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ADB study to identify clean energy transition opportunities in Kazakhstan

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The Asian Development Bank (ADB) has begun exploring opportunities to accelerate the retirement of coal and other fossil fuel plants in Kazakhstan and replace or repurpose them with clean energy under the bankâ??s Energy Transition Mechanism (ETM) program.

Following a request from the Ministry of Energy of Kazakhstan, ADB has initiated a pre-feasibility study to help the government identify coal-fired and combined heat-power plants that could be potential candidates for accelerated retirement. ADB has provided a $225,000 grant for the study, which will analyse the current policy and regulatory environment in the Central Asian nation.

Kazakhstan is a major consumer of coal with some 25 billion tonnes of reserves estimated to be the eighth largest worldwide. About 70 per cent of the nationâ??s electricity is produced from coal while energy-related activity, including heat and electricity production, accounted for more than 80 per cent of the countryâ??s total greenhouse gas (GHG) emissions.

In February, President Kassym-Jomart Tokayev approved Kazakhstanâ??s long-term decarbonisation strategy wherein the government aims to reduce GHG emissions by 15 per cent by 2030 and achieve carbon neutrality by 2060.

â??As Asia and the Pacificâ??s climate bank, we are pleased to support the governmentâ??s commitment to fulfilling its nationally determined contributions under the Paris Agreement and achieving carbon neutrality by 2060,â? said Yevgeniy Zhukov, ADB Director General for Central and West Asia. â??ETM could help to significantly reduce the countryâ??s GHG emissions, ramp up much-needed clean energy investments, and expand access to reliable, sustainable energy.â?

ADBâ??s ETM is a scalable, replicable program that uses concessional and commercial capital to retire or repurpose existing coal and other fossil fuel plants on an accelerated schedule, replacing them with clean power capacity. ETM is one of many ADB initiatives that can help Asia and the Pacific mitigate the worst impacts of climate change such as extreme sea level rises and destructive weather events.

Kazakhstan becomes the fifth country to begin working with ADB on ETM, following Indonesia, Pakistan, the Philippines, and Viet Nam.