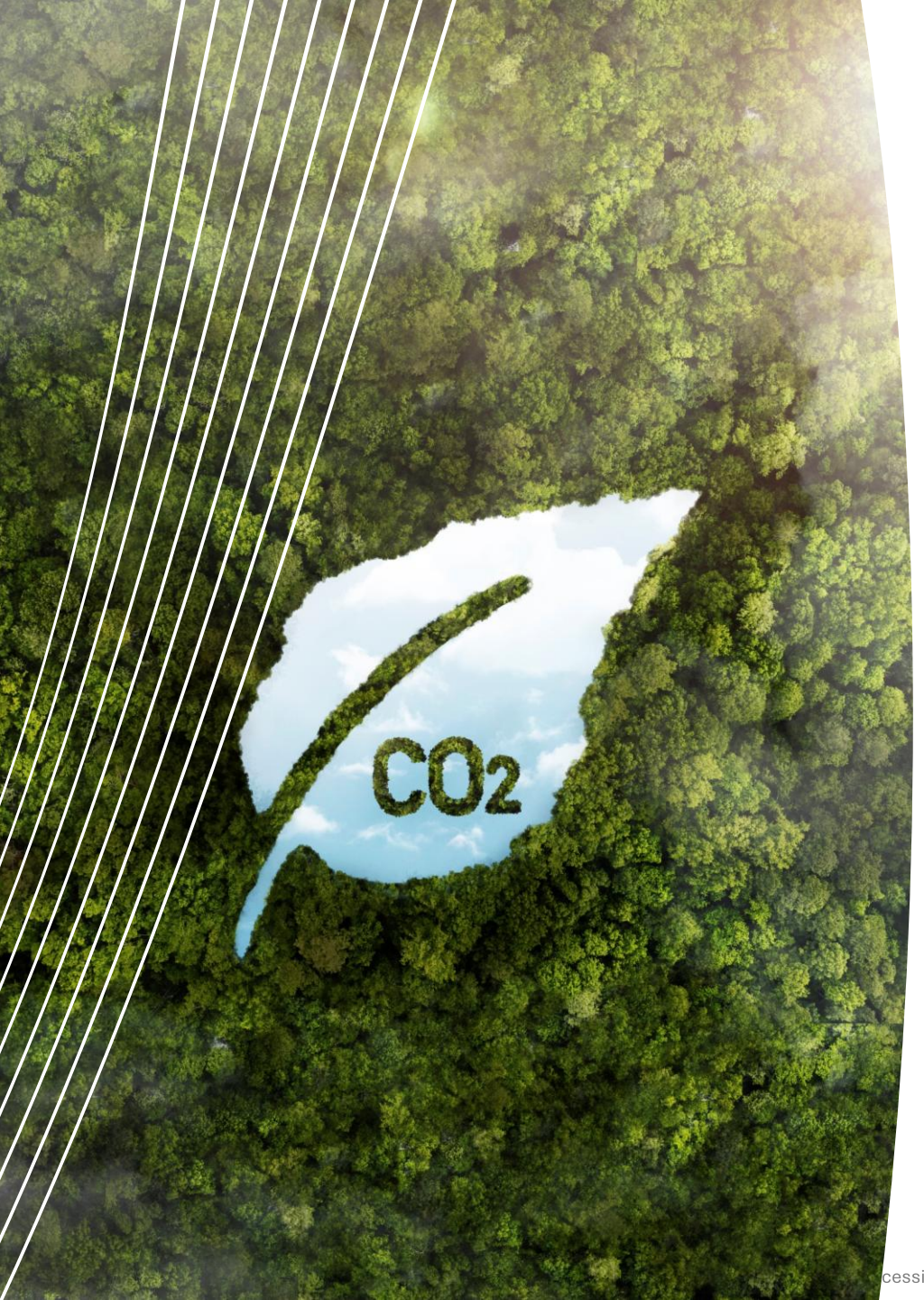

CABINET of MINISTERS of KYRGYZSTAN

by ORDER № 32-t on 23.01.2026

JOINT COMMITTEE on CLIMATE CHANGE and MARKET MECHANISMS

1. To approve the **members of the Kyrgyzstan side** of the Joint Committee on Cooperation on Climate Change and Market Mechanisms.

2. To authorize ministries and agencies to assist the Joint Committee in resolving issues arising during its work.

3. To designate the Climate Finance Center under the Cabinet of Ministers of Kyrgyzstan as the **Secretariat** of the Joint Committee.

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WAY FORWARD & CHALLEGIES

- The development of a **National Strategic Roadmap for Carbon Market Development**, aligned with the country's NDC3.0, 2050 Carbon Neutrality Concept;

- **Capacity building & assessment of carbon market potential by key sectors**, including, energy, buildings, waste, transport, agriculture, forestry, and land use;

- **Cost-effectiveness and abatement potential analyses** of carbon market solutions by sector, identifying priority mitigation activities suitable for market-based mechanisms;

- Implementation & Recommendations on institutional arrangements, regulatory needs, based on adopted **Government Decree on Carbon Market Development**.

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THANK YOU !