



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

## PROJECT DOCUMENT

### A1: Basic Information

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

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

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

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

**Model Administration Arrangement for Cost-sharing between the Government of the United Kingdom of Great Britain and Northern Ireland and the United Nations Development Programme**

I am pleased to inform you that it is the intention of the Government of the United Kingdom of Great Britain and Northern Ireland ("the United Kingdom") to make available a contribution ("the Contribution") of [Pounds Sterling] as a grant, to be administered by UNDP for the **"Strengthening the policy framework for sustainable and rational use of energy and alternative/renewable sources of energy"** at the total cost of £149,930 to FCO, UNDP Atlas project proposal ID 00057424, PSF LCHG 0524 subject to your acceptance of the following proposals:

1. The terms of the Framework Arrangement between the United Kingdom and UNDP, dated 15 February 2005, will apply to the Contribution, and to how UNDP administers it, except as otherwise provided herein. The Foreign and Commonwealth Office ("the FCO") will act on behalf of the United Kingdom in matters concerning this Administration Arrangement.
2. The Contribution will be used exclusively for the following purposes:
  1. Capacity development needs of key Turkmen stakeholders in the energy sector determined and local knowledge/expertise on energy efficiency and use of alternative/renewable increased.
  2. Draft law on rational use of energy and renewable sources of energy prepared using best practices and in consultation with all stakeholders submitted to Parliament for adoption.
  3. National sustainable energy strategy and action plan is drafted based on stakeholder consultations and submitted to government for approval.

**Activity 1 Formation of the energy working group to develop the draft law on rational use of energy and renewable sources of energy and national sustainable energy strategy and action plan**

This activity supports outputs 2 and 3.

- 1.1 UNDP will identify key stakeholders in the energy sector to form a an energy working group (EWG), which will include but will not be limited to the Ministries of Energy, Oil and Gas, Economy, Finance, Nature Protection, Turkmen Gas, Turkmen Oil, Turkmen Statistics, Union of Economists, Solar Research Institute, International Organizations, Major Businesses and other relevant sectors/entities.

The EWG will focus on developing the Energy efficiency and renewables law and national sustainable energy strategy and action plan by the end of 2010.

**Activity 2 Assessment of the current energy sector and potential for renewable sources of energy**

This activity supports outputs 1, 2 and 3.

and Procedures, the following principles must be given due consideration while executing procurement on behalf of the organization: 1) best value for money, 2) fairness, integrity, transparency, 3) effective international competition.

7. Where a project is completed, the expectation is that the Contribution funds will be fully utilized in accordance with the provisions of this Administration Agreement **by 30 July 2011**. UNDP will only disburse the funds for the purpose of this Administration Agreement after such date with the written approval of the United Kingdom.

8. This Administration Arrangement may be terminated by either Participant giving one months written notice, if at any time, either Participant determines that the purposes of this Administration Arrangement can no longer be effectively or appropriately carried out, inter alia in the circumstance when the funding available to FCO should become, in its sole opinion, insufficient for it to continue to finance the project after the current financial year. Such termination will not oblige UNDP to repay any funds until satisfaction of all commitments and liabilities incurred before the date of termination pursuant to this Administration Arrangement.

9. Subject to paragraphs 6 and 7 above, upon the completion or termination of a programme or activity for which development aid funds have been deposited with UNDP by FCO under this Administration Arrangement, or upon termination of this Administration Arrangement, UNDP will return any unused balances, including any interest earned thereon, to FCO.

10. The offices responsible for co-ordination of all matters relating to this Administration Arrangement are:

For the FCO

The British Embassy in Ashgabat  
Head of Mission  
Mr Peter Butcher  
Four Points Ak Altyn Hotel, Ashgabat

For UNDP

UNDP Turkmenistan Country Office  
Resident Coordinator  
Mr Richard Young  
40 Atabayev Street, Ashgabat

11. If the above is acceptable to UNDP, I would like to propose that this letter and your reply in confirmation will constitute an Arrangement between the United Kingdom and UNDP for the "**Strengthening the policy framework for sustainable and rational use of energy and alternative/renewable sources of energy**" which will take effect on the date of your reply.



[Signed by appropriate FCO representative]

5/6/09  
Date



[Signed by appropriate UNDP representative]

9/6/09  
Date