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**Программа Развития ООН
в Республике Казахстан**

*На UN/02020FEB011001
от 7 февраля 2020 года*

Министерство экологии, геологии и природных ресурсов Республики Казахстан, рассмотрев в рамках своей компетенции проектный документ «Содействие Республике Казахстан в выполнении международных обязательств по сокращению выбросов парниковых газов за счет сокращения углеродного следа поставщиков электроэнергии для ведущей технологической компании Bitfury», предложений и замечаний не имеет.

Вице-министр

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Project Document
UNDP
(Kazakhstan)

Project title: “Assistance to the Republic of Kazakhstan in fulfilling international obligations to reduce greenhouse gas emissions by reducing the carbon footprint of electricity suppliers for the leading technology company Bitfury”.

Project ID number:

Implementing Partner: Ministry of Ecology, Geology and Natural Resources of the Republic of Kazakhstan

Responsible Partner: United Nations Development Programme

Partner: Bitfury Holding B.V.

Start date: December 12, 2019 **End date:** December 31, 2021.

Local Project Appraisal Committee Meeting Date: December, 2019

Brief Project description
The goal of the Project is to implement comprehensive measures in Kazakhstan to absorb CO2 emissions by forest ecosystems. The main objectives of the Project will be achieved through the following measures (1) reduction of the “carbon footprint” produced by Bitfury’s electricity suppliers in the Republic of Kazakhstan by 110% with a total consumption of 82 MW (2) supporting Kazakhstan’s national initiative to create compensation mechanisms to neutralize greenhouse emissions of gases in the framework of fulfilling the obligations under the Paris Agreement (3) contributing to the achievement of the UN Sustainable Development Goal, which involves the restoration of 350 million ha of forests of the world by 2030 combating climate change.

Results (UNDAF/CPD, RPD or GPD): PFD/CPD Outcome #1.3: Ecosystems and natural resources are protected and sustainably used, and human settlements are resilient to natural and manmade disasters and climate change Estimated results with Gender Marker: GEN1	Total resources needed:	\$ 2,068,222	
	Total resources allocated:	\$ 2,068,222	
		Bitfury Phase I	\$325,000
		Bitfury Phase II	\$1,175,000
		In-kind contribution: Government Phase II:	\$200,000
	In-kind contribution: UNDP Phase I:	\$368,222	

Approved (UNDP)

Approved (MEGNR of RK)

I. CURRENT SITUATION

Human activity over the last century has led to the emission of more than one third of a trillion tons of carbon into the atmosphere. The continuation of such a policy in the next 50 years may contribute to the release of another trillion tons, which will lead to climate change and numerous natural disasters, which in recent years have been negatively affecting the population of different countries. A large group of IPCC scientists (Intergovernmental Panel on Climate Change) believe that a significant reduction in global greenhouse gas emissions can prevent huge economic losses. This is especially true for a large number of organizations and companies whose commercial success depends on the use of carbon-containing materials. A significant step forward in this direction is the Kyoto Protocol. Under this agreement, 39 states took a commitment to reduce greenhouse gas emissions during 2008–2012, gradually reaching 1990 levels. To achieve this goal, states need to reduce the sources of emissions or maintain an increase in greenhouse gas sinks. The impact of forests in the context of climate change deserves careful consideration in order to include them in the list of the main carbon sinks. Greenhouse gas emissions instantly dissipate in the planet's atmosphere, in contrast to smog-forming pollutants that cover certain areas (for example, megacities), which allows to consider that: 1) the area where CO₂ emissions are reduced does not matter: any decrease in its concentration is equally important for the mitigation of climate change effects; 2) the cheaper the project to reduce such emissions, the greater the chances of its financing by interested organizations anywhere in the world. These principles formed the basis of the international emissions trading framework and are included in the Kyoto Protocol (KP). The global economy affects the global climate, and the economy, in turn, depends on climate change. A huge unique market on the reduction of greenhouse gas emissions and carbon sequestration is being created, which in recent years has tended to grow significantly. This allows large organizations and companies producing large greenhouse gas emissions to invest in carbon deposit projects around the world. Global carbon market is being developed in industrialized countries (countries of Annex B of the Kyoto Protocol) and economies in transition.

Kazakhstan signed the Paris Agreement in August 2016. The Paris Agreement stipulates an obligation to reduce carbon dioxide emissions and hold the increase in the global average temperature to below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels. It is to be reviewed every five years so as to increase the contribution of each individual country into the reduction.

By signing the Paris Agreement, Kazakhstan pledged to reduce greenhouse gas emissions by 15 percent by 2030. The country's authorities also set an ambitious long-term goal – by 2050, to increase the share of renewable energy sources to 50 percent.

According to the data provided by International Energy Agency for 2008, the volume of emissions from burning fossil fuels in Kazakhstan amounted to 5.41 kg per dollar of GDP in 2000 prices. The largest contribution is made by the energy sector, and among energy sources the greatest part is taken by coal, the share of which in total generation is expected to increase. By 2020, it will have amounted to 66% of the gross emissions from fuel combustion.

In Kazakhstan, the level of electricity consumption is growing; however, generating and network equipment is relatively worn out. In the light of the future economic growth in the country, the electricity consumption is expected to grow to 136 billion kWh by 2030, and to 172 billion kWh by 2050.

The United Nations Framework Convention on Climate Change recognizes forests as one of the best CO₂ sinks. Such strategy is also justified in terms of additional benefits that forests bring, including their protective, recreational and environment-forming functions. Participation in Paris Agreement projects is mutually beneficial for all partners. For enterprises producing greenhouse gas emissions, such a strategy is a cost-effective contribution to scientific and practical research, which puts them in a favorable position when negotiating taxes on emissions. For forestry enterprises that provide carbon sequestration services, such projects help to continue the implementation of forest policies and the promotion of their products on the carbon market. It will also improve forest management, strengthen technical equipment of forestry and pay more attention to the principles of sustainable forest management. There are currently three major international carbon forestry

strategies. Accumulative management: the potential for carbon deposition through reforestation and afforestation of new territories depends on the species of wood used, forest conditions and ongoing forest management activities. The average level of deposition under this strategy reaches: for boreal forests – from 0.8 to 2.4 tC/ha/yr, in temperate latitudes – 0.7–7.5 tC/ha/yr and for tropical forests – 3.2-10 tC/ha/yr. Assuming 345 million ha for reforestation, afforestation and agroforestry, the possibility of global carbon deposition was assessed. In general, over 50 years, these measures can allow depositing 38 GtC, of which 30.6 GtC – thanks to reforestation and afforestation, and the remaining 7 GtC – thanks to expanded agroforestry. However, the availability of land for forest management activities can be significantly reduced by social and economic factors. Only a third of the environmentally suitable land can be used for such activities. Under this scenario, reforestation, afforestation and agroforestry can lead to an annual deposition of about 0.25 GtC, and restoration of disturbed areas can lead to an additional absorption of 0.13 GtC/yr. Forest productivity can be increased to a certain extent with the help of forest management activities (thinning, fertilizing), which will lead to additional carbon absorption. Protective Management: while the most effective way to reduce atmospheric CO₂ concentration is to reduce emissions from burning fossil fuels, maintaining existing carbon stocks in forest stands is a huge potential for managing climate change. That is because most of carbon is emitted in the years coming after deforestation.

Kazakhstan has 28.78 million ha of forests, which is used to produce 1.5 million m³ of timber. Forest land has been shrinking over the years, and the long-term value of these assets has declined — especially as a result of illegal logging, forest fires, and land use changes. Forests have largely lost such important properties as water retention, carbon dioxide retention, and soil stabilization. Therefore, it is necessary to implement projects aimed at effective conservation of forest resources, deforestation control, the introduction of modern methods of forest management and building relevant capacities.

State regulation of greenhouse gases.

The control over atmospheric emissions from stationary sources is regulated by the Ecological Code of the Republic of Kazakhstan. Although according to current version of Ecological Code, greenhouse gases are not taken into account in the process of environmental impact assessment, and in accordance with Article 68, greenhouse gas emissions are not subject to environmental permits, in accordance with Article 94-2, companies whose emissions exceed the equivalent of twenty thousand (20,000) tons of carbon dioxide per year, in the oil and gas, electric power, mining, metallurgical, chemical, processing industries (production of building materials (cement, lime, gypsum and brick)) should obtain quotas for greenhouse gas emissions. The quota for greenhouse gas emissions shall be credited to the account of the company in the State register of carbon units in accordance with the amounts, specified in the National plan for the allocation of quotas for greenhouse gas emissions within ten working days from the date of its entry into force.

The company before the 1st of April of the first year of the National plan for allocation of quotas for greenhouse gas emissions, approved for the relevant period, shall present a validated plan for monitoring greenhouse gas emissions and a verified installation passport to the authorized body in the field of environmental protection.

The company shall be obliged to submit a verified report on the inventory of greenhouse gases for the previous year to the authorized body in the field of environmental protection or to fill in the electronic form of the report in the system of the State Cadastre of sources of emissions carbon.energo.gov.kz and absorptions of greenhouse gases in accordance with the State Cadastre of sources of emissions and absorptions of greenhouse gases.

In accordance with the current Ecological code the companies in cases of increasing the capacity of the installation and (or) introducing a new stationary source of greenhouse gas emissions from the beginning of the year of development and the period of validity of the National plan for allocation of quotas for greenhouse gas emissions, approved for the relevant period, shall apply to the authorized body in the field of environmental protection to obtain additional quantity of quotas for greenhouse gas emissions.

In accordance the Ecological code, the subject of administration shall be an the company, whose greenhouse gas emissions amount is from ten to twenty thousand tons of equivalent of carbon dioxide per year, in the following regulated areas: oil and gas, electric power, mining, metallurgical, chemical, processing (production of construction materials: cement, lime, gypsum and brick). The subjects of administration before April 1st of current year shall submit a report on the inventory of greenhouse gases for the previous year to the authorized body in the field of environmental protection or fill in the electronic form of the report in the system of the State cadastre of sources of emissions and absorptions of greenhouse gases in accordance with the State cadastre of sources of emissions and absorptions of greenhouse gases. The reports on inventory of greenhouse gases of administrative subjects shall not be subjects to verification.

The companies of oil and gas, electricity, mining, metallurgical, chemical, and processing industries (production of building materials: cement, lime, gypsum and brick), whose greenhouse gas emissions do not reach ten thousand (10,000) tons of carbon dioxide equivalent per year, draw up an inventory report on greenhouse gases, but they do not submit it to authorized bodies.

It is also worth noting that according to the Ecological Code greenhouse gas emissions are not subject to public environmental impact assessment and greenhouse gas emissions are not the subject of analysis when conducting environmental audit. Greenhouse gases are subject to state control only.

International company Bitfury Holding B.V.

Bitfury Holding B.V. (Bitfury) is a leading international technology company that provides a full range of blockchain services and is one of the industry leaders which is conscious about the release of greenhouse gases. Most of the company's data centers operate using green hydroelectricity, eliminating harmful emissions, and more work is underway to improve this indicator further. For example, the Bitfury data center in Norway is one of the most energy efficient in the world: its average energy efficiency does not go beyond 1.05.

Bitfury's environmental strategy is a comprehensive plan to implement the mission and philosophy of the company and achieve its economic goals; it is designed to balance economic and environmental interests. This strategy is aimed at the maximum possible reduction of negative environmental impacts during production.

In addition, Bitfury fully supports the UN's ambitious sustainable development goals, as well as Kazakhstan's national initiative to create offset mechanisms to neutralize greenhouse gas emissions as part of Paris Agreement implementation.

Due to the fact, that Bitfury data centers in the Republic of Kazakhstan will use coal as a fuel, the company, together with UNDP, decided to compensate its "carbon footprint" by 110% by implementing the abovementioned goals.

Biodiversity Finance Initiative – BIOFIN

BIOFIN provides countries with a methodology that shows innovative steps to measure current biodiversity expenditures, assess financial needs, identify the most appropriate financial mechanisms and advise on how to implement these mechanisms to achieve national biodiversity goals.

The results of studies conducted under BIOFIN Phase I showed that Kazakhstan will need an average of \$ 170.2 mln to implement measures on conservation and sustainable use of biodiversity annually until 2025. The state budget is the main source for financing of biodiversity and ecosystem programs and will cover less than half of these necessary funds. The deficit is projected to be more than \$ 93.8 mln annually or 55.1% of the country's annual biodiversity financing. The dynamics of public financing of biodiversity is unstable. Private investment is less than 2% of total biodiversity financing.

Phase II of the BIOFIN project in Kazakhstan will be built on the lessons learned from Phase I and focus on testing six finance solutions - (1) enhanced public finance for the Protected Area System; (2) introduction of biodiversity offsets as a formal instrument in Kazakhstan; (3) subsidizing game breeding; (4) tax incentives for ecotourism development; (5) creating an enabling environment for attracting carbon offsets from the international market, multinational enterprises operating in the country and (6) establishing an internal Emission Trading System to integrate the mechanisms into the national legal framework.

The relevance of the carbon offsets mechanism is reinforced by two important aspects for the country:

- 1) conservation and sustainable management of forestry ecosystems and biodiversity. Forests in Kazakhstan occupy more than 12 million hectares of territory and are a habitat for rare and endangered species of animals (the Red Book of Kazakhstan, the IUCN Red List), like the snow leopard, the Tien Shan brown bear, roe deer, goitred gazelle, Bukhara deer and others. More than 2,5 million people (13.9%) live in forest areas and use benefits from forests.
- 2) reduction of greenhouse gas emissions at the national level with the direct activity of the private sector. According to research of BIOFIN (2016), the total volume of forest carbon in Kazakhstan is 718.3 million tons of CO₂-eq. for 2013. If the amount of forest cover is increased from 4.6% to 5.0%, the carbon absorption potential in forests will further increase to 2.9 million tons of CO₂ eq. annually after forests reach 5-10 years.

The carbon offsets can cover a number of areas of projects that will lead to win-win outcomes for the country. Expected benefits for Kazakhstan will be the expansion of forested areas, biodiversity conservation, and addressing a number of environmental problems, paid for by private sector investors. Expected benefits for the investor will be the fulfillment of the emission reduction obligations and support of environmental responsibilities related to their business.

Implementation of this project will be part of activities carried out by BIOFIN to establish carbon offsets as an official mechanism for attracting investment in the forest sector, and thereby effective management and conservation of forests. BIOFIN, together with national partners, will inform the public about the relevance of implementing forest carbon projects and strive to create a favorable legal framework for the replication of the project's results within the country and beyond.

II. STRATEGY

The Project aims to assist the Republic of Kazakhstan in fulfilling international obligations under the Paris Agreement to reduce greenhouse gas emissions by carbon storage in forests through a set of measures to reduce the "carbon footprint" produced by Bitfury's electricity suppliers in the Republic of Kazakhstan.

In accordance with preliminary data provided by state bodies, East Kazakhstan and Pavlodar regions have the largest areas of unaccounted forests consisting of deciduous and coniferous species. These forests have the highest greenhouse gas absorption coefficient. The company also plans to build Bitfury data centers in Pavlodar region. For these reasons, these areas were selected for piloting. Following the project results, this work can be extended to other regions.

The main objectives will be achieved through the following measures: (1) reduce the "carbon footprint" produced by Bitfury's electricity suppliers in the Republic of Kazakhstan by 110% with a total consumption of 82 MW (2) support Kazakhstan's national initiative to create offset mechanisms to neutralize greenhouse gas emissions in order to fulfill the obligations under the Paris Agreement (3) contribute to the achievement of the UN Sustainable Development Goal, which involves the restoration of 350 million ha of world's forests by 2030 to combat climate change (4) sustainable management of forest biodiversity.

Project activities will be carried out in 2 stages:

Stage 1 (2019, November – 2020, December) - a series of measures to enhance forest potential to absorb carbon to the equivalent greenhouse gas emissions of 17 MW of electricity generated from

coal used by Bitfury. The Project budget for stage 1 accounts for **USD 604,842, including USD 279,842 from UNDP and USD 325,000 from Bitfury.**

The cost of compensation for the negative effects of CO2 emissions by Bitfury 110% calculated based on reinvestment in environmental projects \$ 2 per 1 MW / h. Payments will be made in several tranches in accordance with the following payment schedule.

Accounting period and payments schedule of the 1st stage of the project:

	Accounting period	Payment amount	Payment date
1.	Advance payment	\$25,000	1 February 2020
2.	November 2019 – May 2020	\$150,000	1 March 2020
3.	June – December 2020	\$150,000	1 September 2020

* In each quarter following the first payment, the actual consumed electricity will be recalculated by Bitfury data centers and CO2 emissions into the atmosphere and allocated funds to compensate them. In the case of a discrepancy, the payment amounts shall be recalculated pro rata based on the actual consumption and negative effects of CO2.

The payment terms provided herein shall be entire agreement of the parties and in the event of a discrepancy between the payment terms provided hereunder and any other document (including the financing agreement dated _____ December 2019), this Project Document shall prevail and govern.

During the first stage, **the following goals will be achieved (East Kazakhstan region):**

1. Identification of unaccounted forest plots and forest inventory
2. Creation of a topographic basis for unaccounted forests
3. Drawing up of land tenure projects
4. Development of proposals for the ownership and management of transferred forests
5. Development of a pre-project analysis

Stage 2 - a series of measures to enhance forest potential to absorb carbon to the equivalent greenhouse gas emissions of 65 MW of electricity generated from coal used by Bitfury. The project budget for stage 2 accounts for **USD 1,463,380, including USD 88,380 from UNDP, USD 1,175,000 from Bitfury, and USD 200,000 from the Government of the Republic of Kazakhstan.**

Accounting period and payments schedule of the 2nd stage of the project:

	Accounting period	Payment amount	Payment date
1.	January – May 2021	\$175,000	1 February 2021
2.	June – August 2021	\$500,000	1 June 2021
3.	September – December 2021	\$500,000	1 September 2021

During the second stage, the following **goals will be achieved (East Kazakhstan and Pavlodar regions):**

1. Identification of unaccounted forest plots and forest inventory in Pavlodar region
2. Creation of a topographic basis for unaccounted forests in Pavlodar region
3. Drawing up of land tenure projects and acts on land use rights in two regions
4. Development and approval of fire protection projects in two regions
5. Development of proposals for the ownership and management of transferred forests in Pavlodar region
6. Development of a pre-project analysis of Pavlodar region and design documentation for forest carbon projects in two regions.
7. Purchase of firefighting equipment

In accordance with the Project Strategy, the following four project components will contribute to strengthening Kazakhstan's capacity to fulfill its obligations and achieve the project goal:

Component 1: Transfer of unaccounted forests of East Kazakhstan and Pavlodar regions into the category of managed forests

Component 2: Creation of green spaces of 20 ha in Pavlodar region

Component 3: Drawing up forest carbon projects

III. RESULTS AND PARTNERSHIP

III.1. Expected results

Component 1: Transfer of unaccounted forests of East Kazakhstan and Pavlodar regions into the category of managed forests

According to preliminary data, there are over 740,000 ha of forests in Kazakhstan that are not a part of forestry's or protected areas and are practically not managed, including 109.2 ha of unaccounted forests in East Kazakhstan and Pavlodar regions. As a result of the lack of data accounting and monitoring, protection, and forest maintenance, unaccounted forests are subject to fires, illegal logging and other types of anthropogenic pressure. According to preliminary estimates, the volume of carbon deposition by unaccounted forests is more than 3.5 million tons of CO₂ eq. annually, and if managed properly, the amount of carbon deposited has potential for growth.

Expected outcomes under Component 1:

Outcome 1. At least 100,000 ha of unaccounted forests of East Kazakhstan and Pavlodar regions are transferred to the category of managed forests and registered in accordance with the legislation of the Republic of Kazakhstan.

Outcome 2. The technical potential of forestry is strengthened as a result of the purchase of firefighting equipment.

Outcome 3. Regulatory acts to ensure the implementation of forest carbon projects are developed and submitted to state bodies

Under Component 1, the following activities to achieve the objectives will be carried out:

1. Inventory of unaccounted forests:

An inventory of unaccounted forests includes a complex of tasks that involves the division of a forest into homogeneous areas and the description of the areas. The tasks performed include a survey of the boundaries of the forest area, the division of the area into compartments and the survey of the compartment grid, the establishment of valuation plots within the compartments, and the compilation of a valuation description, charts, and maps of the stands. The valuation description gives the area and industrial characteristics of each section of the stands, including the origin, composition, shape, age, density, volume, and marketability index (the commercial evaluation) of the stands, as well as the average height and diameter of the trees, the type of forest, and the presence of seedling growth and brushwood. In describing unforested cutting areas, vacant lands and clearings, the possibility of reforestation is determined. The forest survey is preceded by topographic work, which is done mainly by aerial photography.

In this regard, as part of the phase, field trips for preliminary data collection will be carried out to the regions with unaccounted forests. In the course of the field work, meetings will be organized with forestry experts, local authorities and land management agencies to determine whether land under unaccounted forests belongs to land categories; a topographic basis for unaccounted forests within the administrative regions will be created with preliminary allocation of valuation stands; an inventory of unaccounted forests will be carried out with a description of the necessary valuation indicators; the areas of valuation stands will be determined and the forest plot charts will be compiled.

During natural forest valuation, aerial photographs and satellite imagery will be used, a survey of the natural regeneration, sanitary condition of the forests, the appointment of economic measures for the protection, reproduction and use of forests will be carried out.

2. Creating a topographic basis

In order to describe relations between forests and other natural elements in the area, a specialized topographic survey will be conducted. The creation of a topographic basis is one of the most

important measures for transferring unaccounted forests into the category of managed forests and is an integral part of forest management. Based on the results of topographic and valuation work, forest plans and maps will be designed. Maps allow one to solve various problems that arise when organizing management of unaccounted forests.

Mapping and compilation of forest plot charts will be carried out on a scale of 1: 25000 based on satellite images and photographic plans, compiled as result of office processing of forest inventory materials, compiled forest plot charts and a reforestation plan.

3. Drawing up land tenure projects

During the stage, land tenure projects will be drawn up based on a land use map, namely, surveying and geodetic work of individual sections of unaccounted forests will be carried out; land use maps will be compiled and title documents will be drawn up for the transfer of unaccounted forests to the category of managed forests.

4. Development of proposals for the effective management of unaccounted forests

After legal registration of unaccounted forests, experts will develop recommendations on the ownership and effective management of these forests.

5. Strengthening forestry's capacity through the purchase of firefighting equipment.

During the project, forestries with the greatest risk of fire and those in need of firefighting equipment will be provided with it: fire engines – 2 units, MTZ tractors – 2 units, snowmobiles – 2 units.

6. Project design documentation for forest carbon projects is developed and submitted to state bodies

Strengthening the legal framework for offsetting greenhouse gas emissions by forest carbon units is an important part of the project. This work has been carried out by UNDP since 2018 and will be additionally supported in the framework of the current project.

The implementation of Component 1 will involve key government bodies and stakeholders with the mandatory participation of the Forestry and Wildlife Committee, the Department of Climate Change under the Ministry of Environment, Geology and Natural Resources, Zhasyl-Damu JSC, Natural Resources and Environmental Management Offices, and Land Resource Management Agencies under regional akimats.

Component 2: Creation of green spaces of 20 ha in Pavlodar region

The population of Pavlodar region are exposed to greenhouse gas emissions from the main energy-supplying enterprises operating on the basis of coal generation. Bitfury data centers will also use electricity produced in Pavlodar region this way.

Greenery spaces are important not only because they absorb carbon dioxide and provide oxygen, but also they reduce the level of air pollution, lower the air temperature due to moisture evaporation, protect against winds, emit volatile substances that kill pathogenic microbes and positively affect human health.

In the absence of natural carbon dioxide absorbers, i.e. green spaces, the concentration of greenhouse gases increases. This leads to atmospheric pollution and an increase in the maximum permissible concentration of harmful substances in the atmosphere at the regional and global levels. An increase in the concentration of harmful gases leads to the incidence of respiratory and other diseases among the population. Also, this way the country is not be able to fulfill the taken commitments to voluntarily reduce greenhouse gas emissions under the Paris Agreement.

Expected outcomes under Component 2:

Outcome 1. 20 ha of green spaces in Pavlodar region are created and transferred to the state.

Under Component 2, the following measures to achieve the objectives will be taken:

1. Determination of the area for future green spaces in Pavlodar region

2. Development of design estimates
3. Purchase of planting material
4. Tree planting
5. Drawing up and approval of a green zone management plan
6. Transfer of the green zone to the state

Component 3: Drawing up of forest carbon projects

Forest carbon projects aimed at increasing net absorption and carbon units production include the following activities: forest management, afforestation, reforestation, restoration of forest cover. Accordingly, Biffury will create the basis for the development of carbon forest projects in two regions under Components 1 and 2:

- Forest carbon project to transfer unaccounted forests into the category of managed forests;
- Forest carbon project to create green spaces in Pavlodar region.

Projects will be developed in accordance with the Guidelines for the development and implementation of forest projects in the Republic of Kazakhstan, the calculation of the potential for greenhouse gas absorption by forests will be carried out in accordance with the Methodology for assessing the absorption of greenhouse gases in the implementation of forest projects developed for Kazakhstan in accordance with the recommendations of the Intergovernmental Climate Change Expert Teams (IPCC).

In addition, a gender analysis of forest carbon projects will be carried out in order to determine the impact of forest carbon projects on the gender balance in Kazakhstan.

Expected outcomes under Component 3:

Outcome 1. Two forest carbon projects are drawn up and approved

Outcome 2. A set of documents for approval and registration of the project in the national registry of carbon projects is prepared

Outcome 3. An analysis of the impact of forest carbon projects on the gender balance in Kazakhstan is drawn up. Assessment of risks, equal opportunities for women and men in the implementation of forest carbon projects, assessment of the likelihood of equitable access and distribution of benefits between men and women in the implementation of forest carbon projects, assessment of working conditions for men and women in the forest sector. Preparation of a publication on the gender dimension of forest carbon projects for a wide range of stakeholders.

During the implementation of Component 3, the following activities will be performed:

1. Development of an idea (concept) of a forest carbon project
2. Preliminary assessment of the possible net greenhouse gas absorption associated with the implementation of the forest carbon project
3. Development of design documentation
4. Approval of a carbon forest project by an independent accredited organization
5. Preparation of a package of documents for approval and registration of the project in the national registry of carbon projects
6. Assessment of risks, equal opportunities for women and men in the implementation of forest carbon projects, assessment of the likelihood of equitable access and distribution of benefits between men and women in the implementation of forest carbon projects, assessment of working conditions for men and women in the forest sector. Preparation of a publication on the gender dimension of forest carbon projects.
7. Preparation of a publication on the gender dimension of forest carbon projects for a wide range of stakeholders.

Component 4: Project management

The Project will be implemented at the national level by the Ministry of Environment, Geology and Natural Resources with the support of the UNDP Country Office and Bityury. UNDP will support the implementation by managing the project budget and costs, concluding contracts with project staff, experts and subcontractors, conducting procurement and other assistance upon request from the implementing partner. UNDP will also oversee the implementation of the project and the achievement of project results, and the proper use of the allocated resources. The Direct Project Cost Agreement (DPCs) between UNDP and the coordinating partner was determined based on the level of service provided. In addition, UNDP will provide technical support in the form of practical guides, reference documents, tools and training packages required for the project implementation. UNDP will coordinate with project partners to help ensure project coherence and synergies in Kazakhstan.

As necessary, UNDP will engage national and international consultants to ensure high quality and effective implementation of project activities. The project will establish partnerships with various stakeholders, whose participation is necessary for the successful implementation of planned activities. The project will be implemented in close coordination and cooperation with all interested government agencies, business associations, as well as with other relevant projects. In order to prevent conflicts of interest, representatives of partner organizations will not have the right to work in the Project Board, and will not play a role in project management. The Project Board can involve them, as necessary, in project activities and discussions of plans and project evaluations.

The audit will be conducted in accordance with established UNDP rules and procedures applicable to national projects.

The Project office will be based in Nur-Sultan. It is expected that the project office will be fully staffed with the project implementation team to successfully achieve the project goals.

Expected outcomes under Component 4:

Outcome 1. The Project is implemented in accordance with the expected results, time and financial framework provided for in this project document.

Under Component 4, the following activities to achieve the objectives will be carried out:

1. Holding PMT meetings at least 2 times a year
2. Drawing up of quarterly reports
3. Drawing up of annual and final reports
4. Drawing up of a report on lessons learned
5. Project audit

III.2. Resources required to achieve expected results

At the national level, the Project will be implemented by *the Ministry of Environment, Geology and Natural Resources* (the Ministry), which will act as the coordinating partner and beneficiary of the project. As the implementing organization, the Ministry will be responsible for overall project management, it will appoint a national project director (NPD), a senior government official who will be responsible for the overall implementation, namely, for coordinating the achievement of project goals and providing support at the decision-making level in the Government of Kazakhstan. Within its authority, the NPD will support the implementation of project activities, such as missions of international consultants, trainings for relevant personnel, and ensure proper access to project sites, relevant data, records, agencies and state bodies.

The UNDP Country Office will also provide support and will be an active partner in the implementation. It will manage the project budget and costs, concluding contracts with project staff, experts and subcontractors, conducting procurement and other assistance upon request. UNDP will also monitor progress and the achievement of project results, as well as ensure the appropriate use of the resources provided by the Special Program. Financial operations, reporting and auditing will

be conducted in accordance UNDP national and established rules and procedures applicable to national projects.

Support for the project implementation will also be provided by Bitfury. The company will participate in the project management, monitoring the project budget and costs, and the achievement of project results.

The project will be implemented in close coordination and cooperation with all relevant government agencies and other project stakeholders.

As part of this project, a project implementation team will be hired to carry out project activities and achieve their goals.

III.3. Partnership

Management, conservation and restoration of forests at the national level requires support from key stakeholders who are interested in making this process a success, and their functions are described below.

The Ministry of Ecology, Geology and Natural Resources of the Republic of Kazakhstan is the central executive body in the field of environmental protection, authorized to perform the functions of public administration and control, as well as carrying out intersectoral coordination in the field of environmental protection and rational use of natural resources, excluding specially protected natural areas, forests, fauna and flora, water and land resources. It is responsible for the formation and implementation of the state policy for environmental protection, solid waste management, protection, control and supervision of the rational use of natural resources; develops and implements a national environmental policy; organizes state control over the environmental protection and the use of natural resources, implements multilateral environmental agreements, improves economic methods of environmental protection within its competence. The Ministry coordinates the activities of the central executive bodies, which carry out the functions of environmental protection and management and exercises supervisory control. The Ministry has a department – Forestry and Wildlife Committee.

Forestry and Wildlife Committee of the Republic of Kazakhstan carries out strategic, regulatory functions, implementation and control in the field of forestry, conservation, reproduction and use of wildlife and specially protected natural areas. The Committee exercises state control and supervision over the implementation of measures to protect forests from pests and diseases, timely measures taken to prevent the occurrence, spread, accuracy of accounting and prediction of foci of pests and forest diseases, weakening and death of plantings from adverse natural and man-made effects. The Committee exercises state control and supervision over the use of forest lands in accordance with their intended purpose and the protection of these lands, ensures state accounting of the forest fund, state forest cadastre, state monitoring of forests and forest management in the state forest fund.

Zhasyl-Damu JSC is a national operator on reducing greenhouse gas emissions through the establishment and proper functioning of the regulatory and trade system in greenhouse gas emissions quotas in the Republic of Kazakhstan. Creation and functioning of a modern carbon trade system in the Republic of Kazakhstan that meets international requirements, including infrastructure (registry and cadastre) with the involvement of foreign experts (EU, USA, Australia, Japan, etc.), effective management of the reserve for the volume of quotas for greenhouse gas emissions, participation in the development and improvement of methods for monitoring compliance with environmental laws, as well as draft regulatory legal acts in the field of environmental protection and the regulation of greenhouse gas emissions. Expert and technical support to the Government of the Republic of Kazakhstan in negotiation processes under the UNFCCC and representation of Kazakhstan within international conventions (UNFCCC, Kyoto Protocol, Paris Agreement, Stockholm, Basel, Rotterdam, Vienna Conventions, Convention on Long-range Transboundary Air Pollution, Montreal Protocol on Substances that Deplete the Ozone Layer).

From private sector – Bitfury (a blockchain technology company) is a major player in the development of the global blockchain ecosystem. In addition, private sector plays an important role in tackling climate change. Collective action by the private sector in combating climate change is growing every day. Bitfury has joined supporters of greenhouse gas emissions reduction. The

implementation of this Project with the participation of the company indicates specific commitments made by the company to reduce greenhouse gas emissions and its contribution to combating climate change.

The Global Biodiversity Finance Initiative - BIOFIN provides countries with a methodology that shows innovative steps to measure current biodiversity expenditures, assess financial needs, identify the most appropriate financial mechanisms and advise on how to implement these mechanisms to achieve national biodiversity goals.

Phase II of the BIOFIN project in Kazakhstan will be built on the lessons learned from Phase I and focus on testing six finance solutions - (1) enhanced public finance for the Protected Area System; (2) introduction of biodiversity offsets as a formal instrument in Kazakhstan; (3) subsidizing game breeding; (4) tax incentives for ecotourism development; (5) creating an enabling environment for attracting carbon offsets from the international market, multinational enterprises operating in the country and (6) establishing an internal Emission Trading System to integrate the mechanisms into the national legal framework.

Introduction of new finance solutions will be based on amending the existing, and preparing new, legal norms; studying the experience of other countries in the practice of applying new finance solutions and approaches; increasing the capacity of industry experts; responding to changes in a timely manner; and providing extensive information to decision makers.

III.4. Risks and Assumptions

A risk analysis was conducted during the PPG phase, and the project Risk Assessment and Mitigation table in UNDP format is included as Annex C of this Project document. In accordance with UNDP standard requirements, the Project Manager will quarterly monitor risks and report the risk status to the UNDP Country Office. The UNDP Country Office will record changes in the UNDP ATLAS risk log (operating system). Risks will be marked as critical when the impact and likelihood are high (i.e. when the impact is rated 5 or 4 and the probability is rated 3 or higher). The Project Manager's response to critical risks will also be reported to UNDP in an annual report.

All risks identified in the SESP (UNDP Social and Environmental Screening Procedure) were rated as low. Therefore, the project as a whole, in accordance with SESP standards, is assessed as having low risk for successful implementation.

The risks identified in the SESP are mainly based on the fact that the project will support a change in the land use system during the transfer of unaccounted forests to the category of managed forests. As stated in the SESP, the project will work closely with all stakeholders throughout the project in order to minimize and mitigate the potential risks arising from the project results. The project will also ensure compliance with all legal procedures in accordance with the legislation of Kazakhstan in the field of forestry and land relations, as well as relevant international standards.

III.5. Stakeholders engagement

There will be a political dialogue built between planners and practitioners who are experts in forest management issues. The interest of the parties is determined by the desire to solve several problems that exist today in the forest management and climate change issues: conservation of forest biodiversity, sustainable use of forest resources, reduction of anthropogenic impact on forests, mobilization of financial resources for forest conservation, increase in the forest cover and reduction of greenhouse gas emissions.

Forestry and Wildlife Committee and the Ministry of Ecology, Geology and Natural Resources are the key stakeholders and, at the same time, are the beneficiaries of the Project. It is expected that these governmental bodies will strengthen the legal framework for the development and implementation of forest carbon projects and, after the completion of the Project, they will replicate a mechanism for voluntary compensation of greenhouse gas emissions.

Local executive bodies are important stakeholders in the implementation of the Project, as the Project addresses issues of changing land use. Given the fact that the Project involves an

investments flow in forest management at the local level, Akimats will facilitate the timely implementation of land registration documents.

"Zhasyl Damu" JSC is the main agency in Kazakhstan that carries out tasks of developing and improving methods for monitoring compliance with environmental laws, as well as projects of regulatory legal acts in the field of environmental protection and regulation of greenhouse gas emissions. Zhasyl Damu will facilitate development of the Carbon Forest Project, its validation, verification, formation of the package of documents for approval and registration of the Project in the national register of carbon projects.

Stakeholders will be involved in all stages of the Project and it is expected that they will play an active role in the implementation of the Project to ensure that planned activities take place within the framework of national conditions related to the Project theme. The Government, through the Forestry and Wildlife Committee of the Ministry of Ecology, Geology and Natural Resources of the Republic of Kazakhstan has committed itself to coordinate planting forest stand, further monitoring and conservation.

Stakeholder involvement in the Project implementation process will be carried out through various communication methods, such as personal communication, seminars, round tables, information exchange by e-mail, tele- and video-conferences, as well as other types of available communication technologies (social networks, official websites of organizations , tweeter, blogs, etc.).

In Kazakhstan, the Media are highly commercialized and show very low interest in environmental issues, which are actually of great interest to the population. In addition, due to high corruption, access to information is limited due to the involvement of high-ranking influential officials and industrial polluting enterprises. Therefore, in recent years, social networks have played an important role in attracting the attention of not only the population, but also government agencies in order to discuss environmental issues.

The project will actively use this new opportunity - to reach general public directly and / or through active existing public bloggers. This will allow not only to quickly disseminate information through reposts, but also to receive maximum feedback. In addition, it takes a little money to create a sponsored blog and/or attract existing active bloggers. At the same time, the content and format of any information on the project progress and results, transmitted to social networks and other media, will be preliminary agreed between the UNDP PR specialists and Bitfury.

III.6. Gender

The project considers the provision of equal opportunities for men and women, viewing all aspects of gender equality, that is, equal rights in the use of forest resources, as well as in the implementation of forest carbon projects.

Taking into account the UNDP gender studies within the framework of biodiversity projects, the Project will consider enhancing the capacity of epy parties interested in the implementation of forest carbon projects through gender analysis, holding an international conference on gender issues and issuing information materials for distribution.

Under this Project will be held a gender analysis to form an idea of the roles, responsibilities, customs, rights and practices that determine how women and men from various socio-economic/cultural groups in the target territory use nature and manage forest resources in order to obtain funds to the existence and maintenance of their families. It is necessary in order to collect comprehensive baseline data (disaggregated by sex) and to facilitate regular monitoring and evaluation.

Involvement of women in the decision-making process regarding the transfer of unaccounted forests into the category of managed forests, both as stakeholders and in practice, in order to eliminate the initial manifestations of social and gender inequality from the very beginning of the project, provided that the most accurate data and information are available.

Empowering women to manage land and natural resources, including land use in communities: (1) development of gender indicators and collection of data disaggregated by sex to monitor the extent

to which the identified gender issues are reflected in the results. These indicators are included in the assessment and monitoring system for impact analysis; (2) promoting dialogue between women and men to ensure more equitable distribution of rights, use, control and management in relation to land and natural resources (that is, a complaint handling mechanism); (3) development of gender-oriented policies in the field of land management and forest management at the subnational and national levels.

Gender analysis is an important element of the Project. For conducting this analysis, at least the following issues should be considered:

- What are the different roles of men and women in forest management, forest tenure, agriculture and animal husbandry?
- Are there gender differences in the possibilities of using forests, non-timber forest products, agricultural goods and services, their control and accumulated information?

The project will also help strengthen the capacity of the following organizations regarding gender issues:

- Ministry of Ecology, Geology and Natural Resources.
- Forestry and Wildlife Committee.
- Private sector

III.7. South-South and Triangular Cooperation (SSC/TrC)

This Project will be based on successful experience in implementing projects in the cooperation of the private sector and governmental agencies in the field of reducing greenhouse gas emissions in Kazakhstan through a set of measures for the management and protection of forestry, which has great potential for CO₂ absorption.

The Project will provide a high degree of interaction, communication and exchange of experience, best practices and lessons learned with other forest ecosystem management projects in countries that are parties to the Paris Agreement and the Convention on Biodiversity. The Project will support participation of Kazakhstan in meetings and conferences of the parties on climate issues, conservation of forest ecosystems and forest biodiversity. These conferences and forums play an important role in providing platforms for the exchange of lessons learned in improving the effectiveness of stakeholders, as well as related knowledge in the field of forest management.

III.8. Knowledge

The main objective of this Project is to strengthen the role of the private sector in reducing emissions and increasing the absorption of greenhouse gases through management, conservation and restoration of forests. The proposed measures to reduce the "carbon footprint" of the company's activities will help stakeholders make timely decisions and will be aimed at mitigating climate change and harmful effects on the environment.

Project results will be highlighted among stakeholders and national partners at regular meetings and Project Boards, as well as at conferences and seminars held as part of the Project. Local communities will be informed through existing social networks and other available resources for the exchange of information.

III.9. Sustainability and Scaling Up:

The design of the Project includes three following strategies to ensure that capacity development is sustainable over time.

The Project will work at the systemic, institutional and individual levels, providing many impact points for the further self-sufficiency of the forest management sector. Strategies that work at the level of policy implementation, planning, programs and the community will be used. The project will work both at the national and local levels to stimulate mutually reinforcing top-down and bottom-up activities. Activities at the national level will improve the enabling environment for capacity building

and increase the knowledge and skills of project beneficiaries, including governmental and non-governmental organizations. Activities at the local level will motivate local authorities and civil society to solve problems related to forest management, which have consequences, both at national and local levels.

The transfer of unaccounted forests to the state forest fund will provide further effective management, control and conservation, which will increase the absorption capacity of greenhouse gases. The government of Kazakhstan is responsible for the state forest fund, which will ensure the sustainability of the project.

IV. PROJECT MANAGEMENT

Cost efficiency and effectiveness:

This Project will be implemented in accordance with the standard procedures and requirements of UNDP and the Government of Kazakhstan for the management of financial resources, which will ensure the economic efficiency of aspects such as the procurement of goods and services. Project management will include structured and consistent planning of project activities, as well as financial planning. The Annual Plans and Budget of the Project will be agreed with the Project Board. Economic feasibility and efficiency will be ensured at each stage of the Project through the procurement procedures of UNDP through tenders (quality at affordable prices) for all types of activities, including selection of consulting services and procurement of services based on the principle of price/quality ratio. In addition, project management costs are planned at a rate of 10% of the total Project budget. Co-financing for the main partner of Bitfury is also expected in the form of in-kind contribution from UNDP and the Government of Kazakhstan.

V. RESULTS:

PFD/Country Programme Outcome: Outcome 1.3. Ecosystems and natural resources are protected and sustainably used, and human settlements are resilient to natural and manmade disasters and climate change										
Results indicators as mentioned in Country Programme [Global/Regional] or Results and Resources Framework, including baseline data and target indicator: Indicator 2: Number of key sectors, including the public sector, where green/climate change adaptation practices have been introduced										
UNDP Strategic plan outputs:										
Project title and Atlas ID: "Assistance to the Republic of Kazakhstan in fulfilling international obligations to reduce greenhouse gas emissions by reducing the carbon footprint of electricity suppliers for the leading technology company Bitfury".										
OUTCOMES	OUTCOMES/INDICATORS	Source	Baseline			Target (Frequency of data collection)			Data collection methods	Risks
			Value	Year	Year 1 2019	Year 2	Year 3	Final		
FINAL OUTCOME: Compensation of at least 110% of the carbon footprint of Bitfury from the use of traditional electricity for business development	The number of forest carbon units compensating CO2 emissions (in tons)	Project Reports	0	2019	0	421,150	622,978	622,978	Validation report	Political 1: Frequent changes in government can lead to unforeseen policy changes that will affect the achievement of project goals.
Outcome 1. At least 100,000 ha of unaccounted forests of East Kazakhstan and Pavlodar regions are transferred to the category of managed forests and registered in accordance with the legislation of the Republic of Kazakhstan.	The number of hectares of forest transferred to the protected and managed regime	Project reports, land use	0	2019	0	67,972 ha	41,700 ha	109,192 ha	Forest inventory reports, acts, maps	Institutional 1: Delays with paperwork for transferring unaccounted forests into the category of managed forests, transferring green spaces to the state balance at

Gender Marker: GEN1										the level of local executive bodies
Outcome 2. The technical potential of forestries is strengthened as a result of the purchase of firefighting equipment. Gender Marker: GEN1	Amount of purchased fire fighting equipment: 1. Fire truck 2. MTZ tractor 3. Snowmobiles	Project reports	1.1. Fire truck - 0 1.2. Tractor MTZ - 0 1.3. snowmobile – 0	2019	0	1.1. Fire truck - 2 units. 1.2. Tractor MTZ - 2 units. 1.3. Snowmobiles - 2 units.	–	1.1. Fire truck - 2 units. 1.2. Tractor MTZ - 2 units. 1.3. Snowmobiles - 2 units.	The act of acceptance/transfer of machinery on the balance of the forestry.	Financial 1: delays with approval and allocation of funds from private sector Financial 2: fluctuations in the exchange rate of the currency, bitcoins, MW volumes and other factors affecting the volume and terms of financing
Outcome 3. Regulatory acts to ensure the implementation of forest carbon projects are developed and submitted to state bodies GEN1	Approved Legal Acts on carbon forest projects	The regulatory framework of the Republic of Kazakhstan	0	2019	0	2	–	2	http://adilet.zan	
Outcome 4. 20 ha of green spaces in Pavlodar region are created and transferred to the state. GEN1	Forest area	Reports	0	2019	0	0	20ra	20ra	DED, act of transfer	
Outcome 5. Two forest carbon projects are drawn up and approved GEN1	1 Design and technical documents for forest carbon projects 2. Validation report	Project documents and reports	0	2019	0	1	1	2	Zhassyl- Damu data base	
Outcome 6. A set of documents for approval and registration of the	1.Project Concept, Project		0	2019	0	3	3	6	Reports and data Zhassyl-	

project in the national registry of carbon projects is prepared GEN1	document, Monitoring plan								Damu, official correspondence	
Outcome 7. An analysis of the impact of forest carbon projects on the gender balance in Kazakhstan is drawn up. Assessment of risks, equal opportunities for women and men in the implementation of forest carbon projects, assessment of the likelihood of equitable access and distribution of benefits between men and women in the implementation of forest carbon projects, assessment of working conditions for men and women in the forest sector. Preparation of a publication on the gender dimension of forest carbon projects for a wide range of stakeholders. Gender Marker: GEN2	1. Analytical report 2. Resolution of the international conference on gender issues 3. Publication on the gender aspect of forest carbon projects	Reports	0	2019	2	1	0	3	Reports, resolution and publication on UNDP sites	

VI. MONITORING

Monitoring plan

Type of monitoring	Objective	Frequency	Expected activities	Partners	Cost
Monitoring of Project Outcomes	Data on project activities by performance indicators in the RRF will be collected and analyzed to assess the progress of the project in achieving agreed results.	Quarterly or at the frequency required for each indicator	Slower than expected project progress is discussed by project management.	Ministry of Ecology, UNDP CO	-
Monitoring and Risks management	Identification of specific risks that may threaten the achievement of planned results. Identification and monitoring of risk management actions using logical risk framework. This includes monitoring measures and plans that may be required in accordance with UNDP social and environmental standards. The audit will be conducted in accordance with UNDP audit policy for financial risk management.	Quarterly	Project manager identifies risks and takes appropriate measures to manage risks. The logical risk framework is kept active to track identified risks and actions taken.	UNDP CO	-
Trainings	Knowledge, best practices and lessons learned will be regularly collected, as well as actively taken from other projects and partners will be included in the Project.	At least annually	The relevant lessons are learned by the project team and used for management decisions.	Ministry of Ecology, UNDP CO	-
Annual oversight and quality assurance of the	The quality of the Project will be evaluated in accordance with UNDP quality standards. This will help to identify the strengths and weaknesses of the project and to make managerial	Annually	Areas of strengths and weaknesses are verified by the project management and used to justify decisions aimed at	Ministry of Ecology, UNDP CO	-

project implementation	decisions and improve project performance.		improving the effectiveness of the project.		
Regular project review and adaptive management	Internal review and analysis of data and evidence of monitoring actions for appropriate decisions.	At least annually	Data on productivity, risks, lessons and quality are discussed by the Project Board and used to adjust the project implementation plan.	UNDP CO	-
Project report	A report on the Project progress will be presented to the Project Board and key stakeholders. The report will include data on the results achieved in comparison with predefined annual goals at the level of results, annual summary of the project quality rating, an updated list of risks and mitigation measures and other reports prepared for the reporting period.	Annually and at the end of the project (final report)		Ministry of Ecology, UNDP CO Bitfury Project Board members	-
Project Board	The Project Board will conduct regular evaluations of Project activities to analyze and evaluate the effectiveness of the Project and consider a multi-year work plan to ensure realistic budgeting throughout the Project. In the final year of the Project, the Project Board should review the Project in order to capture the lessons learned and discuss with the appropriate audience the possibilities of scaling and implementing the project results.	At least annually	The Project Board discusses any issues of implementation quality or any delays than expected. The actions taken are fully consistent with the identified problems.	Project Board members	\$ 500

VII. PROJECT WORK PLAN

EXPECTED OUTCOMES	PLANNED ACTIVITIES	YEAR 1 (2019)	YEAR 2 (2020)	YEAR 3 (2021)	RESPONSIBLE PARTIES	PLANNED BUDGET						
						Donor name	Atlas Budget Description	Amount (USD), 2019	Amount (USD), January–May 2020	Amount (USD), June – December 2020	Amount (USD), 2021	Total amount (USD)
Component 1: Transfer of unaccounted forests of East Kazakhstan and Pavlodar regions into the category of managed forests												
Outcome 1. At least 100,000 ha of unaccounted forests of East Kazakhstan and Pavlodar regions are transferred to the category of managed forests and registered in accordance with the legislation of the Republic of Kazakhstan.	1.1. Identification of forest sites, collection of forest accounting data. Discussion with akimats of East Kazakhstan and Pavlodar regions issues of ownership of forest areas, paperwork on the translation of unaccounted forests. Holding working meetings, discussions during the implementation of the project in Nur-Sultan, Ust-Kamenogorsk, Pavlodar	X	X		UNDP, Bitfury	UNDP	71200 – International Consultants	27 970	700	0	0	28 670
							71300 – Local Consultants		7 000	0	0	7 000
							75700 – Workshops, meetings	5 000	9 776	0	0	14 776
	1.2. Forest inventory of East Kazakhstan region by conducting field taxation in the format		X		UNDP, Bitfury	Bitfury	71400 – Services contracts	0	0	20 000	0	20 000
						72100 – Contractual	0	0	63 717	0	63 717	

Outcome 2. The technical potential of forestries is strengthened as a result of the purchase of firefighting equipment.	of state forest accounting						Services – Companies					
							71600 - Travel	0	0	10 000	0	10 000
	1.3. Forest inventory of Pavlodar region by conducting field taxation in the format of state forest accounting			X	UNDP, Bitfury	Bitfury	71300 – Local Consultants	0	0	0	20 000	20 000
							72100 – Contractual Services – Companies	0	0	0	37 608	37 608
						71600 - Travel	0	0	0	10 000	10 000	
Outcome 3. Regulatory acts to ensure the implementation of forest carbon projects are developed and submitted to state bodies GEN1	1.4. Mapping and compilation of forest tablets on a scale of 1: 25000 based on satellite images and photographic (office processing of forest inventory materials, compilation of forest tablets, planning of afforestation)	X	X	X	UNDP, Bitfury	Bitfury	72100 – Contractual Services – Companies					
	on East Kazakhstan	X	X	X					162 037	45 172	96 505	303 714
	On Pavlodar			X				0	0	0	187 650	187 650
	1.5. Drawing up land management projects based on a land use map and developing proposals for ownership of unaccounted forests: • survey geodetic work of individual		X	X	UNDP, Bitfury	Bitfury	72100 – Contractual Services – Companies					

	sections of unaccounted forests; • mapping of land use; • execution of land title documents.											
	on East Kazakhstan	X	X	X				0	0	0	228 150	228 150
	On Pavlodar			X				0	0	0	140 963	140 963
	1.6. Strengthening the material and technical resources of forestry's (fire engines, snowmobiles, MTZ tractors)			X	UNDP, Bitfury	Bitfury	72100 – Contractual services – Companies				152 087	152 087
	1.7. Development and promotion of regulatory acts, ensuring the implementation of forest carbon projects	X	X	X	UNDP, Bitfury	UNDP	71200 – International Consultants	6 300	5 250	0	0	11 550
71300 – Local Consultants							5 000	8 250	2 750	0	16 000	
71400 – Service contracts							6 780	35 600	11 866	6 780	61 026	
	Total Component 1:					Bitfury		0	162 037	138 889	872 963	1 173 889
						UNDP		51 050	66 576	14 616	6 780	139 022
Component 2: Creation of green spaces of 20 ha in Pavlodar region												
Outcome 4. 20 ha of green	2.1. Meetings with the Akimat of Pavlodar region and			X	UNDP, Bitfury	Bitfury	74200 – Audio Visual&Print Prod Costs	0	0	0	2 000	2 000

spaces in Pavlodar region are created and transferred to the state.	coordination of sites for planting green spaces. Conducting working meetings during the implementation of the project.						75700 – Workshops, meetings	0	0	0	3 000	3 000
	2.2. Development of design and estimate documentation for the creation of the green zone			X	UNDP, Bitfury	Bitfury	72100 – Contractual services-Companies	0	0	0	70 000	70 000
	2.3. Purchase of planting material. Planting Works			X	UNDP, Bitfury	Bitfury						
	2.4. Preparation and approval of a green area management plan. Transfer of the green zone to the balance of the authorized body.			X	UNDP, Bitfury	Bitfury						
	Total Component 2:					Bitfury		0	0	0	75 000	75 000
						UNDP		0	0	0	0	0
Component 3: Drawing up of forest carbon projects												
Outcome 5. Two forest carbon projects are drawn	3.1. Development of a Forest Carbon Project Concept.			X	UNDP, Bitfury	Bitfury	71200 – International Consultants	0	0	0	50 000	50 000
	3.2. Preliminary assessment of net possible			X	UNDP, Bitfury	Bitfury						

up and approved	greenhouse gas removal associated with the implementation of the forest carbon project.											
	Outcome 6. A set of documents for approval and registration of the project in the national registry of carbon projects is prepared											
	3.3. Development of the Project design documentation			X	UNDP, Bitfury	Bitfury						
	3.4. Validation of carbon forest project by an independent accredited organization			X	UNDP, Bitfury	Bitfury	72100 – Contractual services-Companies	0	0	0	50 000	50 000
	3.5. Preparation of a package of documents for approval and registration of the Project in the national register of carbon projects.			X	UNDP, Bitfury	Bitfury	71300 – Local Consultants	0	0	0	10 000	10 000
Outcome 7. An analysis of the impact of forest carbon projects on the gender balance in Kazakhstan is drawn up.	3.6. Conduction of gender analysis of forest carbon projects.	X			UNDP, Bitfury	UNDP	71200 – International Consultants	7 000	4 000	0	0	11 000
	3.7. Conduction of an international conference on gender issues	X			UNDP, Bitfury	UNDP	75700 – workshops, meetings	45 000	0	0	0	45 000
	3.8. Preparation and publication of gender publication in frames of carbon forest projects		X		UNDP, Bitfury	UNDP	74200 – Audio Visual &Print Prod Costs	0	10 000	0	0	10 000

	Total Component 3:					Bitfury		0	0	0	110 000	110 000
						UNDP		52 000	14 000	0	0	66 000
Component 4: Project management												
	4.1. Inception workshop/round table with the participation of all interested parties, including media for wide coverage of the launch of the Project			X	UNDP, Bitfury	Bitfury	75700 – Workshops, meetings	0	0	0	5 000	5 000
							74200 – Audio Visual&Print Prod Costs	0	0	0	3 000	3 000
	4.2. Project Board Meetings		X	X	UNDP, Bitfury	UNDP	75700 – workshops, meetings	0	13 750	13 750	27 500	55 000
	4.3. Project implementation monitoring. Preparation of periodic reports for stakeholders.	X	X	X	UNDP, Bitfury	Bitfury	64397/74596 – Operations and programme support	0	0	13 000	4 000	17 000
						UNDP	71400 – Service contracts	0	27 050	27 050	54 100	108 200
	4.4. Audit			X	UNDP, Bitfury	Bitfury	72100 – Contractual services-Companies	0	0	0	5 000	5 000
	Total Component 4:					Bitfury		0	0	0	30 000	30 000
						UNDP		0	40 800	40 800	81 600	163 200
	<i>GMS (8%)</i>					<i>Bitfury</i>	75100	0	12 963	11 111	87 037	111 111

	PROJECT TOTAL:					Bitfury		0	175 000	150 000	1 175 000	1 500 000
						UNDP		103 050	121 376	55 416	88 380	368 222

* In each quarter following the first payment, the actual consumed electricity will be recalculated by Bitfury data centers and CO2 emissions into the atmosphere and allocated funds to compensate them. In the case of a discrepancy, the payment amounts shall be recalculated pro rata based on the actual consumption and negative effects of CO2.

The payment terms provided in this Project Document shall be entire agreement of the parties and in the event of discrepancy between the payment terms provided hereunder and any other document (including the financing agreement dated 12 December 2019), this Project Document shall prevail and govern.

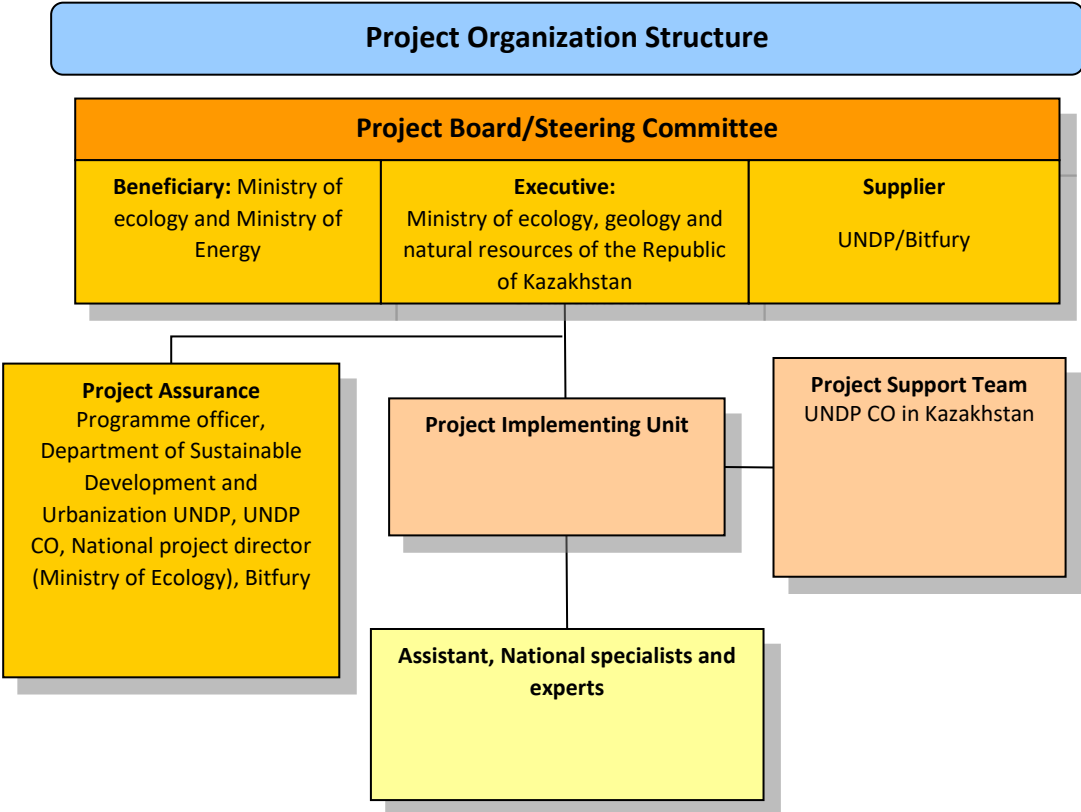
VIII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

The Project will be implemented by the Ministry of Ecology, which will act as a partner and beneficiary of the Project. Implementation support will be provided by the UNDP CO. As an implementing partner the Ministry of Ecology will be responsible for the overall coordination of the Project. The Ministry will appoint a National Project Director - a senior government official who will be responsible for the overall implementation of the Project, namely, for coordinating the achievement of the Project goals and providing support at the decision-making level in the Government of Kazakhstan. Within its authority, the NPD will support the implementation of Project activities, such as missions of international consultants, trainings for relevant personnel, and ensure proper access to the Project sites, relevant data, records, agencies and government agencies.

The Project organization structure will be brought into line with the new UNDP rules for results-based management and will consist of the following components: (i) Project Board - PB; (ii) Project Implementation Unit (PIU); (iii) Project assurance; and (iv) Project support.

Roles and responsibilities of the project’s governance mechanism: The project will be implemented following UNDP’s National Implementation Modality (NIM), according to the Standard Basic Assistance Agreement between UNDP and the Government of Kazakhstan, and the Country Programme.

The project organization structure is as follows:



Implementing Partner in this project is **Ministry of Ecology of the Republic of Kazakhstan**. The Implementing partner is responsible for the overall management of this project, including monitoring and evaluation of project activities, achievement of project results and efficient use of UNDP and Bitfury resources. A representative of the Ministry of Ecology will be appointed as National Project Director on behalf of the responsible partner and the government of the Republic of Kazakhstan.

Project Board (PB) is responsible for making management decisions, including recommendations for UNDP/Implementing Partner’s approval of project plans and revisions, as well as Responsible partner and beneficiary for the successful addressing of project issues In order to ensure UNDP’s

ultimate accountability, Project Board’s decisions should be made in accordance with standards that shall ensure management for development results, best value for money, fairness, integrity, transparency and effective international competition. PB will consist of key project stakeholders and will: (a) review and approve Work Plans, (b) assess project progress in achieving target indicators of M&E, as mentioned in the Project Results Framework, (c) analyze midterm and final reports, (d) assess any gaps or weaknesses and make appropriate management decisions based on the achievement of Project results, (e) provide necessary resources and (f) make decisions on any conflicts within the Project and coordinate solutions to any problems with external bodies. PB’s decisions should be made in accordance with UNDP standard and procedures, as well as standards that ensure best economic efficiency, fairness, integrity, transparency and effective international competition. The PB will also closely monitor the results of monitoring and evaluation, as well as take them into account in the future.

There will be at least three PB members. The PB will be chaired by representative of the Ministry of Ecology and UNDP. Among the PB members will be a senior representative of the Ministry of Ecology, representative of the Forestry and Wildlife Committee, UNDP and Bitfury.

The project board will convene at least twice a year to make sure that the project is being implemented in accordance with the plan and to resolve any possible problems.

PB functions	Representation
Executive: representative, providing project coordination rights to chair the group	The Government of the Republic of Kazakhstan (Ministry of Ecology, Geology and Natural Resources), UNDP
Supplier: A person or group, representing the interests of stakeholders that provide financing for specific cost-sharing projects and/or technical expertise of a project. The main function in the PB is to provide advice on the technical feasibility of the project.	UNDP, Bitfury
Beneficiary: an individual or group of individuals representing the interests of those who ultimately benefit from the Project. The Senior Beneficiary’s primary function within the Board is to ensure the realization of the project results from the perspective of the project’s beneficiaries.	The Government of the Republic of Kazakhstan (Ministry of Ecology, Geology and Natural Resources)

Project Assurance. UNDP will appoint Programme Officer to provide independent project oversight and monitoring functions to ensure project management and milestones. The UNDP Programme officer will be responsible for verification of the Risk logical framework, problems and lessons learned and for ensuring compliance with the monitoring and communication plan. The PB representative or designated coordinator will also play an important role in ensuring project implementation.

Project Support. UNDP will provide both programmatic and operations support for the implementation of the project.

Project Implementing Unit (PIU), following the UN procedures for the implementation of projects, it will identify national experts and consultants, as well as international consultants for technical work. National and international companies may also be involved in the implementation of the Project. These consultants and companies will be hired in accordance with standard UN procedures. Consultants and experts will be part of the PIU, including other positions necessary for the successful implementation of the project.

Project Manager will run the project on a day-to-day basis. Technical support for the Project Manager will be provided by national and international consultants. Recruitment of specialists, the purchase of any equipment and materials for the implementation of the project will be carried out in accordance with the rules and procedures for the procurement of goods and services. The Project Manager will implement the Project on a daily basis on behalf of the implementing partner within the framework of the responsibilities established by PB. The Project Manager will complete his functions after the submission of the final report on the assessment of the quality of the project and other documentation required by UNDP.

Project Assistant will provide support to the Project Manager in all tasks of the project, including administration, information and contact management, logistics, presentation of the Project when the Project Manager is not available, and so on.

National Expert on interagency cooperation and capacity building will be hired locally. The expert will be focused on the daily performance of job duties aimed at achieving the goals and objectives of the UNDP Project.

IX. LEGAL CONTEXT

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of the Republic of Kazakhstan and UNDP, signed on October 4, 1994 (see Annex J). All references in the SBAA to “Executing Agency” shall be deemed to refer to “Implementing Partner.”

This project will be implemented by Ministry of Ecology, Geology and Natural Resources of the Government of Kazakhstan (“Implementing Partner”) in accordance with its financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. Where the financial governance of an Implementing Partner does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNDP shall apply.

1. Consistent with the Article III of the SBAA [or the Supplemental Provisions to the Project Document], the responsibility for the safety and security of the Implementing Partner and its personnel and property, and of UNDP’s property in the Implementing Partner’s custody, rests with the Implementing Partner. To this end, the Implementing Partner shall:
 - a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
 - b) assume all risks and liabilities related to the Implementing Partner’s security, and the full implementation of the security plan.
2. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the Implementing Partner’s obligations under this Project Document.
3. The Implementing Partner agrees to undertake all reasonable efforts to ensure that no UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml.
4. The Implementing Partner acknowledges and agrees that UNDP will not tolerate sexual harassment and sexual exploitation and abuse of anyone by the Implementing Partner, and each of its responsible parties, their respective sub-recipients and other entities involved in Project implementation, either as contractors or subcontractors and their personnel, and any individuals performing services for them under the Project Document.
 - a) In the implementation of the activities under this Project Document, the Implementing Partner, and each of its sub-parties referred to above, shall comply with the standards of conduct set forth in the Secretary General’s Bulletin ST/SGB/2003/13 of 9 October 2003,

- concerning “Special measures for protection from sexual exploitation and sexual abuse” (“SEA”).
- b) Moreover, and without limitation to the application of other regulations, rules, policies and procedures bearing upon the performance of the activities under this Project Document, in the implementation of activities, the Implementing Partner, and each of its sub-parties referred to above, shall not engage in any form of sexual harassment (“SH”). SH is defined as any unwelcome conduct of a sexual nature that might reasonably be expected or be perceived to cause offense or humiliation, when such conduct interferes with work, is made a condition of employment or creates an intimidating, hostile or offensive work environment.
5. a) In the performance of the activities under this Project Document, the Implementing Partner shall (with respect to its own activities), and shall require from its sub-parties referred to in paragraph 4 (with respect to their activities) that they, have minimum standards and procedures in place, or a plan to develop and/or improve such standards and procedures in order to be able to take effective preventive and investigative action. These should include: policies on sexual harassment and sexual exploitation and abuse; policies on whistleblowing/protection against retaliation; and complaints, disciplinary and investigative mechanisms. In line with this, the Implementing Partner will and will require that such sub-parties will take all appropriate measures to:
 - i. Prevent its employees, agents or any other persons engaged to perform any services under this Project Document, from engaging in SH or SEA;
 - ii. Offer employees and associated personnel training on prevention and response to SH and SEA, where the Implementing Partner and its sub-parties referred to in paragraph 4 have not put in place its own training regarding the prevention of SH and SEA, the Implementing Partner and its sub-parties may use the training material available at UNDP;
 - iii. Report and monitor allegations of SH and SEA of which the Implementing Partner and its sub-parties referred to in paragraph 4 have been informed or have otherwise become aware, and status thereof;
 - iv. Refer victims/survivors of SH and SEA to safe and confidential victim assistance; and
 - v. Promptly and confidentially record and investigate any allegations credible enough to warrant an investigation of SH or SEA. The Implementing Partner shall advise UNDP of any such allegations received and investigations being conducted by itself or any of its sub-parties referred to in paragraph 4 with respect to their activities under the Project Document, and shall keep UNDP informed during the investigation by it or any of such sub-parties, to the extent that such notification (i) does not jeopardize the conduct of the investigation, including but not limited to the safety or security of persons, and/or (ii) is not in contravention of any laws applicable to it. Following the investigation, the Implementing Partner shall advise UNDP of any actions taken by it or any of the other entities further to the investigation.
 - b) The Implementing Partner shall establish that it has complied with the foregoing, to the satisfaction of UNDP, when requested by UNDP or any party acting on its behalf to provide such confirmation. Failure of the Implementing Partner, and each of its sub-parties referred to in paragraph 4, to comply of the foregoing, as determined by UNDP, shall be considered grounds for suspension or termination of the Project.
6. Social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (<http://www.undp.org/ses>) and related Accountability Mechanism (<http://www.undp.org/secu-srm>).
 7. The Implementing Partner shall: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that

- communities and other project stakeholders are informed of and have access to the Accountability Mechanism.
8. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.
 9. The Implementing Partner will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, responsible parties, subcontractors and sub-recipients in implementing the project or using UNDP funds. The Implementing Partner will ensure that its financial management, anti-corruption and anti-fraud policies are in place and enforced for all funding received from or through UNDP.
 10. The requirements of the following documents, then in force at the time of signature of the Project Document, apply to the Implementing Partner: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. The Implementing Partner agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at www.undp.org.
 11. In the event that an investigation is required, UNDP has the obligation to conduct investigations relating to any aspect of UNDP projects and programmes in accordance with UNDP's regulations, rules, policies and procedures. The Implementing Partner shall provide its full cooperation, including making available personnel, relevant documentation, and granting access to the Implementing Partner's (and its consultants', responsible parties', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with the Implementing Partner to find a solution.
 12. The signatories to this Project Document will promptly inform one another in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality. Where the Implementing Partner becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, the Implementing Partner will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). The Implementing Partner shall provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.
 13. The Implementing Partner agrees that, where applicable, donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities which are the subject of this Project Document, may seek recourse to the Implementing Partner for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.
 14. Each contract issued by the Implementing Partner in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection process or in contract execution, and that the recipient of funds from the Implementing Partner shall cooperate with any and all investigations and post-payment audits.
 15. Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.
 16. The Implementing Partner shall ensure that all of its obligations set forth under this section entitled "Risk Management" are passed on to each responsible party, subcontractor and sub-recipient and that all the clauses under this section entitled "Risk Management Standard Clauses" are included, mutatis mutandis, in all sub-contracts or sub-agreements entered into further to this Project Document.

ANNEXES

Annex A. Standard letter of agreement between UNDP and the Ministry of Ecology, Geology and Natural Resources of the Republic of Kazakhstan for the provision of support services.

Reference is made to consultations between Ministry of Ecology, Geology and Natural Resources of the Republic of Kazakhstan (hereinafter referred to as "MINISTRY") and officials of UNDP with respect to the provision of support services by the UNDP country office for nationally managed Programmes and projects. UNDP and MINISTRY hereby agree that the UNDP country office may provide such support services at the request of the MINISTRY through its institution designated in the relevant project document of the joint project of the UNDP and the MINISTRY.

The UNDP country office may provide support services for assistance with reporting requirements and direct payment. In providing such support services, the UNDP country office shall ensure that the capacity of the MINISTRY -designated institution is strengthened to enable it to carry out such activities directly. The costs incurred by the UNDP country office in providing such support services shall be recovered from the administrative budget of the office.

The UNDP country office may provide, at the request of the designated institution, the following support services for the activities of the project:

- (a) Identification and recruitment of project personnel; handling administrative issues related to the project personnel;
- (b) Identification and facilitation of training activities, seminars and workshops;
- (c) Procurement of goods and services;
- (d) Processing of direct payments.

The procurement of goods and services and the recruitment of project personnel by the UNDP country office shall be in accordance with the UNDP regulations, rules, policies and procedures. Support services described in paragraph 3 above shall be detailed in an annex to the project document, in the form provided in the Attachment hereto. If the requirements for support services by the country office change during the life of a project, the annex to the project document is revised with the agreement of the UNDP resident representative and the designated institution.

The relevant provisions of the Standard Basic Assistance Agreement (SBAA) between with the MINISTRY of Kazakhstan and the UNDP, signed by the Parties on 5 October 1992, including the provisions on liability and privileges and immunities, shall apply to the provision of such support services. The MINISTRY shall retain overall responsibility for the nationally managed project through its designated institution. The responsibility of the UNDP country office for the provision of the support services described herein shall be limited to the provision of such support services detailed in the annex to the project document.

Any claim or dispute arising under or about the provision of support services by the UNDP country office in accordance with this letter shall be handled pursuant to the relevant provisions of the SBAA.

The manner and method of cost-recovery by the UNDP country office in providing the support services described in paragraph 3 above shall be specified in the annex to the project document.

The UNDP country office shall submit progress reports on the support services provided and shall report on the costs reimbursed in providing such services, as may be required.

Any modification of the present arrangements shall be affected by mutual written agreement of the parties hereto.

If you agree with the provisions set forth above, please sign and return to this office two signed copies of this letter. Upon your signature, this letter shall constitute an agreement between the MINISTRY and UNDP on the terms and conditions for the provision of support services by the UNDP country office for

nationally managed Project of the United Nations Development Programme (UNDP) and the MINISTRY of Kazakhstan (Ministry of Ecology, Geology and Natural Resources of the Republic of Kazakhstan) «Assistance to the Republic of Kazakhstan in fulfilling international obligations to reduce greenhouse gas emissions by reducing the carbon footprint of electricity suppliers for the leading technology company Bitfury».

Yours sincerely,

Signed on behalf of UNDP

Yakup Beris

Resident Representative

[Date]

For the Government

Yerlan Nyssanbayev,

Vice-Minister of Ecology, Geology and Natural
Resources

[Date]

Attachment to ANNEX A

DESCRIPTION OF SUPPORT SERVICES OF UNDP OFFICE

Reference is made to consultations between Ministry of Ecology, Geology and Natural Resources of the Republic of Kazakhstan, designated by the Government of Kazakhstan official body and officials of UNDP with respect to the provision of collateral services by the UNDP Country Office for nationally managed programmes and project. UNDP and MINISTRY hereby agree that the UNDP country office may provide such support services at the request of the MINISTRY through its institution designated in the relevant project document of the joint project of the UNDP and the MINISTRY of Kazakhstan “Assistance to the Republic of Kazakhstan in fulfilling international obligations to reduce greenhouse gas emissions by reducing the carbon footprint of electricity suppliers for the leading technology company Bitfury”, or project.

In accordance with the signed LoA and Project Document, UNDP CO should provide following collateral services for the Project according to the below description:

Provided support services include:

Collateral services	Schedule of collateral service provision	Amount and UNDP cost recovery (when necessary)
Payment process	Constantly throughout implementation, as needed	According to UPL- US \$38,79 for per unit
Creation of vendor profile in Atlas	Constantly throughout implementation, as needed	According to UPL- US \$20,92 for per unit
Recruitment * Project Manager/Expert * Admin and Finance Assistant	Beginning of the project	According to UPL- US \$395,54 for per unit
Administration and management of personnel and remuneration. (once per employee, including registration of health insurance, setting up payroll and the process of dismissal)	Constantly throughout implementation, as needed	According to UPL- US \$213,24 for per unit
HR regular services: payroll, bank administration and management (once per employee)	Constantly throughout implementation, as needed	According to UPL- US \$478,19 for per unit
Hiring of consultants	Constantly throughout implementation, as needed	According to UPL- US \$42,84 for per unit
Procurement of goods and services with CAP	Constantly throughout implementation, as needed	According to UPL- US \$566,56 for per unit
Procurement of goods and services without CAP	Constantly throughout implementation, as needed	According to UPL- US \$223,46 for per unit
F10 registration	Constantly throughout implementation, as needed	According to UPL- US \$32,71 for per unit
Processing of travel tickets	Constantly throughout implementation, as needed	According to UPL- US \$32,55 for per unit

Total amount of collateral services should not exceed \$ 16,032

Annex B. Project Quality Assurance Report

Annex C. UNDP Social and Environmental Screening Protocol

Project Information

1.	Project Title	Assistance to the Republic of Kazakhstan in fulfilling international obligations to reduce greenhouse gas emissions by reducing the carbon footprint of electricity suppliers for the leading technology company Bitfury
2.	Project number	
3.	Location (Global/Region/Country)	Kazakhstan

Part A. Integrating Overarching Principles to Strengthen Social and Environmental Sustainability

QUESTION 1: How Does the Project Integrate the Overarching Principles in order to Strengthen Social and Environmental Sustainability?
<i>Briefly describe in the space below how the project mainstreams the human-rights based approach</i>
<p>The project, funded by the private sector, was developed in full accordance with a human rights-based approach to development, which is one of the main approaches used to improve the conservation and management of forest ecosystems in Kazakhstan to support sustainable livelihoods. The expected results of the transfer of unaccounted forests to the category of managed forests will be achieved by changing the type of land use after extensive coordination with land users, local authorities to ensure fair decision making. Land tenure at the community level is codified in national legislation; in most cases, land is leased to individuals for a 49-year period. However, these territories include forest-covered areas needed for the transfer to the forest fund and forest carbon accounting. The project provides two options for reaching agreement - (1) transfer to the state forest fund and (2) transfer to private sector management and the formation of a private forest fund. In all project activities, community rights to use land will be identified and taken into account, including access to pasture and collection of non-timber forest products. All aspects of the project will be subject to the UNDP social and environmental protection mechanism. All government partners at the national level, as well as at the level of local districts and communities will be involved in the implementation of the project.</p>
<i>Briefly describe in the space below how the project is likely to improve gender equality and women's empowerment</i>
<p>The objectives of the project include the creation of legislative and institutional levers aimed at the development and implementation of a forest carbon project and subsequently at the creation of a system for offsetting greenhouse gas emissions by forests in Kazakhstan. In this context, gender equality is defined as equal access for women and men to make balanced decisions, which, in turn, creates favorable conditions for the active participation of men and women in environmental activities. These key conditions for promoting gender equality will be reflected in all project activities and presented in documents (analyzes, reports, plans) that will be developed within the project. Key gender-related activities will include the following: gender analysis of forest carbon projects; holding an international conference on gender issues and preparing and issuing a publication on gender issues in the framework of forest carbon projects.</p>
<i>Briefly describe in the space below how the project mainstreams environmental sustainability</i>
<p>The project aims to address three main environmental problems of Kazakhstan: reduction of greenhouse gas emissions, forest biodiversity conservation and sustainable use, management of forest ecosystems. In addressing these three issues, the project will contribute to both global and national environmental benefits.</p> <p>To ensure environmental sustainability, the project will work to properly incorporate the provisions on the development and implementation of forest carbon projects, methodological approaches to assessing the carbon potential of forests in the new Environmental Code of the Republic of Kazakhstan, the accompanying legislative acts and by-laws.</p>

Part B. Identifying and Managing Social and Environmental Risks

<p>QUESTION 2: What are the Potential Social and Environmental Risks?</p> <p><i>Note: Describe briefly potential social and environmental risks identified in Attachment 1 – Risk Screening Checklist (based on any “Yes” responses). If no risks have been identified in Attachment 1 then note “No Risks Identified” and skip to Question 4 and Select “Low Risk”. Questions 5 and 6 not required for Low Risk Projects.</i></p>	<p>QUESTION 3: What is the level of significance of the potential social and environmental risks?</p> <p><i>Note: Respond to Questions 4 and 5 below before proceeding to Question 6</i></p>		<p>QUESTION 6: What social and environmental assessment and management measures have been conducted and/or are required to address potential risks (for Risks with Moderate and High Significance)?</p>	
<p><i>Risk Description</i></p>	<p><i>Impact and Probability (1-5)</i></p>	<p><i>Significance (Low, Moderate, High)</i></p>	<p><i>Risk Description</i></p>	<p><i>Impact and Probability (1-5)</i></p>
<p><u>Risk 1:</u></p> <p>Principle 1.1 “Could the Project lead to adverse impacts on enjoyment of the human rights (civil, political, economic, social or cultural) of the affected population and particularly of marginalized groups? – YES”</p> <p>Principle 1.2 “Is there a likelihood that the Project would have inequitable or discriminatory adverse impacts on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups? – YES”</p> <p>Principle 1.3 “Could the Project potentially restrict availability, quality of and access to resources or basic services, in particular to marginalized individuals or groups? – YES”</p> <p>Principle 2.4 “Would the Project potentially limit women’s ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services? – YES”</p> <p><u>Explanation of risk in relation to project:</u> The project involves</p>	<p>I=2 (Minor) P=2 (Not likely)</p>	<p>Low</p>	<p>The risk is assessed on the basis of planned project activities, regardless of mitigation measures or taking into account the fact that the mitigation measures are an integral part of the project activity itself. During the transfer of unaccounted forests into the category managed forests, an integral part of the process is the involvement of local land users to ensure that local priorities are taken into account as much as possible. This process is not a mitigation measure per se; it is an actual part of the action itself. The project will closely cooperate with everyone to ensure that stakeholders are properly consulted. The fact that there are public and private forms of forest ownership, which provide different levels of participation of local communities in forest management, gives significant flexibility to the project and all stakeholders to ensure the satisfaction of environmental and social,</p>	<p>NOT REQUIRED FOR LOW RISKS</p>

<p>the transfer of unaccounted forests into the category of managed forests by changing the type of land use. In this process, there is always a possibility that it may lead to some changes regarding the rights of people living in territories adjacent to the state forest fund. Therefore, there is a risk that project activities may affect human rights and / or possibly limit the quality or access to resources. There is also a risk that affected populations may include poor or other marginalized groups and that these groups may be disproportionately affected by project activities (due to their inherent proximity to the target area).</p>			<p>economic needs, as well as human rights and priorities.</p>	
<p><u>Risk 2:</u></p> <p>Principle 1.5. “Is there a risk that duty-bearers do not have the capacity to meet their obligations in the Project? – YES”</p> <p>Principle 1.6 “Is there a risk that rights-holders do not have the capacity to claim their rights? – YES”</p> <p><i>When working developing countries there is exists a risk that government authorities and responsible parties may not have the full capacity necessary to fulfill their duties in terms of governance, administration, and management of natural resources. In fact, the fact that many projects work to strengthen the individual, institutional, and systemic capacity of natural resource management government agencies is an indicator of the insufficient capacity of these organizations. Therefore, there is a risk that institutional government duty-bearers related to the management of forest ecosystems and land resources do not have the capacity to meet their obligations.</i></p>	<p>I=2 (Minor) P=2 (Not likely)</p>	<p>Low</p>	<p>The risk is assessed on the basis of the situation and context in which the project will operate. Despite the presence of risks, the combination of exposure and probability of risk is considered to be low. The fact that there is limited capacity on the part of both the government and right holders is an integral part of working on sustainable livelihoods in developing countries. Of course, this does not automatically put all such projects in the category of moderate or high risk. At the same time, standard procedures will be applied in this project to mitigate the low risk that exists. As in the case of previous risks, the project will closely cooperate with all stakeholders in order to support government bodies and forest management institutions to fulfill their commitments and to explain the resources right holder how to claim their rights, for example, the rights of citizens to private forest ownership, its management and receiving</p>	<p>NOT REQUIRED FOR LOW RISKS</p>

<p><u>Explanation of risk in relation to project:</u> In addition, according to the same principle and justification for the fact that the project will address the problems of forest management in rural and remote areas, there is a risk that resource users and other right holders do not have knowledge on how to claim their rights. Such resource users may not be fully educated and informed about what rights they have (in this case, regarding the right of lifelong use or other rights related to natural resources), or procedures that require compliance with these rights. There is a risk that right holders may not have legal, financial means to claim their rights.</p>			<p>financial benefits from carbon units.</p> <p>This will be achieved through consultations with stakeholders on all relevant aspects of the project so that all parties know and understand the relevant obligations and rights.</p>	
<p><u>Risk 3:</u></p> <p>Standard 1.2 “Are any Project activities proposed within or adjacent to critical habitats and/or environmentally sensitive areas, including legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities? – YES”</p> <p>Standard 1.3 “Does the Project involve changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? – YES”</p> <p><u>Explanation of risk in relation to project:</u> One of the objectives of the project is the official assignment of a state status to forest plots that are currently without management. This will include changes in land and resource use that may have a short-term negative impact on livelihoods. At the same time, the long-term consequences are expected to be positive, as the project will support the development of a private forest fund, which will allow land users to mobilize carbon finance for</p>	<p>I=2 (Minor) P=2 (Not likely)</p>	<p>Low</p>	<p>The risk is assessed on the basis of the actual impact and likelihood of the actions themselves, without taking into account any potential mitigation measures. The main objective of the project is to ensure the conservation status of unaccounted forest areas to prevent their degradation, and subsequently strengthen their absorption potential. Therefore, the probability of these risks is “expected”. However, given that the project activities will lead to an increase in the environmental parameters of the regions, and subsequently in social well-being, the risk of negative social and environmental consequences is “insignificant” (theoretically, the project has a high probability of a <u>positive</u> impact). Nevertheless, this risk will be constantly monitored throughout the project implementation through standard project control systems and risk monitoring systems.</p>	<p>NOT REQUIRED FOR LOW RISKS</p>

<p>forest management and the transition to sustainable livelihoods. The project actions are expected to have a positive short-term and long-term impact on forest ecosystems.</p>				
<p><u>Risk 4:</u></p> <p>Standard 5.2 “Would the Project possibly result in economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)? – YES”</p> <p>Standard 5.4 “Would the proposed Project possibly affect land tenure arrangements and/or community-based property rights/customary rights to land, territories and/or resources? – YES”</p> <p><u>Explanation of risk in relation to project:</u> The project will work to support the transfer of unaccounted forests into the category of managed forests. This process will lead to a change in land use and use of resources for those land users who have the right to own land in these territories. Project activities will not result in the physical movement of communities or resource users. The same project activities may also affect land tenure mechanisms and / or property rights at the community level or customary rights to land, territories or resources.</p>	<p>I=2 (Minor) P=2 (Not likely)</p>	<p>Low</p>	<p>The risk is assessed on the basis of the actual impact and likelihood of the project activity without taking into account possible mitigation measures. The implementation of the project provides for fair access and distribution of benefits from its implementation. In accordance with the legislation, land users will have the right to choose - whether to transfer the forests located in their territories to the state forest fund or further manage the forest plots in compliance with forestry standards. Accordingly, existing legal standards can reduce any possible impact associated with project activities, and the likelihood of risks will be negligible.</p>	<p>NOT REQUIRED FOR LOW RISKS</p>
	<p>QUESTION 4: What is the overall Project risk categorization?</p>			
<p>Select one (see SESP for guidance)</p>	<p>Select one (see SESP for guidance)</p>			
<p>Low Risk</p>	<p>X</p>	<p>All identified potential SESP risks are considered to be “low”. Therefore, in general, the Project is considered to be a low risk one regarding the SESP issues. The specific objective of the project is to improve the environmental and social conditions in the regions, including the improvement of gender aspects.</p>		

		The risk associated with indigenous peoples cannot be applied in the context of this project in Kazakhstan. Ethnic minorities live in some of the project areas of Kazakhstan, but these groups are not considered to be indigenous peoples.
	Moderate Risk	
	High Risk	
QUESTION 5: Based on the identified risks and risk categorization, what requirements of the SES are relevant?		
	Check all that apply	Comments
	<i>Principle 1: Human Rights</i>	NOT REQUIRED FOR LOW RISKS
	<i>Principle 2: Gender Equality and Women's Empowerment</i>	NOT REQUIRED FOR LOW RISKS
	<i>Standard 1. Biodiversity Conservation and Natural Resource Management</i>	NOT REQUIRED FOR LOW RISKS
	<i>Standard 2. Climate Change Mitigation and Adaptation</i>	NOT REQUIRED FOR LOW RISKS
	<i>Standard 3. Community Health, Safety and Working Conditions</i>	NOT REQUIRED FOR LOW RISKS
	<i>Standard 4. Cultural Heritage</i>	NOT REQUIRED FOR LOW RISKS
	<i>Standard 5. Displacement and Resettlement</i>	<p>Standard 5.2 and 5.4 requirements (as per "UNDP Social and Environmental Standards" (2014)):</p> <p><u>Avoid and mitigate physical and economic displacement:</u> UNDP Projects will seek to avoid physical and economic displacement, and mitigate displacement impacts and inherent risks when displacement cannot be avoided. To this end, Projects that may involve displacement will include the following measures and others identified as necessary. While not responsible for implementation of these measures, UNDP will verify and document that these measures have been addressed:</p> <ul style="list-style-type: none"> - As part of the social and environmental assessment, identification of Project options (including 'no action' and 'in situ' options), their potential impacts, and avoidance measures. Assessment will

		<p><i>include a survey of potentially affected individuals and communities and an evaluation of their relationship and rights to lands and resources used and occupied.</i></p> <ul style="list-style-type: none"> - <i>Public dissemination in accessible form and language of a written justification for the displacement activity and at least 90 days notice to affected persons prior to the date of displacement.</i> - <i>Access to effective remedies and to timely and affordable expertise, including legal counsel, to provide an understanding of rights and options.</i> - <i>Effective and informed consultations with affected populations and good faith efforts to secure negotiated settlements, even when expropriation options are available.</i> - <i>A Resettlement Action Plan or Livelihood Restoration Plan (see paragraphs 9 and 10 of this Standard) to be publicly disclosed at least 90 days prior to displacement activities.</i> - <i>Ex-post evaluation of livelihood levels to examine if objectives of this Standard were met.</i> <p><i>Develop plans for displacement:</i> <i>When physical displacement or economic displacement is unavoidable, UNDP will integrate into the Project documentation a Resettlement Action Plan or Livelihood Action Plan that has been developed transparently with the individuals and communities to be displaced, and meets the objectives of this Standard. All plans will achieve the following aims and incorporate the relevant specific elements listed in paragraphs 9 and 10 of this standard: (i) identify the persons who will be displaced by the Project, determine who will be eligible for compensation and assistance, and discourage ineligible persons from claiming benefits; (ii) identify how the needs and priorities of potentially affected individuals and communities will be met; (iii) ensure that fair and just compensation is provided, prior to displacement, for any losses of personal, real or other property or goods, including rights or interests in property recognized by Applicable Law; (iv) establish an adequate budget and timeframe for displacement activities; (v) establish the entitlements of all categories of affected</i></p>
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		<p>persons (including host communities); (vi) ensure that support is provided for communities to return to pre-displacement locations or status when possible; (vii) provide particular attention to the needs of the poor and marginalized and avoid discriminatory activities, including against vulnerable and marginalized groups and individuals; (viii) provide to displaced individuals and communities secure access to necessary services, shelter, food, water, energy, and sanitation; and (ix) clarify tenure rights and provide secure tenure consistent with Applicable Law; (x) allow for independent monitoring of displacement and resettlement activities; and (xi) support, as appropriate, efforts to progressively realize rights.</p> <p><u>Livelihood Action Plan:</u> Prior to economic displacement (including situations in which access to resources is restricted but no physical relocation is necessary), a Livelihood Action Plan is required that ensures the following:</p> <p>a. Displaced individuals and communities are compensated for loss of assets or loss of access to assets at full replacement cost. Additional considerations include the following:</p> <ul style="list-style-type: none"> - In cases where land acquisition or restrictions on land use affect commercial structures, affected business owners will be compensated for the cost of reestablishing commercial activities elsewhere, for lost net income during the period of transition, and for the costs of the transfer and reinstallation of the plant, machinery, or other equipment. - In cases affecting persons with legitimate tenure rights, whether those rights are formal or informal, replacement property (e.g. agricultural or commercial sites) of equal or greater value will be provided. - Economically displaced persons who are without legally recognizable claims to land will be compensated for lost assets other than land (e.g. crops, irrigation infrastructure, other improvements made to the land), at full replacement cost. <p>b. In addition to compensation for lost assets, if any, economically displaced persons whose livelihoods or income levels are adversely affected will also be provided opportunities to improve, or at least restore, their means of income-earning capacity,</p>
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		<p><i>production levels, and standards of living. An independent review, considering baseline data, will confirm that capacity, production levels and standards of living have been improved or restored. Additional considerations include the following:</i></p> <ul style="list-style-type: none"> <i>- For persons whose livelihoods are land-based, replacement land that has a combination of productive potential, locational advantages, and other factors at least equivalent to that being lost should be offered as a matter of priority.</i> <i>- For persons whose livelihoods are natural resource-based and where Project-related restrictions on access apply, measures will be undertaken to either allow continued access to affected resources or provide access to alternative resources with equivalent livelihood-earning potential and accessibility. Where appropriate, benefits and compensation associated with natural resource usage may be collective in nature.</i> <i>SEP</i> <i>- In Projects involving involuntary restrictions of access to legally designated parks and protected areas, the nature of restrictions, as well as the type of measures necessary to mitigate adverse impacts, will be determined with the participation of potentially displaced persons. Measures to assist the displaced people to improve their livelihoods, or at least restore them, while maintaining the sustainability of the park or protected area, will be identified. Where the parks or protected areas in question involve the lands, resources and territories of indigenous peoples, paragraph 5 also applies.</i> <i>SEP</i> <i>- If circumstances make it difficult for the Project to provide land or resources as described above, and if evidence exists of mutual agreement with affected people for alternative measures, alternative income earning opportunities may be provided, such as credit facilities, training, or employment opportunities.</i> <i>SEP</i> <p><i>c. Transitional support is provided to displaced persons and communities as necessary, based on a reasonable estimate of the time required to restore their income-earning capacity, production levels, and standards of living.</i></p>
	<p>Standard 6. Indigenous Peoples</p>	<p>NOT REQUIRED FOR LOW RISKS</p>

	Standard 7. Pollution Prevention and Resource Efficiency	NOT REQUIRED FOR LOW RISKS
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Final Sign Off

See following scanned signature.

Signature	Date	Description
QA Assessor	Victoria Baigazina, Programme associate, Sustainable Development and Urbanization Unit UNDP Kazakhstan Country Office	UNDP staff member responsible for the Project, typically a UNDP Programme Officer. Final signature confirms they have “checked” to ensure that the SESP is adequately conducted.
QA Approver	Vitalie Vremis, UNDP Deputy Resident Representative, UNDP Kazakhstan Country Office	UNDP senior manager, typically the UNDP Deputy Country Director (DCD), Country Director (CD), Deputy Resident Representative (DRR), or Resident Representative (RR). The QA Approver cannot also be the QA Assessor. Final signature confirms they have “cleared” the SESP prior to submittal to the PAC.
PAC Chair		UNDP chair of the PAC. In some cases PAC Chair may also be the QA Approver. Final signature confirms that the SESP was considered as part of the project appraisal and considered in recommendations of the PAC.

SESP Attachment 1. Social and Environmental Risk Screening Checklist

Checklist Potential Social and Environmental Risks		
Principles 1: Human Rights		Answer (Yes/No)
1.	Could the Project lead to adverse impacts on enjoyment of the human rights (civil, political, economic, social or cultural) of the affected population and particularly of marginalized groups?	Yes
2.	Is there a likelihood that the Project would have inequitable or discriminatory adverse impacts on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups? ¹	Yes
3.	Could the Project potentially restrict availability, quality of and access to resources or basic services, in particular to marginalized individuals or groups?	Yes
4.	Is there a likelihood that the Project would exclude any potentially affected stakeholders, in particular marginalized groups, from fully participating in decisions that may affect them?	No
5.	Is there a risk that duty-bearers do not have the capacity to meet their obligations in the Project?	Yes
6.	Is there a risk that rights-holders do not have the capacity to claim their rights?	Yes
7.	Have local communities or individuals, given the opportunity, raised human rights concerns regarding the Project during the stakeholder engagement process?	No
8.	Is there a risk that the Project would exacerbate conflicts among and/or the risk of violence to project-affected communities and individuals?	No
Principle 2: Gender Equality and Women's Empowerment		
1.	Is there a likelihood that the proposed Project would have adverse impacts on gender equality and/or the situation of women and girls?	No
2.	Would the Project potentially reproduce discriminations against women based on gender, especially regarding participation in design and implementation or access to opportunities and benefits?	No
3.	Have women's groups/leaders raised gender equality concerns regarding the Project during the stakeholder engagement process and has this been included in the overall Project proposal and in the risk assessment?	No
4.	Would the Project potentially limit women's ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services? <i>For example, activities that could lead to natural resources degradation or depletion in communities who depend on these resources for their livelihoods and well being</i>	No
Principle 3: Environmental Sustainability: Screening questions regarding environmental risks are encompassed by the specific Standard-related questions below		
Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management		
1.1	Would the Project potentially cause adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services? <i>For example, through habitat loss, conversion or degradation, fragmentation, hydrological changes</i>	No

¹ Prohibited grounds of discrimination include race, ethnicity, gender, age, language, disability, sexual orientation, religion, political or other opinion, national or social or geographical origin, property, birth or other status including as an indigenous person or as a member of a minority. References to "women and men" or similar is understood to include women and men, boys and girls, and other groups discriminated against based on their gender identities, such as transgender people and transsexuals.

1.2	Are any Project activities proposed within or adjacent to critical habitats and/or environmentally sensitive areas, including legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities?	Yes
1.3	Does the Project involve changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? (Note: if restrictions and/or limitations of access to lands would apply, refer to Standard 5)	Yes
1.4	Would Project activities pose risks to endangered species?	No
1.5	Would the Project pose a risk of introducing invasive alien species?	No
1.6	Does the Project involve harvesting of natural forests, plantation development, or reforestation?	No
1.7	Does the Project involve the production and/or harvesting of fish populations or other aquatic species?	No
1.8	Does the Project involve significant extraction, diversion or containment of surface or ground water? <i>For example, construction of dams, reservoirs, river basin developments, groundwater extraction</i>	No
1.9	Does the Project involve utilization of genetic resources? (e.g. collection and/or harvesting, commercial development)	No
1.10	Would the Project generate potential adverse transboundary or global environmental concerns?	No
1.11	Would the Project result in secondary or consequential development activities which could lead to adverse social and environmental effects, or would it generate cumulative impacts with other known existing or planned activities in the area? <i>For example, a new road through forested lands will generate direct environmental and social impacts (e.g. felling of trees, earthworks, potential relocation of inhabitants). The new road may also facilitate encroachment on lands by illegal settlers or generate unplanned commercial development along the route, potentially in sensitive areas. These are indirect, secondary, or induced impacts that need to be considered. Also, if similar developments in the same forested area are planned, then cumulative impacts of multiple activities (even if not part of the same Project) need to be considered.</i>	No
Standard 2: Climate Change Mitigation and Adaptation		
2.1	Will the proposed Project result in significant ² greenhouse gas emissions or may exacerbate climate change?	No
2.2	Would the potential outcomes of the Project be sensitive or vulnerable to potential impacts of climate change?	No
2.3	Is the proposed Project likely to directly or indirectly increase social and environmental vulnerability to climate change now or in the future (also known as maladaptive practices)? <i>For example, changes to land use planning may encourage further development of floodplains, potentially increasing the population's vulnerability to climate change, specifically flooding</i>	No
Standard 3: Community Health, Safety and Working Conditions		
3.1	Would elements of Project construction, operation, or decommissioning pose potential safety risks to local communities?	No
3.2	Would the Project pose potential risks to community health and safety due to the transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?	No

² In regards to CO₂, 'significant emissions' corresponds generally to more than 25,000 tons per year (from both direct and indirect sources). [The Guidance Note on Climate Change Mitigation and Adaptation provides additional information on GHG emissions.]

3.3	Does the Project involve large-scale infrastructure development (e.g. dams, roads, buildings)?	No
3.4	Would failure of structural elements of the Project pose risks to communities? (e.g. collapse of buildings or infrastructure)	No
3.5	Would the proposed Project be susceptible to or lead to increased vulnerability to earthquakes, subsidence, landslides, erosion, flooding or extreme climatic conditions?	No
3.6	Would the Project result in potential increased health risks (e.g. from water-borne or other vector-borne diseases or communicable infections such as HIV/AIDS)?	No
3.7	Does the Project pose potential risks and vulnerabilities related to occupational health and safety due to physical, chemical, biological, and radiological hazards during Project construction, operation, or decommissioning?	No
3.8	Does the Project involve support for employment or livelihoods that may fail to comply with national and international labor standards (i.e. principles and standards of ILO fundamental conventions)?	No
3.9	Does the Project engage security personnel that may pose a potential risk to health and safety of communities and/or individuals (e.g. due to a lack of adequate training or accountability)?	No
Standard 4: Cultural Heritage		
4.1	Will the proposed Project result in interventions that would potentially adversely impact sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? (Note: Projects intended to protect and conserve Cultural Heritage may also have inadvertent adverse impacts)	No
4.2	Does the Project propose utilizing tangible and/or intangible forms of cultural heritage for commercial or other purposes?	No
Standard 5: Displacement and Resettlement		
5.1	Would the Project potentially involve temporary or permanent and full or partial physical displacement?	No
5.2	Would the Project possibly result in economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)?	Yes
5.3	Is there a risk that the Project would lead to forced evictions? ³	No
5.4	Would the proposed Project possibly affect land tenure arrangements and/or community based property rights/customary rights to land, territories and/or resources?	Yes
Standard 6: Indigenous Peoples		
6.1	Are indigenous peoples present in the Project area (including Project area of influence)?	No
6.2	Is it likely that the Project or portions of the Project will be located on lands and territories claimed by indigenous peoples?	No
6.3	Would the proposed Project potentially affect the human rights, lands, natural resources, territories, and traditional livelihoods of indigenous peoples (regardless of whether indigenous peoples possess the legal titles to such areas, whether the Project is located within or outside of the lands and territories inhabited by the affected peoples, or whether the indigenous peoples are recognized as indigenous peoples by the country in question)? <i>If the answer to the screening question 6.3 is “yes” the potential risk impacts are considered potentially severe and/or critical and the Project would be categorized as either Moderate or High Risk.</i>	No

³ Forced evictions include acts and/or omissions involving the coerced or involuntary displacement of individuals, groups, or communities from homes and/or lands and common property resources that were occupied or depended upon, thus eliminating the ability of an individual, group, or community to reside or work in a particular dwelling, residence, or location without the provision of, and access to, appropriate forms of legal or other protections.

6.4	Has there been an absence of culturally appropriate consultations carried out with the objective of achieving FPIC on matters that may affect the rights and interests, lands, resources, territories and traditional livelihoods of the indigenous peoples concerned?	No
6.5	Does the proposed Project involve the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	No
6.6	Is there a potential for forced eviction or the whole or partial physical or economic displacement of indigenous peoples, including through access restrictions to lands, territories, and resources?	No
6.7	Would the Project adversely affect the development priorities of indigenous peoples as defined by them?	No
6.8	Would the Project potentially affect the physical and cultural survival of indigenous peoples?	No
6.9	Would the Project potentially affect the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices?	No
Standard 7: Pollution Prevention and Resource Efficiency		
7.1	Would the Project potentially result in the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	No
7.2	Would the proposed Project potentially result in the generation of waste (both hazardous and non-hazardous)?	No
7.3	Will the proposed Project potentially involve the manufacture, trade, release, and/or use of hazardous chemicals and/or materials? Does the Project propose use of chemicals or materials subject to international bans or phase-outs? <i>For example, DDT, PCBs and other chemicals listed in international conventions such as the Stockholm Conventions on Persistent Organic Pollutants or the Montreal Protocol</i>	No
7.4	Will the proposed Project involve the application of pesticides that may have a negative effect on the environment or human health?	No
7.5	Does the Project include activities that require significant consumption of raw materials, energy, and/or water?	No

Annex D. Risk Analysis.

Use the standard [Risk Log template](#). Please refer to the [Deliverable Description of the Risk Log](#) for instructions

Description	Date Identified	Type	Impact & Probability	Mitigation Measures	Owner	Submitted, updated by	Last Update	Status
Non-SESP Risks								
Frequent changes in government can lead to unforeseen policy changes that will affect the achievement of project goals	At the time of the development of the project document	Political	I=2 (Minor) P=2 (Not likely)	To ensure institutional memory in the process of its implementation, the project will mainly work at the level of heads of structural units of state bodies. To reduce the consequences of these changes and make the results more sustainable, the project will promote environmental and forestry legislation on the development and implementation of carbon forest projects. In the longer term, the specific results of the project will serve as examples for other companies and the project will be able to provide the necessary materials for replication.	UNDP	n/a	n/a	n/a
Delays with paperwork for transferring unaccounted forests into the category of managed forests, transferring green spaces to the state balance at the level of local executive bodies	At the time of the development of the project document	Institutional	I=2 (Minor) P=2 (Not likely)	The Project was developed for the implementation with the support of the Ministry of Ecology, Geology and Natural Resources of the Republic of Kazakhstan in order to reduce greenhouse gas emissions and conservation of forest biodiversity. During Project implementation, the existing barriers will be removed through the organization of working meetings, meetings with the authorized body and local executive bodies by explaining the importance of -deadlines.	UNDP	n/a	n/a	n/a

Description	Date Identified	Type	Impact & Probability	Mitigation Measures	Owner	Submitted, updated by	Last Update	Status
Delays with approval and allocation of funds from private sector	At the time of the development of the project document	Financial	P=3 (Moderately likely) I=2 (Minor)	The project was developed as a voluntary initiative of Bitfury in order to reduce the carbon footprint generated by energy consumption from coal generation. Bitfury will strictly follow financial volumes and deadlines defined in the project document in order to achieve 100% compensation for emissions. Any expected changes should be discussed at the PB meetings.	UNDP	n/a	n/a	n/a
Fluctuations in the exchange rate of the currency, bitcoins, MW volumes and other factors affecting the volume and terms of financing финансирования	At the time of the development of the project document	Financial	P=2 (Not likely) I=2 (Minor)	The activity of Bitfury at the time of the conclusion of the agreement involves the consumption of electricity in the Republic of Kazakhstan in the amount of up to 82 MW. The levels of financing directly depend on this amount on the basis of the calculation of the carbon footprint offset by 110%. Financing terms may be changed in case of changes in consumption. The amount and period of financing may be subject to significant changes in Bitfury's agreements with electricity suppliers. Bitfury will provide UNDP with analytical notes on planned changes in advance and take steps to mitigate this risk.	UNDP	n/a	n/a	n/a
Lack of financing for the project due to a temporary shutdown of the data center, repair work, power outages	At the time of the development of the project document	Financial	P=2 (Not likely) I=2 (Minor)	In the event of a data center shutdown, actual CO2 emissions for the accounting period will be reduced. In this case, the allocation of funds to compensate for the carbon footprint of Bitfury will be carried out, reassessed.	UNDP	n/a	n/a	n/a
Risks Identified Through SESP								

Description	Date Identified	Type	Impact & Probability	Mitigation Measures	Owner	Submitted, updated by	Last Update	Status
<p>Risk 1:</p> <p>Principle 1.1 “Could the Project lead to adverse impacts on enjoyment of the human rights (civil, political, economic, social or cultural) of the affected population and particularly of marginalized groups? – YES”</p> <p>Principle 1.2 “Is there a likelihood that the Project would have inequitable or discriminatory adverse impacts on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups? – YES”</p> <p>Principle 1.3 “Could the Project potentially restrict availability, quality of and access to resources or basic services, in particular to marginalized individuals or groups? – YES”</p> <p>Principle 2.4 “Would the Project potentially limit women’s ability to use, develop and protect natural resources, taking into account different roles and</p>	At the time of the development of the project document	Political	P=2 (Not likely) I=2 (Minor)	<p>The risk is assessed on the basis of planned project activities, regardless of mitigation measures or taking into account the fact that the mitigation measures are an integral part of the project activity itself. During the transfer of unaccounted forests into the category managed forests, an integral part of the process is the involvement of local land users to ensure that local priorities are taken into account as much as possible. This process is not a mitigation measure per se; it is an actual part of the action itself. The project will closely cooperate with everyone to ensure that stakeholders are properly consulted. The fact that there are public and private forms of forest ownership, which provide different levels of participation of local communities in forest management, gives significant flexibility to the project and all stakeholders to ensure the satisfaction of environmental and social, economic needs, as well as human rights and priorities.</p>	UNDP	n/a	n/a	n/a

Description	Date Identified	Type	Impact & Probability	Mitigation Measures	Owner	Submitted, updated by	Last Update	Status
<p>positions of women and men in accessing environmental goods and services? – YES”</p> <p><u>Explanation of risk in relation to project:</u> The project involves the transfer of unaccounted forests into the category of managed forests by changing the type of land use. In this process, there is always the possibility that it might lead to some changes regarding the rights of people living in territories adjacent to the state forest fund. Therefore, there is a risk that project activities may affect human rights and / or possibly limit the quality or access to resources. There is also a risk that affected populations will include poor or other marginalized groups and that these groups will be disproportionately affected by project activities (due to their inherent proximity to the target area).</p>								
<p><u>Risk 2:</u></p> <p>Principle 1.5. “Is there a risk that duty-bearers do not have the capacity to meet their obligations in the Project? – YES”</p>	At the time of the development of the project document	Operational	I=2 (Minor) P=2 (Not likely)	The risk is assessed on the basis of the situation and context in which the project will operate. Despite the presence of risks, the combination of exposure and probability of risk is considered to be low. The fact that there is limited capacity on the part of both the	UNDP	n/a	n/a	n/a

Description	Date Identified	Type	Impact & Probability	Mitigation Measures	Owner	Submitted, updated by	Last Update	Status
<p>Principle 1.6 “Is there a risk that rights-holders do not have the capacity to claim their rights? – YES”</p> <p><i>When working developing countries there is exists a risk that government authorities and responsible parties may not have the full capacity necessary to fulfill their duties in terms of governance, administration, and management of natural resources. In fact, the fact that many projects work to strengthen the individual, institutional, and systemic capacity of natural resource management government agencies is an indicator of the insufficient capacity of these organizations. Therefore, there is a risk that institutional government duty-bearers related to the management of forest ecosystems and land resources do not have the capacity to meet their obligations.</i></p> <p><u>Explanation of risk in relation to project:</u> In addition, according to the</p>				<p>government and right holders is an integral part of working on sustainable livelihoods in developing countries. Of course, this does not automatically put all such projects in the category of moderate or high risk. At the same time, standard procedures will be applied in this project to mitigate the low risk that exists. As in the case of previous risks, the project will closely cooperate with all stakeholders in order to support government bodies and forest management institutions to fulfill their commitments and to explain the resources right holder how to claim their rights, for example, the rights of citizens to private forest ownership, its management and receiving financial benefits from carbon units.</p> <p>This will be achieved through consultations with stakeholders on all relevant aspects of the project so that all parties know and understand the relevant obligations and rights.</p>				

Description	Date Identified	Type	Impact & Probability	Mitigation Measures	Owner	Submitted, updated by	Last Update	Status
<p>same principle and justification for the fact that the project will address the problems of forest management in rural and remote areas, there is a risk that resource users and other right holders do not have knowledge on how to claim their rights. Such resource users may not be fully educated and informed about what rights they have (in this case, regarding the right of lifelong use or other rights related to natural resources), or procedures that require compliance with these rights.</p> <p>There is a risk that right holders may not have legal, financial means to claim their rights.</p>								
<p>Risk 3:</p> <p>Standard 1.2 “Are any Project activities proposed within or adjacent to critical habitats and/or environmentally sensitive areas, including legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by</p>	At the time of the development of the project document	Ecological	I=2 (Minor) P=2 (Not likely)	The risk is assessed on the basis of the actual impact and likelihood of the actions themselves, without taking into account any potential mitigation measures. The main objective of the project is to ensure the conservation status of unaccounted forest areas to prevent their degradation, and subsequently strengthen their absorption potential. Therefore, the probability of these risks is “expected”. However, given that the project activities will lead to an increase in the	UNDP	n/a	n/a	n/a

Description	Date Identified	Type	Impact & Probability	Mitigation Measures	Owner	Submitted, updated by	Last Update	Status
<p>authoritative sources and/or indigenous peoples or local communities? – YES”</p> <p>Standard 1.3 “Does the Project involve changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? – YES”</p> <p><u>Explanation of risk in relation to project:</u> One of the objectives of the project is the official assignment of a state status to forest plots that are currently without management. This will include changes in land and resource use that may have a short-term negative impact on livelihoods. At the same time, the long-term consequences are expected to be positive, as the project will support the development of a private forest fund, which will allow land users to mobilize carbon finance for forest management and the transition to sustainable livelihoods. The project actions are expected to have a positive short-term and</p>				<p>environmental parameters of the regions, and subsequently in social well-being, the risk of negative social and environmental consequences is “insignificant” (theoretically, the project has a high probability of a <u>positive</u> impact). Nevertheless, this risk will be constantly monitored throughout the project implementation through standard project control systems and risk monitoring systems.</p>				

Description	Date Identified	Type	Impact & Probability	Mitigation Measures	Owner	Submitted, updated by	Last Update	Status
long-term impact on forest ecosystems.								
<p>Risk 4:</p> <p>Standard 5.2 “Would the Project possibly result in economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)? – YES”</p> <p>Standard 5.4 “Would the proposed Project possibly affect land tenure arrangements and/or community based property rights/customary rights to land, territories and/or resources? – YES””</p> <p>Explanation of risk in relation to project: The project will work to support the transfer of unaccounted forests into the category of managed forests. This process will lead to a change in land use and use of resources for those land users who have the right to own land in these territories. Project activities will not result in the physical</p>	At the time of the development of the project document	Ecological	I=2 (Minor) P=2 (Not likely)	The risk is assessed on the basis of the actual impact and likelihood of the project activity without taking into account possible mitigation measures. The implementation of the project provides for fair access and distribution of benefits from its implementation. In accordance with the legislation, land users will have the right to choose - whether to transfer the forests located in their territories to the state forest fund or further manage the forest plots in compliance with forestry standards. Accordingly, existing legal standards can reduce any possible impact associated with project activities, and the likelihood of risks will be negligible.	UNDP	n/a	n/a	n/a

Description	Date Identified	Type	Impact & Probability	Mitigation Measures	Owner	Submitted, updated by	Last Update	Status
<p>movement of communities or resource users. The same project activities may also affect land tenure mechanisms and / or property rights at the community level or customary rights to land, territories or resources.</p>								

Annex E. Project Board Terms of Reference and TORs of key management positions

Terms of Reference: Project Board

The Project Board will:

1. Ensure that there is coherent Project organization at both the national and local levels.
2. Following agreement, set tolerances in the Annual Work Plans and other plans as required with the Project Manager, with the involvement of the National Project Director (FWC) (as necessary).
3. Monitor and control the progress of the Project activities at a strategic level considering the changes influenced by the Project on any baseline investments.
4. Ensure that risks are being tracked and mitigated as effectively as possible.
5. Organize Project Board meetings, to be Chaired by the National Project Director, on a regular basis to be defined by the Board in agreement with the Project Director and Project Manager. Normally these meetings will take place semi-annually or annually.
6. Review and assess progress towards achieving the outputs is consistent from a Project supplier perspective.
7. Promote and maintain focus to deliver the outputs from the Project.
8. Ensure that the resources from the Project supplier are readily available.
9. Arbitrate on and ensure resolution of any supplier priority or resource conflicts.
10. Ensure that the expected Project outputs and related activities of the Project remains consistent with the perspective of the Project beneficiaries.
11. Be informed of meetings relevant to overall national project implementation, including any regional activities conducted in partnership.
12. Facilitate national policy and institutional changes necessary to engender success in Project activities.
13. Annually review Project progress and make managerial and financial recommendations as appropriate, including recruitment for the Project Management Unit, review and approval of annual reports, budgets and workplans.

The specific responsibilities of the Project Board are outlined below:

14. Defining a Project:
 - Review and approve the Initiation Plan (if such plan was required and submitted to the Local PAC);
15. Initiating a project:
 - Agree on Project Manager's responsibilities, as well as the responsibilities of the other members of the Project Management Unit;
 - Delegate any Project Assurance function as appropriate;
 - Review the Progress Report for the Initiation Stage (if an Initiation Plan was required);
 - Review and appraise detailed Project Plan and Annual Work Plan, including Atlas reports covering activity definition, quality criteria, issue log, updated risk log and the monitoring and communication plan.
16. Running a Project:
 - Provide overall guidance and direction to the Project, ensuring it remains within any specified constraints;
 - Address Project issues as raised by the Project Manager;
 - Provide guidance and agree on possible countermeasures/management actions to address specific risks;

- Agree on Project Manager's tolerances in the Annual Work Plan and quarterly plans when required;
 - Conduct regular meetings to review the Project Quarterly Progress Report and provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to plans;
 - Review Combined Delivery Reports (CDR) prior to certification by the Implementing Partner;
 - Appraise the Project Annual Review Report, make recommendations for the next Annual Work Plan, and inform the Outcome Board about the results of the review;
 - Review and approve end Project report, make recommendations for follow-on actions;
 - Provide ad-hoc direction and advice for exception situations when Project Manager's tolerances are exceeded;
 - Assess and decide on Project changes through revisions.
17. Closing a Project:
- Assure that all Project deliverables have been produced satisfactorily;
 - Review and approve the Final Project Review Report, including lessons learned;
 - Make recommendations for follow-on actions to be submitted to the Outcome Board;
 - Commission Project evaluation (only when required by partnership agreement);
 - Notify operational completion of the Project to the Outcome Board.
18. Specific Responsibilities of Executive (as part of the above responsibilities for the Project Board):
- Ensure that there is a coherent Project organization structure and logical set of plans
 - Set tolerances in the Annual Work Plan and other plans as required for the Project Manager;
 - Monitor and control the progress of the Project at a strategic level;
 - Ensure that risks are being tracked and mitigated as effectively as possible;
 - Brief Outcome Board and relevant stakeholders about Project progress;
 - Organize and chair Project Board meetings;
 - The Executive is responsible for overall assurance of the Project as described below. If the Project warrants it, the Executive may delegate some responsibility for the Project assurance functions.
19. Specific Responsibilities of Senior Supplier (as part of the above responsibilities for the PB):
- Make sure that progress towards the outputs remains consistent from the supplier perspective;
 - Promote and maintain focus on the expected Project output(s) from the point of view of supplier management;
 - Ensure that the supplier resources required for the Project are made available;
 - Contribute supplier opinions on Project Board decisions on whether to implement recommendations on proposed changes;
 - Arbitrate on, and ensure resolution of, any supplier priority or resource conflicts.
20. The supplier assurance role responsibilities are to:
- Advise on the selection of strategy, design and methods to carry out Project activities;
 - Ensure that any standards defined for the Project are met and used to good effect;
 - Monitor potential changes and their impact on the quality of deliverables from a supplier perspective;
 - Monitor any risks in the implementation aspects of the Project.
21. Specific Responsibilities of Senior Beneficiary (as part of the above responsibilities for the Project Board):
- Ensure the expected output(s) and related activities of the Project are well defined;
 - Make sure that progress towards the outputs required by the beneficiaries remains consistent from the beneficiary perspective;
 - Promote and maintain focus on the expected Project output(s);

- Prioritize and contribute beneficiaries' opinions on Project Board decisions on whether to implement recommendations on proposed changes;
 - Resolve priority conflicts.
22. The assurance responsibilities of the Senior Beneficiary are to check that:
- Specification of the Beneficiary's needs is accurate, complete and unambiguous;
 - Implementation of activities at all stages is monitored to ensure that they will meet the beneficiary's needs and are progressing towards that target;
 - Impact of potential changes is evaluated from the beneficiary point of view;
 - Risks to the beneficiaries are frequently monitored.

Recruitment processes for Project positions will adhere to gender sensitive guidelines for recruitment and selection of candidates and assessment of gender related competencies.

Terms of Reference: Project Manager

Background:

The Project Manager is responsible for the overall management of the project, including technical coordination and the mobilization of all Project inputs, supervision over Project staff, consultants and sub-contractors. The Project Manager will be tasked with the day-to-day management of Project activities, as well as with substantive, financial and administrative reporting. The Project Manager's prime responsibility is to ensure that the Project produces the planned outputs and achieves the planned indicators and indicator targets by undertaking necessary activities specified in the Project document to the required standard of quality and within the specified constraints of time and cost. This will require linking the indicators to the work plan to ensure Results-Based Management.

The Project Manager will report to the UNDP Kazakhstan CO for all of the Project's substantive and administrative issues. The Project Manager will be responsible for meeting government obligations under the Project and will perform a liaison role with the Government, UNDP and other UN Agencies, NGOs and other Project partners.

Duties and Responsibilities:

- Supervise and coordinate the Project to ensure its results are in accordance with the Project Document and the rules and procedures established in the UNDP Programming Manual;
- Assume primary responsibility for daily Project management - both organizational and substantive matters – budgeting, planning and general monitoring of the Project;
- Ensure adequate information flow, discussions and feedback among the various stakeholders of the Project;
- Ensure adherence to the Project's work plan, prepare revisions of the work plan, if required;
- Assume overall responsibility for the proper handling of logistics related to Project workshops and events;
- Prepare, and agree with UNDP on, terms of reference for national and international consultants and subcontractors;
- Guide the work of consultants and subcontractors and oversee compliance with the agreed work plan;
- Maintain regular contact with UNDP Kazakhstan Country Office and the Government counterpart on Project implementation issues of their respective competence;
- Monitor the expenditures, commitments and balance of funds under the Project budget lines, and draft Project budget revisions;
- Assume overall responsibility for meeting financial delivery targets set out in the agreed annual work plans, reporting on Project funds and related record keeping;
- Liaise with Project partners to ensure their co-financing contributions are provided within the agreed terms;
- Assume overall responsibility for reporting on Project progress vis-à-vis indicators in the logframe;
- Undertake any other actions related to the Project as requested by UNDP or the Government;
- Provide technical assistance and co-ordination for outcomes of the Project;

- Assuring technical co-ordination among consultants to be hired.

Qualifications:

- Proven management expertise – must be able to fluidly handle the political, technical, and people management challenges that the Project Manager will face on a daily basis;
- A university and/or a higher degree in related fields;
- At least 8 years of experience in natural resource management or project/programme management;
- At least 5 years of project/programme management experience;
- Working experience with ministries, national institutions and marine sector in Kazakhstan;
- Ability to effectively coordinate a large, multi-stakeholder project;
- Ability to administer budgets, train and work effectively with counterpart staff at all levels and with all groups involved in the project;
- Strong drafting, presentation and reporting skills;
- Strong computer skills, in particular mastery of all applications of the MS Office package and internet search;
- Strong knowledge of protected areas, biodiversity conservation, sustainable forest management and sustainable land management issues in Kazakhstan, including the political, institutional and socio-economic contexts;
- Good writing and communication skills in English.

Terms of Reference: Project Expert

Background:

Project expert is responsible for implementation and coordination of activities in Kazakhstan within the framework of the project. The Project expert will be responsible for general management of the expert groups of the project, secure timely rational planning, implementation of the activities and delivery of the budgets of the Project and secure timely achievement of outcomes of the Project according to the Project document.

Duties and Responsibilities:

- Supervise the work of Project experts and secure timely rational planning of activities and annual budgets according to the Project document;
- Ensure achievement of activities and delivery of the Project budget as per schedule;
- Coordinate the compilation of data and information and liaise with relevant Ministries and partners as required;
- Ensure cooperation of the Project with other national forestry projects;
- Establish communication and ensure cooperation of the Project with other initiatives on biological resource and ecosystem management economic and financial tools implementing in Kazakhstan;
- Ensure conduction of required research, analysis and suggest possible policies on improvement of forestry financing system;
- Participate in improvement of legislation on introduction of new financial tools for forestry management;
- Be responsible for providing regular progress updates to the UNDP biodiversity Projects Manager, UNDP CO staff and Bitfury;
- Ensure development and publication of information booklets, publications and other information materials in cooperation with the PR specialist of the UNDP Biodiversity Projects;
- Hold workshops, trainings, meetings and presentations on biodiversity finance mechanisms with participation of stakeholders.
- File all the documentation used and generated in the process of implementing the Project, including complete description of the data, resources, assumptions and decisions; complete references for the data and information; and responses to comments of internal and external reviewers;

- Prepare regular reports to UNDP CO, Bityury, national implementing agency and key stakeholders;
- Capture and document lessons learned from conducting the Project ranging from institutional considerations to technical issues;
- Develop a final report at the Project end.
- Assist the Project Manager in establishment of the team of Project experts to support effective implementation of the Project, including elaboration of terms of reference and development of a detailed work plan, timeline and budget;
- Organize and manage the work of the local experts;
- Solve the issues on efficient distribution of the resources within the framework of the Project;
- Secure efficient cooperation with related governmental bodies, including the executive agency of Project and other parties;
- Organize and participate in negotiations on the issues of the Project;
- Secure achievement of the results specified in the approved Project work plans;
- Make timely proposals on urgent issues under the component and set priorities based on legal Project meetings;
- Perform other functions within the activity of the Projects in the field of biodiversity to achieve successful results.

Qualifications:

- Higher education in the field of economy of nature use or similar field or similar related work experience;
- At least 7 years of professional experience;
- Over 5 years of work experience in the field of environment, including profound knowledge of forestry issues;
- Experience in working with central and local authorities, financial and non-governmental organizations;
- Good computer skills;
- Knowledge of UNDP procedures on projects implementation, including procurement, payments, reporting and monitoring is an advantage;
- Sound oral and written Russian, knowledge of English and Kazakh language is desirable.

Terms of Reference: Project Assistant

Background:

The Project Assistant will oversee support activities in substantive and administrative Project implementation including drafting ToRs, assisting information flow, drafting annual work plan, procurement, recruitment and operations logistics. The Project Assistant will assess support requirements against Project objectives and operating environment. In addition to the administrative tasks, the Project Assistant will support the Project Manager on technical tasks by undertaking necessary activities specified in the Project document to the required standard of quality and within the specified constraints of time and cost. Thus, qualification of the Project Assistant position for this Project includes knowledge and experience in natural resource management focusing on forests ecosystems and conservation.

Duties and Responsibilities:

- Provide technical assistance and co-ordination for related activities under outputs;
- Assisting the Project Manager for technical co-ordination among consultants to be hired;
- Assist the Project Manager in managing the Project staff;
- Assist the Project Manager in formulation of technical ToR for key Project expert positions;
- Assist the Project Manager and the Project experts to ensure that Project experts' results are delivered on time;
- Assist the Project Manager in development of specifications for procurement of specialized equipment;
- Assist in screening of options in mapping of project sites;

- Prepare GEF quarterly Project Progress Reports, as well as any other substantive and administrative reports requested by the Executing Agency and UNDP;
- Act as Project Manager in case of his/her absence;
- Overall, provide all necessary support to the Project Manager in implementation of the Project, both at substantive and administrative sides;
- Provide general administrative support to ensure the smooth running of the Project Management Unit;
- During visits of international experts, manage their visa support, transportation, hotel accommodation etc;
- Monitor the use of non-expendable equipment (record keeping, drawing up regular inventories);
- Arrange duty travel;
- Perform any other substantive and administrative duties as requested by the Project Manager.

Qualifications:

- University degree in Engineering, Management or Environmental Sciences or related fields;
- At least 2 years of experience in natural resource management;
- 6 years of experience in the area of project management at medium and small scale;
- Solid experience of planning and reporting on foreign funded projects;
- Basic knowledge of forest conservation issues in Kazakhstan, including the political, institutional and socio-economic contexts;
- Good secretarial skills and good organizational capacity;
- Knowledge in administrative procedures of the Government;
- Good computer skills in common word processing (MS Word), spreadsheet (MS Excel), and accounting software;
- Appropriate English, Kazakh and Russian language skills, both spoken and written.

Terms of Reference: Procurement Specialist

Background:

The Procurement Specialist within the framework of the Project a numerous event is envisaged, whereas the procurement services are much needed. The Procurement Specialist will be directly involved to provide a comprehensive procurement services during day-to-day activities on financial support and procurements of goods and services for the Project including effective accounting of the Project fund and financial reporting in line with UNDP requirements and procedures. It is expected that the Procurement Specialist will support the Project team implement daily administration of personnel, travel, premises and other contracting supports.

Duties and Responsibilities:

- Development of a plan and monitoring of procurements annually according to UNDP's format to the Project;
- Contribute to development of the Project Procurement Action Plan and initiate procurement procedures for Programme equipment, supplies and services in a transparent and cost-effective manner; recommend procurement decision;
- Collection and systematization of the information on potential suppliers of services/goods;
- Ensuring tender selection of the supplier of services/goods in accordance with UNDP requirements and procedures;
- Preparation of motivations on the selected supplier of services/goods for consideration by the UNDP procurement committee;
- Preparation in consultation with the project experts the justifications for selected suppliers of goods/services for review by the relevant UNDP units and UNDP Procurement Committee;
- Preparation, agreement upon and arrangement the approval of contractual documents pertaining to procurements of goods/services; to control the progress of suppliers' contractual terms and conditions and inform Project Manager;

- Creation of E-requisitions undersigned contracts and tranches, monitoring requests for payment in Atlas for all biodiversity projects;
- Assistance to the Project manager in preparing the annual/quarterly Project budgets;
- Assist in monitoring the Project financially to ensure the efficient and timely delivery of inputs and the realization of the targeted expenditure/delivery rate;
- Support the monitoring of the Project financial performance for all core and non-core resources by providing necessary financial information and analysis, including implementation rate against indicators/results;
- Timely preparation of financial documents required for audit and other reporting;
- Maintain the archive data log; enter all the data pertaining to contracts, reports, the inventory list of equipment, etc., revision and updating such data in the established format for further use;
- To assist a Project manager in determining and establishing the cooperation development activities and preparation of draft documents;
- Maintain the records pertaining to the issuance of project equipment; maintain monitoring of such equipment.

Qualifications:

- University degree in finance, accounting, management or related fields;
- At least 2 years of experience in financial administration and procurement
- 6 years of experience in the area of project management at medium and small scale;
- Solid experience of planning and reporting on foreign funded projects;
- Basic knowledge of forest conservation issues in Kazakhstan, including the political, institutional and socio-economic contexts
- Good secretarial skills and good organizational capacity;
- Knowledge in administrative procedures of the Government;
- Good computer skills in common word processing (MS Word), spreadsheet (MS Excel), and accounting software;
- Appropriate English, Kazakh and Russian language skills, both spoken and written.