ENERGY CHARTER SECRETARIAT KAZENERGY ASSOCIATION

Press release

PRESENTATION OF REVIEW OF THE NATIONAL POLICY OF THE REPUBLIC OF KAZAKHSTAN IN THE AREA OF ENERGY SAVING AND ENERGY EFFICIENCY

26 November 2014 – Astana, Kazakhstan Rixos President Hotel, Room 'Diholl'

26 November 2014, Astana, Kazakhstan – today the Review of National Policy of the Republic of Kazakhstan in the Area of Energy Saving and Energy Efficiency was officially launched in Astana. The Review was carried out by the Energy Charter Secretariat and the KAZENERGY Association with the special support of the Energy Centre of the Kazakh University of Oil and Gas and the company KEGOC.

The objective of this event was the examination of the main findings and recommendations with regard to the further developments of energy efficiency in Kazakhstan. The event was presented by the Energy Charter Secretariat during the 25th Meeting of the Energy Charter Conference in Astana. The event was attended by high-level representatives of the Kazakh authorities, international organisations, donors and IFIs, including the EU Delegation to Kazakhstan, the World Bank, EBRD, UNDP and others.

Kazakhstan ratified the Energy Charter Treaty and the Protocol on Energy Efficiency and Related Environmental Aspects in 1995. By ratifying the Protocol, countries commit themselves to formulating and implementing policies for improving energy efficiency and reducing the negative environmental impacts of the energy cycle.

The review was carried out throughout 2014 within the framework of the Memorandum of Understanding between the Energy Charter Secretariat and the KAZENERGY Association. The document represents a detailed overview and analysis of the current and planned policies to improve energy saving and energy efficiency in Kazakhstan. It also provides a number of recommendations for the Kazakh authorities to improve energy efficiency. The resulting report was discussed by the Energy Charter's Working Group on Energy Efficiency on 31 October 2014 and the recommendations were endorsed by the organisation's top governing body, the Energy Charter Conference.

With the adoption of "Strategy – Kazakhstan 2050" and the Concept of Transition to a 'Green' Economy, Kazakhstan has chosen a fundamentally new way for the development of its society. One of the key aspects of the gradual transition to a 'green' economy is energy efficiency. In terms of energy intensity, Kazakhstan's GDP is currently among the highest. According to Energy Charter experts, the country has considerable potential to improve energy efficiency in the industry, energy, utilities and transport.

The report concludes with recommendations to the government of Kazakhstan to develop a strategy for attracting investments into the modernisation of outdated energy infrastructure and developing mechanisms to promote energy saving through changes in the procedure of electricity tariff calculation.

The report encourages the development of various mechanisms of state incentives (soft loans, tax breaks) for industrial enterprises in order to support and improve their energy efficiency, as well strengthening the monitoring of the implementation plans for energy saving, based on the results of energy audits.

With regard to transport, the report recommends to improve fuel quality control by the state and to stimulate accelerated renewal of motor vehicles in the country.

This review is unique: in addition to the traditional description of energy efficiency policies and recommendations, it includes examples of global best practices and their importance for Kazakhstan. The countries chosen for the comparative analysis have climatic and geographic conditions, the GDP structure and the best energy efficient technology practices similar to those of Kazakhstan.

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