

Recommendations

following the results of the side event: "**Financing Sustainable Development in Central Asia: green economy and climate finance**"

06.12.2024

Link to online side event: https://youtu.be/0yEpfZuciM?si=-JRNIR34_jhgeixc

Organizers: Public Foundation Nash Vek together with the External Aid Monitoring Group.

Key strategies for financing sustainable development in Central Asian countries:

Financing sustainable development in Central Asian countries (CA) requires a comprehensive approach that takes into account the specific features of the region, such as limited water resources, climate change, economic dependence on raw materials industries and socio-economic inequality.

Attracting international funding:

- **Global funds:** Active participation in international initiatives such as the Green Climate Fund (GCF), the Global Environment Facility (GEF), and the United Nations Development Program (UNDP).
- **International development banks:** Receiving grants and loans from the Asian Development Bank (ADB), the World Bank, and the European Bank for Reconstruction and Development (EBRD).
- **Bilateral cooperation:** Attracting funding from donor countries through technical and financial assistance programs.
- **Debt swaps for green projects in countries experiencing peak payments.**

Development of green economy:

- **Investment in renewable energy:** Stimulating solar, wind and hydropower projects. This will reduce dependence on hydrocarbons.
- **Energy efficiency:** Implementing programs to modernize infrastructure to reduce energy losses.
- **Sustainable agriculture:** Financing projects to introduce water-saving technologies and sustainable farming practices. Water as a resource should be the basis of all decisions taken in all sectors of the economy, i.e. efficient use and preservation of clean water
- In green financing, it is necessary to take into account small businesses in the regions and be accessible to rural residents. Take into account the NEXUS approach in the green economy as the European experience.

Public-private partnership (PPP)

- Creating conditions for attracting private investors to environmental and social projects.
- Implementing tax incentives and subsidies for companies that invest in sustainable development.
- Developing a legislative framework for the effective implementation of PPP.

National budgets and reforms:

- Increase funding for education, health and social protection.
- Expand the tax base by taxing unsustainable practices (e.g. carbon emissions) and stimulating green businesses.

Development of green finance markets:

- **Green Bonds:** Creating platforms for issuing bonds aimed at financing environmental projects.
- **Climate Investments:** Attracting institutional investors through specialized funds.
- **Microfinance:** Expanding access of small businesses and farmers to sustainable financial resources.

Regional cooperation:

- Coordination of joint initiatives in the field of water resources, energy and transport.
- Creation of regional funds or organizations aimed at supporting sustainable development (e.g. environmental technologies)