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United Nations Development Program
Government of the Republic of Kazakhstan
Country: Republic of Kazakhstan
Project Document

Project Title:

Development and probation of the housing and utilities services modernization and management model for small populated areas to ensure safety, improve quality of life of the population and contribute to the environmental protection

Outcome (s) of UNDAF:

Outcome 2: Sustainability of the environment

Expected outcomes according to the UNDP Country Program:

Output 2.3. The Government and energy consumers are better equipped with knowledge, policies and pilot cases on renewable energy market regulations, and energy efficiency measures in sector with high CO₂ emissions level.

Executive Partner:

Ministry of Regional Development of the Republic of Kazakhstan

Other Partners:

Ministry of Industry and New Technologies

Agency on Regulation of Natural Monopolies of Republic of Kazakhstan

Ministry of Environmental Protection of the Republic of Kazakhstan

Ministry of Economy and Budget Planning

Brief description of the Project

The Project «Development and probation of the housing and utilities services modernization and management model for small populated areas to ensure safety, improve quality of life of the population and contribute to the environmental protection» is aimed at development and probation in a pilot territory (a small settlement – the settlement Prigorodnyi, the territory of which is in the structure of Astana, Esilsky district) of the Model of Modernization and subsequent efficient management of the housing and utilities services maintenance services for maintenance of a safe residing of the local population, provision of qualitative Municipal Utilities Services to the population through increasing of economic feasibility, environmental friendliness and reliability of life-support systems (a housing-and-municipal infrastructure - first of all of the total systems of heating, water supply and water removal).

Time of the program: 2010-2015
Project number: 00085845
Program component: Sustainability of the environment
Start date: 01.03.2013
Closing date: 31.12.2014
Management arrangements: National (NIM)

Project budget: USD 975 132
Required resources: USD 975 132
Allocated resources: USD 975 132
- RB: USD 785 732
- UNDP (parallel): USD 189 400

Approved by:

Serik Nokin, Vice Minister, Ministry of Regional Development of the RK



3/5/13
Stephen Tull, Resident Representative, UNDP in Kazakhstan

I. SUMMARY

The Head of the State N. A. Nazarbayev in his annual message stated about the need in modernization of the housing and utilities services (HUS) infrastructure through introduction of resource-saving technologies and reduction of specific operational costs, carrying out of large-scale modernization of the systems of water, heat, electric power and gas supply, and also ensuring creation of an optimum model of housing relations.

The analysis of experience in the area of management of the housing and utilities service (further "HUS") shows that the Municipal Utilities Services and everything related to housing needs to be considered as vitally important as something that makes an indirect impact on the moods, behavior of people and their working capacity. Thereupon, it especially important to ensure the appropriate comfortable conditions for residing of people in small settlements to overcome negative tendencies in the society related to extremism and other negative manifestations caused by discontent with life conditions and economic-social situation. This is the task of today!

The idea of creation of a sustainable energy effective settlement with maintenance of the high quality standard of life focuses on ensuring of a reliable and qualitative provision of utilities services to the population (first of all in the field of heat supply because heat supply is considered to be a crucial factor in the climate conditions of Kazakhstan), at the minimum use of the energy resources after modernization of construction buildings and engineering systems with the their subsequent knowledge-based and effective operation.

The peculiarity of the HUS system management in Kazakhstan is in an insufficient consistency in the approach taken to its reforming, and also presence in the sector of the cross-subsidization and latent subsidizing of the costs of Municipal Utilities Services. All this taken together makes a barrier to attraction of investments to the HUS sector and hinders the process of the sector reforming using the PPP mechanism and private investments. It is necessary in these conditions to attract the positive experience gained abroad. This explains cooperation between the Ministry of Regional Development of the Republic of Kazakhstan and UNDP in implementation of the given Project.

The settlement "Prigorodnyi" is a small settlement with a compact residing of the population, the territory of which is a part of the capital of the RK located in immediate proximity to the international airport. The remote location from the Centre of the capital does not prevent the settlement to develop dynamically. The cost of housing in the residential area "Prigorodnyi" is comparable to the average cost of housing in the capital city Astana. The last years the settlement grows fast: more than 80 individual houses are started to be built (residential area) erected by KNB of the RK. Construction of a new boiler-house is planned at the expense of the city budget funds which will supply heat to the old and new parts of the settlement. The old boiler-house will be dismantled.

The population of the settlement totals to 2200 people, the territory area makes 2 sq. km. Now the heat supply for the old part of the settlement (multi-room apartment houses and office buildings) is delivered by a boiler-house with six boilers with the total established capacity of 3,9 Gkal/h of 1965 of the construction year maintained by the Municipal Republican Enterprise "Nysana". The annual demand in solid fuel is 3200 tons per year. The number of consumers connected to the boiler-house: 8 residential houses (total 636 apartments), the building of a kindergarten and a school, the total heated area makes 36 906 sq. meters. The extent of the thermal networks of 2 pipelines makes 1,22 km including the ground - 1,02 km and underground - 0,2 km. The temperature schedule of the heat supply system - 95-70 °C. The selling tariff for heating for the population - 105 tenge/sq.m., for legal entities - 3350 tenge/gkal. The boiler-house equipment which has become outdated does not allow saving fuel and throws out in the atmosphere harmful substances and hotbed gases. The neighborhood to the international airport of the capital makes the boiler-house as well as the whole settlement a rather unattractive landscape and complicates a better image of the capital of the country as of a dynamically developing sustainable city. Multistory apartment houses of the settlement are not supplied with hot water for its population. The "multistory apartment buildings" constructed 35-40 years ago need repair and refurbishment, especially in terms of thermal insulation coating of the protecting constructions and replacement of the engineering communications.

It is necessary to note that now the Ministry of Regional Development of the Republic of Kazakhstan and UNDP carry out a number of joint Projects financed by the Global Ecological Fund (GEF) which make the basis to start cooperation in reforming of the HUS sector. These are the projects on energy efficiency in the municipal utilities heat supply and in building of multistory buildings. The projects have created the base for subsequent steps directed on the integrated approach in solving the issues of reforming of the HUS sector and have put the basis for a long-term cooperation.

There is no doubt concerning importance and significance of the offered Project because a successful probation of the HUS reforming model in a small settlement will create a basis for its replication (duplication) in numerous similar settlements in the RK and will create a multiple effect.

II. PROJECT DESCRIPTION

The purpose of the Project «Development and probation of the Housing-Municipal Building Maintenance Services' Modernization and Management Model for small populated areas to ensure safety, improve quality of life of the population and contribute to the environmental protection» is aimed at development and probation in a pilot territory (a small settlement - settlement Prigorodnyi, the territory of which is in the structure of Astana, Esilsky district) of the model of modernization with the following efficient management of the Housing and Municipal Building Maintenance Services (HUS) for safe residing of the local population, provision of qualitative Municipal Utilities Services to the population through increasing of economic feasibility, environmental friendliness and reliability of life-support systems (a housing-and-municipal infrastructure - first of all of the total systems of heating, water supply and water removal).

An important component of the Project is development and probation of such organizational and financial model of work of the HUS sector in the settlement which will lead to increase of sustainability of this sector and will allow to cut down budgetary expenses on maintenance of the Municipal Utilities infrastructure as crucially important for safety and maintenance of quality of life in the conditions of the severe climate of Kazakhstan. As a matter of fact the Project outcomes will be in demand not to allow any negative events like the ones that took place in the system of the Municipal Utilities infrastructure last years in the cities of Priozersk, Semei and etc. Due to this the Project is very actual and significant for Kazakhstan.

The Project includes some tasks, the first of them is to carry out a comprehensive analysis of the existing condition in the sector of HUS in the settlement Prigorodnyi to determine the necessary technical, organizational and other measures on HUS modernization in the given settlement with focus on the systems of the Municipal heat and water supply/water removal but without being limited by this. At this stage the current condition of the infrastructure in the settlement Prigorodnyi will be estimated, all the necessary measures will be identified concerning energy effective refurbishment of the system of heat supply for the settlement (considering the commissioning of a new boiler-house scheduled for the end of 2012), and also of the networks of heat, water and electrical power supplies connected to the technological chain with the heat supply system. Also the current condition of the sector of the end consumption of thermal energy will be estimated (i.e. multistory apartment buildings and public buildings (a school, a kindergarten and so forth) and actions are proposed for thermal heating systems refurbishment in these buildings (an energy saving sanitation) taking into account the economic efficiency/profitability issues. Special emphasis will be made on development of standard solutions about refurbishment of the infrastructure objects and buildings for duplication of the pilot in other regions (a model principle). At this stage a development of the organizational-legal measures is planned on reduction of non-payments for utilities, non-admission of debts in the future for these services and development of schemes of social support for low-income strata of the population. Organizational schemes will be offered for management of the HUS sector in a pilot settlement for the purpose of its maintenance in a sustainable condition. As for water supply/water removal sector there will be alternative solutions proposed and assessed including necessary actions for reconstruction of the water supply system for the settlement (from the point of the main water conduit to the end user buildings and constructions) with the obligatory organization of the modern system for the account of water consumption. Also modern technological solutions will be offered (with the feasibility study report), allowing to arrange secondary use of waters taken away from the settlement for irrigation of the green plantings comprising the green belt around Astana adjacent to the settlement.

Concerning shabby (in an emergency condition) housing (two-story houses of the barrack-type buildings), solutions will be made based on the model scheme «Old habitation in exchange for new - ergonomic» which foresees pulling down of shabby houses and erection in their place of modern ergonomic housing estates (or construction of the system of attic floors in the existing many-story buildings) suitable by parameters for small settlements, to resettle the people from shabby houses and also sale of the extra square meters in such buildings in the market of real estate to ensure a payback of the model. Appropriate alternatives will be developed of technical and economic and organizational solutions for viability of the given model with definition of final cost per one square meter of a floor space in such buildings/constructions.

The analysis will be carried out by a group of local experts with attraction of the international experts; multilateral consultations will be carried out with the major stakeholders. The feasibility study report prepared under the framework of this task and the Master Plan for Prigorodnyi will make the basis for implementation of the following actions under the present Project.

By the second Project task it is planned to develop and test such an organizational-financial model of reforming with the following sustainable HUS management in Prigorodnyi which would provide a sustainable management of the modernized HUS of the settlement, including a stage-by-stage reduction/liquidation of subsidies from the local budget to cover losses of resources and costs of the HUS sector, also development of the corresponding service company for sustainable maintenance of the HUS of the settlement.

This task of the Project will be solved through attraction of the best international experts for development of such a scheme, its extensive discussion with stakeholders and its subsequent piloting in this settlement. In particular, it is planned to create the Municipal Utilities Service (MUS) enterprise for management of the settlement HUS to ensure sustainability of this sector functioning. This enterprise will have the corresponding business plan, and will have a possibility to attract the private business to take part in financing of management and maintenance of HUS of the settlement in a sustainable condition. The enterprise will be a model one ready for duplication in other settlements with a similar situation.

The third task of the Project is aimed at piloting of the developed technical and organizational actions/solutions for reconstruction of the systems of the centralized heat supply, water supply and water removal in Prigorodnyi and development of the system for sustainable HUS management. For performance of this task the cost-estimate Project documentation will be developed for refurbishment of a standard multistory apartment houses (with a possibility for its duplication in other standard buildings), the cost-estimate Project documentation for refurbishment of the network of heat supply (for the old part of the settlement) by application of the pre-insulated pipes with the dispatching control system. By the task it is planned to execute thermal insulation coating/refurbishment (energy saving sanitation) of at least one chosen multistory apartment house in a pilot settlement including works on insulation coating of its protecting constructions, replacement of windows for energy saving ones, replacement of the internal engineering communications, installation of meters to account thermal energy and individual meters to account water consumption, to apply technical solutions on organization of hot water supply for the pilot house. For performance of an insulation coating of a residential building the payback mechanism will be tested at carrying out of the refurbishment and repairs of the pilot houses (under the framework of implementation of the Program of HUS modernization). For that an active work is planned with proprietors, cooperatives of apartment owners (KCK) and local authorities in terms of initiation, preparation and carrying out of necessary works on refurbishment of the condominium facilities with necessary actions undertaken on energy saving. The task will consider possibilities to attract investors (including the private sector investors) for refurbishment of the heat supply network according to the developed cost-estimate Project documentation. Given that the heat supply system for the settlement will be transferred to the self-recoupment basis due to the undertaken actions on energy efficiency and resources-saving hopefully foreign investments will be attracted. This will pilot an important direction in the HUS reform - attraction of loans for the Municipal Utilities infrastructure modernization. The task implementation will be based on attraction of local and international experience for performance of works. At that a wide involvement of the local companies is planned that have good experience in performance of modernization energy and resources-saving actions.

An important component of the work will be creation and probation of the optimum for the level of small cities (like settlement Prigorodnyi) automated systems of the commercial account, regulation and dispatcher systems for energy and water consumption. It will allow automating of the processes of collection, account and regulation of power and water consumption, control and management of technical parameters of power resources and water from the dispatcher control office, to analyze emergency situations. The system will allow both the consumer and supplier of resources (first of all of heat and water) to provide the appropriate account of payments for utilities. At carrying out of repairs in multistory apartment buildings the same system will allow to control the population's payments, and also will provide a visual integration of results of carrying out of refurbishments in buildings (first of all on economy of heat consumption through energy accounting meters of buildings/objects and to carry out their monitoring and management).

The last task of the Project - development and probation in the pilot territory of the systems of monitoring and spread of knowledge, experience and practice of HUS modernizations for small settlements. The given systems will include: monitoring of tracing of quality of the municipal infrastructure for timely planning and ensuring of repair of the networks and sources in the HUS system, monitoring of the condition of the available housing fund and the fund of municipal buildings/constructions to ensure conditions for accumulation of the money of proprietors for refurbishment of the general property of the condominium, planning the budget for rendering of assistance to carrying out of repairs, monitoring of tracing of the results of the carried out thermal insulation coating of the buildings, repairs of networks and sources; ways, methods and approaches for informing, training and spread of knowledge, experience and practice among proprietors of houses, other target groups to ensure their participation in the reforming and maintenance in a sustainable condition of the HUS sector of small settlements. Recommendations will be given for coordination of local governing bodies, the municipal enterprises and proprietors of apartments, other target groups to work out the mechanisms for their coordination to implement the plans on development and refurbishment of small settlements and big cities (agglomerations). It is necessary to note that the systems of monitoring and spread of knowledge planned to be developed under the Project are in high demand already now - at the stage of the beginning of the process of HUS sector modernization in the country and will be required in the course of the reforms implementation in the sector. The given task is to be solved with attraction of the advanced foreign experience (first of all European) that has good results in introduction of similar systems.

Under the framework of the proposed Project the following activities will be conducted:

1. A comprehensive analysis of an existing condition in the HUS sector in the settlement Prigorodnyi is carried out for determination of technical, organizational and other measures on HUS modernization (first of all of the systems of heat, water supply and water removal) and the Master Plan and Feasibility Study Report are worked out for HUS reforming in the pilot settlement. Under the framework of the action the following has been planned:
 - a. Analysis of the existing situation with HUS in the settlement Prigorodnyi including a profound analysis of the condition of the heat supply system and the systems connected with it of electric power and water supply, and also the condition of apartment houses and municipal buildings and constructions;
 - b. Preparation of the FSR including the developed measures on energy effective refurbishment of the heat supply network (heating system) and systems connected with them of water supply and electrical power supply to ensure reduction of above-standard losses;
 - c. Preparation of the FSR with standard solutions on refurbishment of residential buildings to duplicate them in other regions (as a model principle).
 - d. Preparation of the FSR for estimation of variants of reconstruction of the water supply system and water removal of the settlement.
 - e. Working out and economic estimation of variants of granting of new apartments in exchange for shabby ones including variants of building of the system of attic apartments and-or building of an ergonomic housing estate taking into account the conditions and requirements of small settlements.
 - f. Taking into account the international experience development of the Master Plan of the settlement that includes in addition to the forecast of development of the settlement the organizational-legal measures on reduction of non-payments for utilities, non-admission of debts in the future for these services, measures on development of social support schemes for low-income strata of the population; measures on overcoming of the barriers interfering with the use of new institutional and financial models to ensure refurbishment and development of HMBSM of a settlement including tools for PPP development, attraction of private investors to development of the service/serving company for the HMBSM sector of the settlement; organizational schemes for maintenance of the HMBSM in the settlement in a sustainable condition.
 - g. Carrying out of expert consultations on technical, economic, social and other issues of the HMBSM modernization of Prigorodnyi, coordination of the developed FSR and the Master Plan.
2. The organizational and financial model is developed for reforming and a subsequent sustainable management of the HMBSM of the pilot settlement including a stage-by-stage reduction/liquidation of subsidies to cover losses of resources and costs of the HMBSM sector, creation of the corresponding service company for a sustainable management of the HMBSM sector of the pilot settlement. The following is planned by the task:
 - a. Organization of consultations with the key stakeholders and attraction of the international expertise to work out and introduce the model,
 - b. Preparation of the report with proposals on improvement of NPA and NTA in the field of increasing the emergency efficiency and the MBMS management of small settlements;
 - c. Preparation of the report with proposals on the normative-legal, institutional and financial and financial-economic aspects of creation and development of the local Municipal Utilities Service (MUS) including services on maintenance of the engineering networks and buildings including for a strategic task of creation of job places in small settlements,
 - d. Discussion of the developed proposals and mechanisms of reforming and sustainable maintenance of the HMBSM sector of a small settlement,
 - e. Introduction of the developed model on HMBSM management in a settlement - creation of the corresponding model-MUS enterprise.
3. Piloting is executed of the developed technical and organizational actions/solutions for reconstruction of the system of the centralized heat supply, water supply and water removal in the settlement Prigorodnyi and development of the system of the sustainable HMBSM management of the settlement:
 - a. Working out of the cost-estimate documentation for refurbishment of a standard apartments house (with possibility of its duplication for other standard apartment buildings),
 - b. Working out of the cost-estimate documentation for refurbishment of a heat supply network (for the old part of the settlement),
 - c. Conducting of thermal insulation coating/refurbishment (energy saving sanitation) of at least one chosen apartments house in a pilot settlement,
 - d. Organization and carrying out of necessary work with proprietors, Cooperatives of apartment owners and local authorities to work out the mechanism for organization of payback at carrying out of major

- refurbishments of the pilot house (under the framework of the Program implementation on HMBSM modernization),
- e. Carrying out of risk-assessments on attraction of the investor (including the private sector) for refurbishment of the heat supply network according to the developed Project cost-estimate documentation.
 - f. Working out, introduction and probation of an optimum automated system of the commercial account, regulation and scheduling of electrical power and water consumption for the level of small cities.
4. The system of monitoring and spread of knowledge, experience and practice of HMBSM modernization for small settlements are developed and proven in the pilot territory. The following is planned by the task:
- a. Attraction of the international expert/company to develop the bases of the monitoring system, including monitoring of quality of the communal/municipal infrastructure, monitoring of condition of the available apartments housing and the fund of municipal buildings/constructions, monitoring of the results of carrying out of thermal insulation coating/refurbishment of buildings, repairs of networks and sources of the communal/municipal infrastructure,
 - b. Organization of discussions among target groups of the monitoring system developed,
 - c. Working out with participation of the local and international experts of the system of informing, training and spread of knowledge, experience and practice among proprietors of housings, other target groups to ensure their participation in reforming and maintenance in a sustainable condition of the HMBSM sector.
 - d. Final discussion and approval of the monitoring and informing systems developed.
 - e. Introduction and probation of monitoring and informing systems in a pilot territory.
 - f. Preparation of the report with recommendations for coordination of local governing bodies, the municipal enterprises and proprietors of apartment buildings, other target groups to work out the mechanisms for their coordination to implement the plans of development and refurbishment of small settlements and big cities (agglomerations).
 - g. Publication of materials about experience of HMBSM modernization of settlements to disseminate the gained experience in energy saving and management of the municipal services.
 - h. Carrying out of the series (not less than in 5 regions) of training and information seminars/actions among target groups and mass-media.

III. Work Plan

Year: 2013-2014

Expected outcome	Scheduled activities	Timeframe		RESPONSIBLE PARTY	BUDGET					
		2013	2014		Budget item	2013	2014	TOTAL		
									Financing source	
<p>Outcome 1: Integrated analysis of the current state of the housing and communal services sector (HUS) in Prigorodnyi village to define technical, organizational and other measures on HUS modernization (foremost, the heat supply system) in the populated area made and a master plan and feasibility study on HUS reforming in the pilot village developed</p>										
<p>Baseline: There is no integrated analysis of the current state of HUS in Prigorodnyi village Indicators: economic and environmental assessment of populated area's HUS reconstruction options, a report on technical solution options for modernization of residential and public buildings in the populated area, a master plan of the village, an economic assessment of the options to provide new housing. Target: Defining of technical, organizational and other measures on HUS modernization (foremost,</p>	<p>1.1. Analysis of the current situation in Prigorodnyi village including in-depth analysis of the heat supply system condition and the power and water supply system related to it as well as the condition of residential and public buildings and constructions;</p>	X		RB / UNDP	UNDP	71300	local experts	3 000	0	3 000
					UNDP	71200	international experts	5 667	0	5 667
					UNDP	71600	travel	2 333	0	2 333
					UNDP	75700	workshops	2 000	0	2 000
					UNDP	74500	contingency expenses	333	0	333
					Total UNDP			13 333	0	13 333
			RBK	71200	international experts	23 707	0	23 707		
			RBK	71300	local experts	11 366	0	11 366		
			RBK	71600	travel	2 232	0	2 232		

the heat supply system) in the populated area and development of a master plan and feasibility study on HUS reforming in the pilot village	1.2. Conducting of economic and environmental assessment of populated area's HUS reconstruction options (foremost, for the heat supply system and for the water supply and power system; related to it) to secure break-even operation of them, the reduction of above-standard losses of resources and avoid the hazardous impact on the environment	x	RBK / UNDP	RBK	75100 general management	3 087	0	3 087
				Total/RBK		40 392	0	40 392
				RBK	71200 international experts	23 707	0	23 707
				RBK	71300 local experts	11 366	0	11 366
				RBK	71600 travel	2 534	0	2 534
				RBK	75100 general management	3 087		3 087
				Total/RBK		40 694	0	40 694
				RBK	71200 international experts	23 707	0	23 707
				RBK	71300 local experts	11 366	0	11 366
				RBK	71600 travel	2 534	0	2 534
							0	3 087
				Total/RBK		40 694	0	40 694
				UNDP	71200 international experts	1 333		1 333
				UNDP	71300 local experts	667	0	667
				UNDP	71600 travel	667	0	667
				UNDP	75700 workshops	333	0	333
	1.3. Development of a report on technical solution options for modernization of residential and public buildings in the populated area and development of standard solutions to secure replication of them in other regions (a model principle) including technical and economic computing	x						
	1.4. Development of a master plan for the village taking into account international experience, including along with the development forecast for the populated area, organizational and legal measures on the reduction of	x						

				UNDP	74500 contingency expenses			
				Total UNDP	3 333	0	333	333
				RBK	71200 international experts	0	47 414	47 414
				RBK	71300 local experts	0	22 733	22 733
				RBK	71600 travel	0	5 068	5 068
				RBK	75100 general management	0	3 087	3 087
				Total RBK	78 301	0	78 301	78 301
				RBK	71200 international experts	0	23 707	23 707
				RBK	71300 local experts	0	11 327	11 327
				RBK	71600 travel	0	5 068	5 068
				RBK	75100 general management	0	3 087	3 087
				Total RBK	43 188	0	43 188	43 188
				UNDP	71600 travel	0	6 667	6 667
				UNDP	75700 workshops	0	6 667	6 667
				UNDP	74200 translations and publications	0	10 000	10 000
				UNDP	74500 miscellaneous expenses	0	3 333	3 333
non-payments for public services, prevention of indebtedness for these services in the future, measures on the development of schemes on social support for low-income sectors of the population; measures on removal of barriers to use of new institutional and financial models to secure populated area's HUS modernization and development								
1.5. Development and economic assessment of the options to secure new housing in exchange for dilapidated housing, including the options with construction of an attic system and for construction of an ergonomic residential complex considering the conditions and needs of small populated areas		x		RBK / UNDP				
1.6. Organization of expert consultations on technical, economical and social issues on modernization of HUS in Prigorodnyi village, discussion by target groups of the developed technical and organizational solution options on HUS modernization and a master plan of the populated area including the		x		RBK / UNDP				

		Total/UNDP		26,667		0		26,667	
opportunities for replication of the developed solutions in similar populated areas of the Republic of Kazakhstan.		RBK	71600	travel	14 513	0	0	14 513	0
		RBK	75700	workshops	3 960	0	0	3 960	0
		RBK	75100	general management	3 087	0	0	3 087	0
		Total/RBK			21 559	0	0	21 559	0
<p>Outcome 2: Development of an organizational and financial model on reforming and further sustainable management of HUS in the pilot populated area, including stage-by-stage reduction/elimination of subsidies allocated to cover the losses of resources, and covering of HUS sector costs including support for local authorities in the development and implementation of an integrated system of measures on organization of operation and technical maintenance and repair of MKD, the networks and communications within the housing and communal services complex of the populated area</p>									
<p>Baseline: The need in securing sustainable management of the modernized HUS in the populated area. Indicators: Consultations with main stakeholders, a report with proposals on the improvement of normative and legal acts (NLA) and scientific and technical documentation (STD) in the field of communal services management in small populated areas, a report with proposals on legal-regulatory, institutional and financial-economic aspects on the creation and development of local communal services. Target: Development of an organizational and financial</p>		<p>2.1. Organization of consultations with main stakeholders and attraction of international experts for the development and introduction of models</p>		x					
		UNDP	71300	local experts	1 333	0	0	1 333	0
		UNDP	71200	international experts	667	0	0	667	0
		UNDP	71600	travel	333	0	0	333	0
		UNDP	75700	workshops	667	0	0	667	0
		UNDP	74500	miscellaneous expenses	333	0	0	333	0
		Total/UNDP			3 333	0	0	3 333	0
		RBK	71600	travel	5 102	0	0	5 102	0
		RBK	75700	workshops	3 960	0	0	3 960	0
		RBK	74500	miscellaneous expenses	3 087	0	0	3 087	0
		Total/RBK			12 149	0	0	12 149	0
		UNDP	71300	local experts	667	0	0	667	0
		RBK/UNDP							
		2.2. Development of a report with proposals on the		x					

model on reforming and further sustainable management of HUS in the pilot populated area	improvement of NLA and STD in the field of communal services management in small populated areas						
				UNDP	71200 international experts	1 333	0
				UNDP	71600 travel	667	0
				UNDP	75700 workshops	333	0
				UNDP	74500 miscellaneous expenses	333	0
				Total UNDP		3 333	0
				RBK	71300 local experts	5 683	0
				RBK	71200 international experts	11 854	0
				RBK	71600 travel	2 534	0
				RBK	75100 general management	3 087	0
				Total RBK		23 157	0
				UNDP	71200 international experts	667	0
				UNDP	71300 local experts	333	0
				UNDP	75700 workshops	167	0
				UNDP	71600 travel	333	0
				UNDP	74500 miscellaneous expenses	167	0
				Total UNDP		1 667	0
				RBK	71200 international experts	11 854	0
							1 333

						RBK	71300 local experts	7 840	0	7 840
						RBK	71600 travel	2 534	0	2 534
						RBK	75100 general management	3 087	0	3 087
						Total/RBK		25 314	0	25 314
						UNDP	75700 workshops	2 000	0	2 000
						UNDP	74200 translations and publications	1 000	0	1 000
						UNDP	74500 miscellaneous expenses	333	0	333
						Total/UNDP		3 333	0	3 333
						RBK / UNDP		7 043	0	7 043
						RBK	75700 travel	3 960	0	3 960
						RBK	75100 workshops		0	3 087
						Total/RBK		3 087	0	14 090
Outcome 3: Piloting of the developed technical and organizational activities/solutions for the reconstruction of the centralized heat supply system in Prigorodnyi village and development of HUS sustainable management system for the village										
Baseline: There are no examples on HUS sustainable management systems Indicators: a type design, project specification and	3.1. Development of a type design for thermal modernization of an apartment building considering the specifics of the pilot populated area (and the	x				UNDP	71600 travel	0	1 333	1 333
						UNDP	71300 local experts	0	1 333	1 333
						UNDP	72100 subcontracts	0	3 333	3 333

estimates, meetings with AAOs (KSK) representatives, a report including risk assessment to attract an investor. Target: Demonstration of the developed technical and organizational activities /solutions for the reconstruction of the centralized heat supply system in Prigorodny village and development of HUS sustainable management system for the village	opportunity for replication of the design for other standard buildings in similar areas)				UNDP	74500	667	667	667
						miscellaneous expenses	0	0	0
					Total UNDP			6667	6667
					RBK	71200	25 561	25 561	25 561
						international experts	0	0	0
					RBK	71300	13 049	13 049	13 049
						local experts	0	0	0
					RBK	71600	5 068	5 068	5 068
						travel	0	0	0
					RBK	75100	1 972	1 972	1 972
	general management	0	0	0					
	Total/RBK		45 649	45 649					
	RBK	71200	11 854	11 854					
	international experts	0	0	0					
	RBK	71300	13 310	13 310					
	local experts	0	0	0					
	RBK	71600	2 275	2 275					
	travel	0	0	0					
	RBK	75100	1 970	1 970					
	general management	0	0	0					
	Total/RBK		29 408	29 408					
	UNDP	71200	20 000	20 000					
	international experts	0	0	0					
	UNDP	71300	10 000	10 000					
	local experts	0	0	0					
	UNDP	75700	13 333	13 333					
	workshops	0	0	0					
	UNDP	71600	6 667	6 667					
	travel	0	0	0					

3.2. Development of design estimates on heat supply network modernization in the pilot populated area

3.3. Organization and implementation of related activities with apartment owners, AAOs and local authorities to pilot the project on thermal modernization in a standard apartment building

UNDP	74500 miscellaneous expenses	0	5 000	5 000
Total UNDP		0	55 000	55 000
RBK	75700 workshops	10 000	3 960	13 960
RBK	74200 - translations and publications	11 037		
RBK	75100 general management	0	1 972	1 972
Total RBK		21 037	5 932	15 932
UNDP	71200 international experts	0	3 333	3 333
UNDP	71600 travel	0	3 000	3 000
UNDP	74500 miscellaneous expenses	0	333	333
Total UNDP		0	6 667	6 667
RBK	71200 international experts	0	4 612	4 612
RBK	71600 travel	0	1 256	1 256
RBK	75100 general management	0	1 972	1 972
Total RBK		0	7 839	7 839

3.4. Development of a report including risk assessment to attract an investor (including a private investor) for heat supply network modernization in line with the developed project specification and estimation and on the basis of the designed master plan on the development of the populated area

x

RBK /
UNDP

Outcome 4: Development and demonstration of the system on monitoring and sharing of knowledge, experience and practices on HUS modernization for small populated areas

<p>Baseline: There is no a system, experience practices and knowledge on monitoring HUS modernization for small populated areas</p>	<p>Indicators: meetings with target groups, a system on awareness raising and training and knowledge, experience and practices sharing for apartment owners, a report with recommendations on coordination of local authorities and management, communal enterprises and apartment owners</p>	<p>Target: Demonstration of the system on monitoring and sharing of knowledge, experience and practices on HUS modernization for small populated areas in the pilot area</p>	<p>4.1. Development of monitoring system-basis including the monitoring of communal infrastructure quality, monitoring of the state of residential buildings and public buildings /constructions, monitoring of the results of the works on thermal modernization of buildings, repair of networks and sources of communal infrastructure</p>	<p>x</p>	<p>RBK / UNDP</p>
<p>UNDP</p>	<p>71200 international experts</p>	<p>0</p>	<p>4 000</p>	<p>4 000</p>	<p>4 000</p>
<p>UNDP</p>	<p>71300 local experts</p>	<p>0</p>	<p>1 667</p>	<p>1 667</p>	<p>1 667</p>
<p>UNDP</p>	<p>75700 workshops</p>	<p>0</p>	<p>2 000</p>	<p>2 000</p>	<p>2 000</p>
<p>UNDP</p>	<p>74200 - translations and publications</p>	<p>0</p>	<p>1 667</p>	<p>1 667</p>	<p>1 667</p>
<p>UNDP</p>	<p>74500 miscellaneous expenses</p>	<p>0</p>	<p>667</p>	<p>667</p>	<p>667</p>
<p>Total UNDP</p>	<p>0</p>	<p>10 000</p>	<p>10 000</p>	<p>10 000</p>	<p>10 000</p>
<p>RBK</p>	<p>71200 international experts</p>	<p>0</p>	<p>10 817</p>	<p>10 817</p>	<p>10 817</p>
<p>RBK</p>	<p>71300 local experts</p>	<p>0</p>	<p>8 496</p>	<p>8 496</p>	<p>8 496</p>
<p>RBK</p>	<p>75100 general management</p>	<p>0</p>	<p>1 972</p>	<p>1 972</p>	<p>1 972</p>
<p>Total RBK</p>	<p>0</p>	<p>21 285</p>	<p>21 285</p>	<p>21 285</p>	<p>21 285</p>
<p>UNDP</p>	<p>71200 international experts</p>	<p>0</p>	<p>1 333</p>	<p>1 333</p>	<p>1 333</p>
<p>UNDP</p>	<p>71300 local experts</p>	<p>0</p>	<p>667</p>	<p>667</p>	<p>667</p>
<p>UNDP</p>	<p>75700 workshops</p>	<p>0</p>	<p>333</p>	<p>333</p>	<p>333</p>
<p>4.2. Organization of discussions of the developed monitoring system by target groups</p>	<p>x</p>	<p>RBK / UNDP</p>	<p></p>	<p></p>	<p></p>

						71600 travel		667	667
						74500 miscellaneous expenses		333	333
						Total UNDP	0	3 333	3 333
						RBK 71600 travel	0	4 754	4 754
						RBK 75700 workshops	0	2 750	2 750
						RBK 75100 general management	0	1 970	1 970
						Total RBK	0	9 474	9 474
						UNDP 71200 international experts	0	10 667	10 667
						UNDP 71300 local experts	0	5 000	5 000
						UNDP 72100 subcontracts	0	3 333	3 333
						UNDP 71600 travel	0	6 667	6 667
						UNDP 74500 miscellaneous expenses	0	1 067	1 067
						Total UNDP	0	26 733	26 733
						RBK 71200 international experts	0	10 780	10 780
						RBK 71300 local experts	0	10 995	10 995

4.3. Development by local experts jointly with an international expert of a system on awareness raising and training and knowledge, experience and practices sharing for apartment owners and other target groups to secure their due participation in the reforming and sustainable maintenance of the HUS sector

x

RBK / UNDP

		75100 general management	0	1972	1972
		RBK	0	23747	23747
		Total/RBK	0	23747	23747
4.4. Final discussion and agreement of the developed monitoring and awareness raising systems		UNDP	0	1333	1333
		UNDP	0	667	667
		UNDP	0	333	333
		UNDP	0	667	667
		UNDP	0	333	333
		Total/UNDP	0	3333	3333
	RBK	71600 travel	0	5199	5199
	RBK	75700 workshops	0	3960	3960
	RBK	75100 general management	0	1972	1972
	Total/RBK	0	11730	11730	11730
4.5. Development of a report with recommendations on coordination of local authorities and management, communal enterprises,		UNDP	0	2333	2333
		UNDP	0	667	667
	RBK / UNDP	x			

apartment owners and other target groups to develop the mechanisms on their cooperation for implementation of the development plans and modernization of small populated areas and cities (agglomerations)	UNDP	74500 contingency expenses	0	333	333
	Total/UNDP				
	RBK	71300 local experts	0	15 411	15 411
	RBK	75100 general management	0	1 972	1 972
	Total/RBK				
	UNDP	71300 local experts	0	5 000	5 000
	UNDP	74200 - translations and publications	0	4 667	4 667
	UNDP	74500 miscellaneous expenses	0	1 000	1 000
	Total/UNDP				
	RBK	71300 local experts	0	5 627	5 627
RBK	74200 - translations and publications	0	1 121	1 121	
RBK	75100 general management		1 970	1 970	
Total/RBK					
	UNDP	71600 travel	0	5 000	5 000

x

RBK/
UNDP

x

RBK/
UNDP

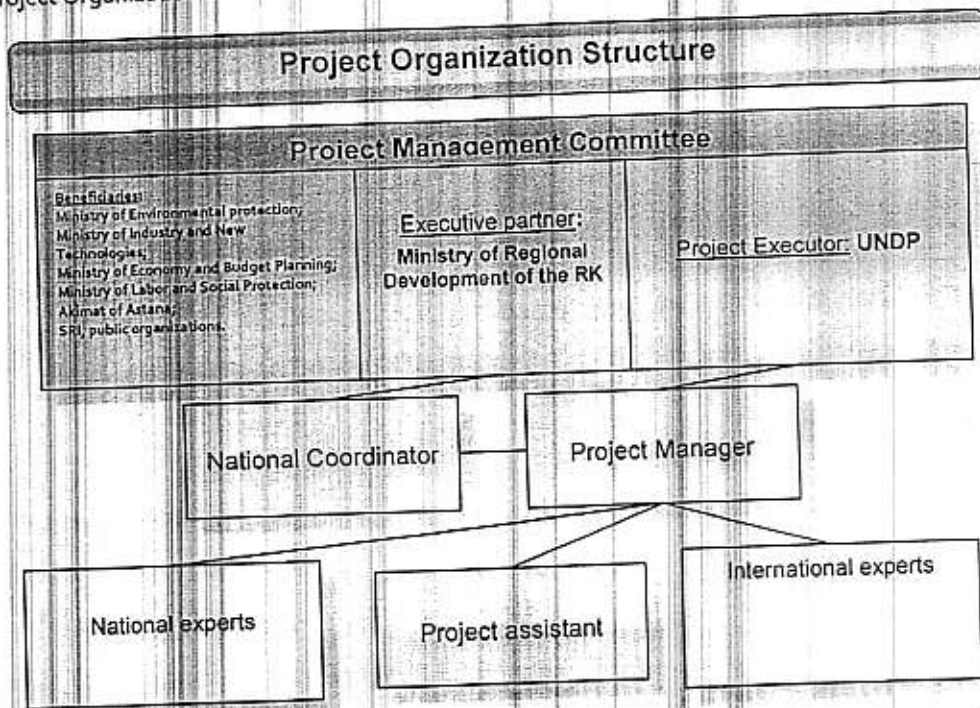
4.7. Organization of a series of

training and informational workshops /activities for the target groups and the mass media (workshops in regional centers)	UNDP	75700	workshops	0	2 000	2 000	
	UNDP	74500	miscellaneous expenses	0	1 667	1 667	
	Total/UNDP			0	8 667	8 667	
	RBK	71600	travel	0	5 494	5 494	
	RBK	75700	workshops	0	4 533	4 533	
	RBK	75100	general management	0	1 970	1 970	
	Total/RBK			0	11 997	11 997	
	Outcome 5: Project management, monitoring and performance review and experience sharing						
	Baseline: the need in securing well-timed and rational planning, control and monitoring of the project activity in accordance with the GEF/UNDP procedures in the field of planning, monitoring and reporting. Indicators: Progress reports, monitoring reports, a project calendar plan Target: Efficient project management, achievement of goals and expected outcomes.	RBK	71400	Individual contracts	57 878	117 817	175 695
		RBK	73100	rent and maintenance	9 000	18 000	27 000
RBK		72400	communication services	2 000	4 000	6 000	
RBK		72800	office equipment	8 500	3 400	11 900	
RBK		74500	miscellaneous expenses	2 500	3 000	5 500	
RBK		72500	office supplies	1 500	500	2 000	

	RBK	71 600 travel	1 500	3 000	4 500
	Total RBK		82 878	149 717	232 595
Amount (including admin costs)	UNDP (in parallel)		55 000	134 400	189 400
Total financing	RBK		443 454	342 278	785 732
			498 454	476 678	975 132

IV. Project Management Structure

Part I: Project Organization Structure



Part II. Organization of Management

The Project is a joint initiative of the Government of the Republic of Kazakhstan and UNDP for which the following principles of business management are applicable. As the executive agency UNDP through the country office in the Republic of Kazakhstan will implement the Project as the executive partner. Both executive partners if necessary are required to render the following services based on the Project's technical execution:

- Preparation of the terms of reference and specifications on the equipment and the goods necessarily in conformity with the UNDP internal rules and procedures on procurement of goods and services, including selection, conclusion of contracts and communication with consultants and subcontractors. The given rule concerns the goods and the services financed by the budgets of UNDP and the Republic of Kazakhstan;
- Purchases and contracts;
- The Project budget and expenses under the Project;
- Assistance in maintenance of the contact with the republican and regional partners;
- Assistance in carrying out of actions for representation of interests of target groups;
- Monitoring of the Project concerning the accountability, transparency, efficiency and productivity;
- Monitoring, estimation and audit of the Project activity.

The Project will be carried out in conformity with the established UNDP procedures of the national execution. The National executive agency under the Project will be the Ministry of Regional Development of the Republic of Kazakhstan which will undertake functions on general coordination and ensuring of participation of the stakeholders through the Project Board (PB) and other mechanisms. The Ministry will appoint the National Project Coordinator who will act as a link between the Ministry and the Project and provide the Project monitoring by the Ministry.

The Project Board is the key body to take strategic decisions under the Project. The PB Chairman is the appointed National Coordinator of the Project. PB meetings are held at least once a year for consideration and approval of the Annual Report on the Project implementation and approval of the Working Plan for the next year. Additional meetings will be held as required. In addition to the Ministry of Regional Development of the Republic of Kazakhstan and UNDP, the PB structure will include representatives of the following establishments:

- Ministry of Environmental Protection;
- Ministry of Industry and New Technologies;
- Ministry of Economy and Budget Planning;
- Ministry of Labor and Social Protection;
- Akimat of Astana.

Experts, companies, nongovernmental organizations or other organizations will be invited as subcontractors to execute specific tasks such as to work out methodologies and plans on preparedness and response, the feasibility study reports development and for implementation of the pilot activities, to carry out joint monitoring and assessment, trainings and exchange of knowledge. The subcontractor works according the TOR and the internal rules approved by the Project management.

For Project implementation the Project Implementation Unit will be established (further - PIU) the structure of which will include the Project manager, assistant on administrative and financial questions, national experts and a driver. Besides, highly qualified experts or companies will be selected on a competitive basis under individual contracts for performance of works according to concrete TORs.

The Project Manager will supervise the Project with support and in close cooperation with the Ministry of Regional Development of the Republic of Kazakhstan (on behalf of the appointed national coordinator) and the agencies presented in the Project Board (PB) and other stakeholders, including organizations of the civil society. An important task of the PIU is achievement of consent among all parties authorized for decision-making. For achievement of these purposes the following is conducted:

- Development and annual updating of the annual Working Plan (further - WP), reflecting efforts of the Project for full integration of the lessons learnt in the Project structure;
- Monitoring and assessment of the Project implementation according to UNDP procedures;
- Training and improvement of professional skills of the Project personnel concerning management of investment projects according to the international standards;
- An exchange of knowledge and experience and coordination with other projects and initiatives in the Republic and beyond it;
- Carrying out of the financial audit of the Project activity.

The Project personnel will pass through the competitive selection according to UNDP procedures. The Project Manager will exercise the PIU administration. The executive agency will appoint the National Coordinator of the Project. Under direction of the Project Manager based on the approval of the UNDP Programs Coordinator and the National Coordinator of the Project from the Executive Agency the PIU will carry out the project activity, namely, preparation/specification of working plans, archive storage of the Project documentation, accounting, reporting, preparation of TOR, technical specifications and other documents (necessary); search and selection of consultants, coordination and monitoring of consultants and suppliers, organization of trips under the Project, public and other actions by the Project, establishment of working contacts with partners at the national and local levels.

In the beginning of each year the PIU prepares for approval by the PB the Annual WP which is the basic document according to which assignment of the funds for implementation of the planned activity is made. The WP is developed in close cooperation with the stakeholders and is submitted to the PB for endorsement. UNDP and Ministry of Regional Development of the Republic of Kazakhstan carry out periodic monitoring and assessment of performance of the WP. Besides it, the PIU prepares quarterly accounts about the accomplished work and the Annual Report under the Project. These reports will reflect achievement of the expected outcomes; provide an explanation in case of an essential deviation from the plan. If necessary certain adjustments will be made in the WP to be approved by the PB.

V. Monitoring and Assessment Structure

According to the Program Policy and UNDP procedures the Project monitoring is carried out as follows:

Within an annual cycle

- Progress concerning achievement of key results is estimated on a quarterly basis. The quality assessment is based on qualitative criteria and quality methods.
- The journal of problems is activated in Atlas and updated by the Project Manager to facilitate tracing and to solve potential problems or requests about changes.

- Proceeding from the initial analysis of risks, the risks account should be activated in Atlas Based and regularly updated through review of the environment capable to affect the Project execution.
- Being based on the information maintained in Atlas, the Project Manager should submit the report on the Project execution to the PB using a standard form for UNDP reporting.
- The journal «About Lessons Learnt» should be activated and regularly updated for maintenance of an ongoing training and adaptation within the organization and in support to preparation of the Report on the lessons learnt in the end of the Project.
- The Monitoring Plan should be activated in Atlas and updated to track out the key actions on the Project management.

Annually.

The Annual Survey Report. The annual survey report should be prepared by the Project Manager and submitted to the PB following the minimum requirements. The Annual Survey Report should cover the whole year with the updated information per each element of the quarterly report, and also a summary of the reached outcomes versus the annual goals earlier determined in the comparative analysis.

- **Annual Review of the Project.** On the basis of the aforementioned report the Annual Review of the Project is conducted in the fourth quarter of the year or soon after the end of the year for assessment of the course of the Project implementation and approval of the Annual Working Plan for the next year. Such review is done by the PB and is focused on degree of the outcomes' achievement.
- **The Project Audit.** The Project Audit is carried out in compliance with the established UNDP procedure. The Government will provide to the Permanent UNDP Representative the certified periodic financial reports and annually will conduct the audit of the financial reports concerning the status of these funds according to the established procedures defined in the Program and Financial Guides. Audit will be conducted by the legislatively appointed auditor of the Government or a commercial auditor involved by the Government. Internal and external audit of the contribution should be carried out according to the UNDP financial Regulations, rules and instructions.

VI. A legal context

The present Project document is the document acting under this title in Article I of the Standard Agreement on provision of assistance signed by the Government of the Republic of Kazakhstan and the United Nations Development Programme on October 4, 1994. In view of implementation of the Standard Agreement on provision of assistance the Executive Agency of the host country addresses the corresponding state body stated in this agreement.

Based on the approval of UNDP in Kazakhstan and others signatories the UNDP Permanent Representative in the PK is authorized to make the following written amendments to the present Project document:

- a) Revision and completion of appendices to the present Project document;
- b) Amendments which are not assuming any essential changes of the goals, intermediate results and the Project actions caused by streamlining of the originally approved contributions or by growth of expenses due to inflation;
- c) The obligatory annual audits for revision of the terms of the originally approved contributions to the Project and the terms of the expenses which have increased due to inflation, in particular, expenses on experts, and also the amendments considering variability of expenses;
- d) Addition of additional appendices in conformity with the Regulations of the present Project document.

The executive partner:

- a) Introduces the corresponding plan of safety while taking into account the safety level in the country where the Project is carried out;
- b) Accepts risks and liabilities on ensuring safety of the executive partner and full execution of the plan on safety.

The Executive Agency undertakes to make all reasonable efforts to ensure that neither of the UNDP funds received according to the Project document will be used for support rendering to physical or legal bodies connected with terrorism, and that the beneficiaries of any funds provided by UNDP are not included in the list of the Committee of

the Security Council (Security Council Committee) founded according to Resolution 1267 (1999). The specified list can be accessible on <<http://www.un.org/docs/sc/committees/1267/1267listeng.htm>>. The given condition should be included in all sub-contracts or sub-agreements concluded under the present Project document. UNDP reserves the right to itself to check availability and effectiveness of such a plan and to offer changes in it if necessary.

Transfer of financial assets from UNDP PIU and-or to the subcontractor-organizations will be carried out according to the UNDP rules and procedures specified in the Program Management Guide.

The present Project Document is made in two copies in English and Russian languages. In case of inconsistencies between the two versions, the English version shall prevail.

ANALYSIS OF RISKS AND EMERGENCY MEASURES

Risks and liabilities	Risks mitigation strategy
Organizational risks	
Frequent reshufflings in the government causing unforeseen changes of the key personnel of partners.	The Project will work mainly at the level of the heads of the institutional bodies and etc., thereby providing continuity during its implementation.
Quality and productivity of all stakeholders, the state and non-state.	Signing of the memorandum of mutual understanding between the key partners and stakeholders, and also approval of the Plans of Action and maintenance of an appropriate information exchange and holding of regular meetings.
Challenges connected with undeveloped infrastructure and organizing skills.	Carrying out of regular consultations and capacity building through trainings and study tours.
Financial risks	
Absence or insufficient financing from the donor in the conditions of the economic crisis, inflation, the developed situation of non-payments in the sectors, deficiency of the budgetary funds.	Careful development and preparation of documents on interaction of the parties taking direct part in implementation of the Project, and also on interaction with the involved organizations; development of scenarios of adverse situations' development
Increases of procurement prices of goods, services.	Attraction of additional funds.
Technological risks	
Lack of technology and wrong choice of the equipment, erroneous definition of capacity.	Attraction to the Project development and implementation of the firms with wide experience on introduction of information systems.

Regulation on Project Board (PB)

1. General provisions

1. PB is created on the basis of the Project document signed by the Ministry of Regional Development of the Republic of Kazakhstan.
- 1.2. The main objectives, structure, organization and the procedure for carrying out of PB sessions, its functions and rights are stated in the present document.
- 1.3. The provisions of the present document (further under the text - Provisions) are applicable to the activity of all PB participants.
- 1.4. PB is a supervising and managing body which provides political support to the Project and carries out coordinating functions.
- 1.5. PB operates on the basis of the Constitution of the Republic of Kazakhstan, decrees and orders of the President of the Republic of Kazakhstan, decisions and orders of the Government of the Republic of Kazakhstan, including the present Regulations.
- 1.6. Activity of PB is built on principles of publicity and freedom of discussion.

2. The main tasks of the Project Board are:

- 2.1. Consideration, assessment and working out of recommendations and proposals concerning the main directions of the Project surveys and works, including development of the drafts of the normative, legal and technical acts in the field of technical regulation of the equipment and materials;
- 2.2. Provision of consulting and expert assistance and working out of recommendations and proposals concerning the subject, content, volumes and terms of the concrete phases of the Project surveys and works.
- 2.3. Consideration and assessment of the results of Project surveys and works, including the drafts of the normative-legal acts and methodology documents in the field of technical regulation.

3. Main functions of the Project Board:

- 3.1. General management of the Project implementation;
- 3.2. To determine the main directions of the Project and control execution over the Project implementation at high level;
- 3.3. To check and confirm the annual Project plans and their financing;
- 3.4. To consider and endorse the annual reports on the PIU work;
- 3.5. To provide interrelation of the Project with the current initiatives, programs, Projects and with other additional Projects;
- 3.6. To provide cooperation between the national establishments participating in implementation of the Project;
- 3.7. To provide access to all documents and the information which are available in various official bodies, necessary for the Project monitoring and implementation;
- 3.9. To provide participation of various state and non-state stakeholders in the Project;
- 3.10. To provide methodical and organizational support to the Project group in carrying out of Project actions;
- 3.11. To act as the main body on coordination of activity and lobbying of interests of the Project to ensure political, normative, legal and financial support of the RK Government;
- 3.12. To carry out activity on attraction of additional financial assets to support the results of the Project and activity after termination of funding.

4. Structure of the Project Board

4.1. The general management of PB is carried out by the Chairman. The PB Chairman is the National coordinator of the Project appointed by the Ministry of Regional Development of the Republic of Kazakhstan.

4.2. PB consists of following organizations:

- Ministry of Environmental Protection;
- Ministry of Industry and New Technologies;
- Ministry of Economy and Budget Planning;
- Ministry of Labor and Social Protection;
- Akimat of Astana.

4.3. The following organizations can be invited to the PB sessions to solve specific issues:

- Representatives of the Scientific-Research Institutes,
- Independent consultants and experts,
- Others

4.4. The Project Group renders an organizational and technical support to PB.

5. Organization and procedure for carrying out of the PB sessions

5.1. The PB works in the format of sessions conducted according to the established procedures, at least, once a year or if it is necessary, more often.

5.2. The PB sessions are considered lawful if the quorum of not less than 2/3 members of the Standing Committee is ensured.

5.3. The PB decisions are accepted by voting at sessions. At sessions the PB members should aspire to take all decisions on the basis of a consensus.

5.4. The PB decisions are registered in the form of the session minutes signed by the Chairman of the PB and the secretary;

5.5. The decisions accepted at the PB sessions are obligatory for the Project group and organizations-members of the PB;

5.6. The Project group will organize and hold sessions and carry out the following actions:

- The analysis of the information given by the organizations-members, and preparation of the agenda and necessary materials;
- Granting of the draft of the agenda with appendices (reports, reference materials, and other information) along with the cover letter for consideration and approval by the PB Chairman;
- Or its representative (by the order of the PB Chairman);
- At approval of the agenda, preparation of materials to be disseminated among the PB members;
- Notification of the PB members about the date and venue of sessions and submission of the agenda not later than 10 days prior to the session date.

6. The rights and duties

6.1. For performance of functions in the PB its members have the rights and duties and bear responsibility according to the Republic of Kazakhstan legislation, other normative-legal acts and the present Regulations.

6.2. Members of the PM have the right:

- 6.2.1. To take part in all PB sessions;
- 6.2.2. To receive any information about the PB activity;
- 6.2.3. To initiate decision-making by the PB;
- 6.2.4. To execute other powers.

6.3. Chairman of the PB:

6.3.1. Defines the internal procedures of the PB and also approves responsible persons for control over carrying out of actions and financing of the Projects;

- 6.3.2. Chairs the PB sessions;
- 6.3.3. Conducts the PB ad-hoc meetings if necessary;
- 6.3.4. Supports a continuous communication with the PB members and the Project Manager;
- 6.3.5. Facilitates an information exchange between the PB members;
- 6.3.6. Jointly with the Project Manager appoints the dates of the PB sessions;
- 6.3.7. Checks and confirms the agenda of the PB sessions;
- 6.3.8. Coordinates actions of the PB directed on ensuring of implementation of the PB activity and provides all necessary support for successful Project implementation;
- 6.3.9. Bears responsibility for the timely notification (10 days before) of the PB members about a forthcoming meeting with the agenda provided;
- 6.3.12. Represents the PB at interaction with other organizations.

7. Activity control

- 7.1. The PB in its activity is guided by the present Regulations.
- 7.2. The PB activity should be assessed at the regular session of the PB after hearing of the Annual Report.

Position: Manager of the Project

The Project Manager (PM) bears responsibility for the general everyday coordination of all aspects of the Project at the national level under the general management of the National Coordinator of the Project (NCP). PM supervises the work of the PIU and bears full responsibility for effective implementation of all actions by the Project. PM provides timely and rational planning, control and activities monitoring under the Project according to the UNDP procedures in the field of planning, monitoring and reporting. PM provides an effective team work on the basis of the international standards of business administration and HR management. PM supports direct communication with the Ministry of Regional Development of the Republic of Kazakhstan and HMBSM which is the Executive partner for this Project under guidance of the Government, and the NCP supervising the Project under the UNDP guidance. PM is responsible for preparation of financial reports and reports about the course of implementation of the approved Project activities, gives expert support and supervises execution of subcontract works.

Focuses on achievement of following results:

The overall aim of PM's work is in successful implementation of the Project according to the goals, the work plan and the budget specified in the Project document, including the following specific tasks:

1. Ensuring of effective planning and implementation of the Project with participation of all stakeholders;
2. Organization and management of the PIU work including experts for each Project outcome and the Project budget;
3. Organization of preparation of TORs and contracts for national and international experts, consultants and partners after consultations with NCP/UNDP;
4. Organization and assistance in carrying out of the actions connected with the Project if necessary. It can include planning of meetings, local and national seminars, consultations, business trips and other actions connected with the Project.
5. Ensuring preparation of reports about the course of the Project implementation, financial reporting and inquiries of any kind;
6. Ensuring preparation of technical reports according to the UNDP requirements and monitoring and reporting forms;
7. Ensuring of effective cooperation with the corresponding state bodies, scientific organizations, NGOs and other stakeholders about activity under the Project;
8. Establishment and maintenance of communication and relations with the national and international partners in the Project;
9. Organization and control of preparation of documents for organization of contracts with experts, organizations and so forth according to UNDP rules and procedures;
10. Ensuring of control of timely execution of works;
11. Securing preparation and submission of various technical reports according to the Project documentation
12. Control of the proposed expenses of the Project budgetary funds according to the endorsed budget by each Project outcome.
13. Securing of distribution of the information about the Project among all stakeholders;
14. Creation and management of mechanisms for exchange of experience and lessons learnt at the national level;
15. Coordination, tracing and responsibility for implementation of the approved annual plan of works under the Project;

16. Ensuring of actual attraction, coordination and monitoring of the funds under the framework of co-financing provided by the Project documents;
17. Development of relations with other UNDP programs and Projects and other regional programs if necessary;
18. Submission of current reports under the Project and timely informing of the executive partner and UNDP about any problems arising during the Project implementation;
19. Participation in meetings of the Executive Partner and UNDP pertaining to the topical issues of the Project;
20. PM carries out other functions approved by the executive partners and UNDP.

Terms of Reference 2

Position: the Administrative and financial assistant

The volume of functional duties complies with the Project documentation. The administrative and financial assistant (AFA) is responsible for everyday administrative and financial support to the actions under the Project, deliveries of the goods and services for the Project, including effective accounting of the Project funds and the financial reporting according to UNDP requirements and procedures. The administrative and financial assistant will provide high quality and accurate performance of the work.

The overall aim of the ADA work - successful implementation of the Project according to the goals, the working plan and the budget stipulated in the Project document, including the following specific tasks:

1. Preparation of the reconsidered budgets of the Project (at least, once a year);
2. Preparation of requests for advance payments and the reporting, if necessary, according to UNDP procedures.
3. Preparation of requests about payments.

4. Preparation of requests about business trips for employees of the Project, the executive partner and UNDP according to the UNDP format, rules and procedures.
5. Rendering of support in organization of business trips (booking of tickets and hotels).
6. Assistance of PM in maintenance of constant contacts with the Executive partner, UNDP, Project partners and other organizations, through direct contacts, gathering of information and proposals, registration of the incoming and outgoing documents, drafting of letters and organization of meetings.
7. Assistance of PN in monitoring of the Project by revision of the existing materials, correspondence, reports, Project actions, Project payments, budgets and financial expenses according to UNDP requirements; preparation and archive maintenance of the above-stated correspondence and materials.
8. Organization and support in organization of seminars, meetings, delegations, trips to the countries and etc.
9. Preparation of distributing materials for seminars, briefings and meetings.
10. Keeping of the inventory list of the equipment, preparation of reports on the equipment condition;
11. Keeping records about the equipment delivery under the Project to the PIU experts; monitoring of such equipment.
12. Incoming mail gathering and distribution, outgoing mail mailing; search of files and etc.
13. Data recording about use of the office motor vehicle.
14. Informal translation and implementation of functions of the translator, if necessary.
15. Preparation after consultations with the Project experts and approval of the plan of purchases; maintenance of regular monitoring of purchases according to UNDP format and under supervision of PM;
16. Organization of selection of suppliers of goods/services according to UNDP requirements and procedures;
17. Preparation after consultations with the Project experts of the draft of substantiations for selection of suppliers of goods/services for consideration by the corresponding UNDP divisions and UNDP Committee on Purchases;
18. Preparation, coordination and approval of the contract documents concerning purchases of goods/services; control of performance of contract terms by suppliers and PM informing.
19. Preparation of electronic applications according to the signed contracts and tranches, monitoring of applications for payment in the system "Atlas".
20. Preparation of short-term contracts according to UNDP requirements and procedures and control of performance of contract terms;
21. Preparation of the annual/quarterly report for input in the UNDP program «Atlas» according to the proposals of the Project experts and PM approval.
22. Regular analysis of a financial situation of the Project which is reflected in «Atlas», and if necessary, preparation of proposals of the PM for entering of adjustments.