Efficiency Policy Planning for 2015-2017 was developed (Resolution No.601 of August 25, 2015, of the Government of the Kyrgyz Republic) that provides for organizational measures to save energy and promote energy efficiency policies. Over the past few years, in accordance with the Bishkek Social and Economic Development Program 2012-2014, work has begun on the energy efficient modernization of selected sections of lighting systems in Bishkek and Osh. However, there are no relevant standards and regulations for the full-scale promotion of energy efficiency in lighting, household and engineering equipment in buildings. This problem can be solved through the creation of a national regulatory and monitoring system, the development of a system of energy efficiency indicators with the development of wide information on the results of successful pilot practices in this area, including in the EEA countries.

Barriers: There are certain barriers for energy saving equipment access to national internal markets due to different regulations. These barriers can be removed by introducing common standards.

The increase in new construction and in reconstruction of existing buildings, as well as renewal of household appliances increasing purchase parity resulted in gradual increase in electric energy consumption (since the end of 1990s) in the mentioned countries, which resulted in high level of emissions of polluting substances including CO_2 and mercury.

Inefficient appliances dominate the market in all segments, and the share of inefficient products is significantly high from the EU average. The reason for that is mainly due the low awareness of consumers and/or lack of or inadequate information delivered to them, which is not ensuring appropriate market signals for the market transformation. The negative impact of increasing prices for energy carriers can be mitigated through appropriate knowledge on choices to be done while procuring energy appliances for households and commercial users. The majority of lighting devices, household appliances and engineering equipment available in the market has low classes of energy efficiency and, respectively, low energy efficiency. This situation does not favor mass introduction of new technologies and consequently slows down the energy efficiency improvement in the countries of the region. Moreover, there is no common approach to promotion of green purchases in state and municipal sectors at the basis of imposed energy efficiency requirements for selected groups of energy consuming products and systems.

Opportunities: In the same time current trends in improvement of energy efficiency and cost reduction of major share of energy consuming devices (LED lamps and fixtures, refrigerators and washing machines etc.) creates significant technical potential for energy saving (up to 40%). In most sectors of economic activity this potential is not realized because of lack of necessary demand for energy saving products or absence of the mechanisms to stimulate the demand.

In general the EE standards for consumer appliances is known in the EEU countries and some of these countries have already embarked on developing and implementing programs, however the average efficiency of products on the market is still far below the most efficient products available. The programs needs synchronization of certain activities, in the same time contributing to reduction of financial and institutional shortcomings in partner countries.

Motivation and creation of favourable environment for innovation are of utmost importance for efficient long-term global mitigation of climate change, enhancement of economic growth and sustainable development.

Other co-benefits: Energy saving will also contribute to the mercury pollution reduction. According to the provisions of Minamata Convention, which regulates the use of mercury and introduces obligation to phase out toxic substances, provides sound ground for the removal of production and withdrawal from use of low efficiency products containing mercury compounds (fluorescent and mercury vapour lamps).

II. STRATEGY

The Project will contribute to the achievement of the following objectives in the field of sustainable development: Objective 7: Provide access to reliable, sustainable and modern energy production for all (Objective 7.3: Double global improvement rate of energy efficiency by 2030). Objective 13: Take immediate actions to combat climate change and its impact (Objective 13.2: Integrate measures dealing