



IMPACT SHEET: Promoting Energy and Resource Efficiency in the Tourism Industry of Kyrgyzstan (PERETO)

Advancing sustainable practices within Kyrgyzstan's tourism sector



Promotion of energy security and sustainable growth through increased energy and resource efficiency in tourism SMEs in Kyrgyzstan.









PROJECT BACKGROUND

The PERETO project has been implemented across various regions of the Kyrgyz Republic, a lower-middle-income country with a population of 6.39 million. With nearly 66% of its population residing in rural areas, the project has focused on addressing the needs and challenges of the tourism sector, which significantly contributes to the country's GDP. The project has targeted all seven regions of the country: Chuy, Issyk-Kul, Jalal-Abad, Naryn, Talas, Batken, and Osh. Key areas of implementation included major cities such as Bishkek and Osh, as well as popular tourist destinations like Issyk-Kul, ensuring a comprehensive approach to promoting energy and resource efficiency across the nation.

CHALLENGE

The tourism sector in Kyrgyzstan, though a potential driver of economic growth, faces significant challenges, including poor infrastructure, unreliable energy and water supplies, waste generation, and high greenhouse gas emissions. These challenges are exacerbated by inconsistent environmental legislation and limited government support, making it difficult for small- and medium-sized enterprises (SMEs) to implement energy and resource efficiency measures. Despite being recognized as a priority in the National Development Strategy and the Green Economy Programme, the sector's current practices threaten sustainable development, necessitating a shift towards more efficient and environmentally friendly operations.

PROJECT OBJECTIVES

To address the outlined challenges, the PERETO project aims to enhance energy security and sustainable growth by promoting sustainable production and consumption (SCP) practices and energy and resource efficiency (ERE) among SMEs in Kyrgyzstan's tourism sector.

The specific objectives included:

- Raise awareness of SCP and ERE practices among consumers and tourism SMEs.
- Build capacity and technical readiness of tourism SMEs to adopt SCP and ERE measures.
- Develop new green financing products tailored to the needs of tourism SMEs.
- Facilitate national policy dialogue and policy formulation on SCP and ERE.
- Promote industry commitments through voluntary ERE certification for tourism SMEs.

TARGET GROUPS

- SMEs and Business Associations: 300 SMEs (around 50 hotels, 150 restaurants, and 100 cafes) and associations.
- Financial Institutions: commercial banks and financial institutions.
- ERE Solution and Service Providers.
- Public Authorities: Ministries, Government agencies and local authorities.
- Consumers: 300,000 international and domestic tourists and HoReCa visitors were informed about sustainable HoReCa SMEs and received practical information on sustainable lifestyles.
- Educational Institutions: state universities.

PROJECT ACTIVITIES

Over four years, PERETO has significantly advanced sustainable practices within the country's tourism sector. The project reached over 2,700 small and medium-sized enterprises (SMEs), with about 100 of them implementing over 500 measures to reduce energy and resource consumption.

Key activities included conducting eco-audits and facilitating the adoption of green technologies among hotels, restaurants, and cafes (HoReCa). The project launched the voluntary environmental certification ECO KG, which recognizes enterprises with sustainable practices. This certification has increased demand for eco-friendly businesses and reduced the tourism sector's environmental impact.

Policy and Capacity Building

PERETO also focused on creating a favourable policy environment for sustainable practices. It engaged stakeholders, including government agencies, business associations, and educational institutions, in policy dialogues and capacity-building activities to raise awareness about sustainable consumption and production (SCP) and energy and resource efficiency (ERE) practices.

The project facilitated the development of four green financing products tailored to the needs of SMEs in the tourism sector. One of the project's goals is to integrate principles of sustainable production and consumption, as well as resource and energy efficiency, into tourism education. With expert support from the project, six state universities have already updated their curricula.

As part of its efforts to raise public awareness, PERETO actively engages with Kyrgyz citizens by disseminating a series of sustainable living tips, commonly referred to as "green tips," through its social media platforms. These green tips provide clear and straightforward guidance to individual consumers on a wide range of topics, including energy and water conservation, sustainable consumption practices, waste reduction, and more.

Through these activities, the project has laid the foundation for sustainable tourism development in Kyrgyzstan, ensuring sector growth while minimizing its environmental footprint.

LESSONS LEARNED

At the start of the project, the global COVID-19 pandemic impacted its implementation, postponing activities for almost half a year. Despite this, the project team continued with activities that did not require physical interactions and worked mostly online until the end of 2020. Due to this challenge, the aftershock effect on the tourism sector that lasted over two years, and political turbulence in the country, the project could not complete certain activities and achieve targets as planned. As a result, the project requested a no-cost extension of activities for an additional six months, allowing it to be completed by August 31, 2024. Ultimately, PERETO exceeded its goals and indicators, achieving an average of 2.5 times more than expected for each target.

Constant communication and honest interaction with all stakeholders are critical to engaging everyone in the preparation, design, and implementation of activities, ensuring ownership that impacts the sustainability of initiatives.





PROJECT ACHIEVEMENT

- 10 consulting services operate throughout Kyrgyzstan.
- About 787 private entrepreneurs participated in PERETO trainings.
- About 2725 small and medium-sized tourism enterprises have been technically consulted on sustainable production and consumption, energy and resource efficiency measures.
- 50 SMEs in the HoReCa sector underwent an energy audit and received energy-saving calculations, as well as business plans for further development.
- 4 green financial products were developed in partnership with commercial banks and non-banking organizations.
- PERETO collaborated with and supported 7 universities to integrate energy and resource efficiency and sustainable production and consumption principles into tourism education programmes.









Maksat Damir uulu Program Manager of the PERETO project

Abdyrazak Nishanov owner of the yurt camp "Lenin Peak", project beneficiary The PERETO project has become one of the most successful European Union projects in Kyrgyzstan, allowing the country's tourism sector to reach a new and higher level of sustainable development. Over four years of activity, the project has assisted more than 2,700 small and medium-sized enterprises across the country, with about 100 of them implementing more than 500 measures to reduce energy and resource consumption.

"We previously had a solar collector imported from China in 2017, but were unable to install it until Nurlan Irisov provided advice on how to connect it. The shower now functions flawlessly, and hot water is always available. Along with saving electricity, we replaced all the light bulbs with energy-efficient ones. I consider an achievement that we have an ecosan toilet, commonly known as a dry toilet or an ecological sanitation system. Since there is no unpleasant smell, we are satisfied. The garbage is separated into different containers to prevent it from getting into the soil and the groundwater. Additionally, it can be utilized as fertilizer after drying and turning into ash. Our objective is to gain a profit without causing any environmental harm".

Long-term project sustainability

The project was designed to ensure the sustainability of its initiatives beyond its completion. All project activities are interrelated, creating a robust ecosystem around energy and resource efficiency (ERE), sustainable consumption and production (SCP), and sustainable tourism principles. With the support of the project, these elements have been well established. For instance, the green financial products developed are in high demand among entrepreneurs who have recognized the importance and benefits of ERE measures for their businesses. The government has both short- and long-term strategies to create better conditions for the supply of necessary technologies and innovations, encouraging more investment from entrepreneurs. As businesses show more interest in sustainable measures, there will be a greater need for qualified personnel knowledgeable in ERE and SCP principles, who are trained and educated at seven universities. Ten Helpdesk Advisors have become professionals, and their technical expertise and consultations will continue to be in demand, both individually and through the eco-certification scheme managed by the Green Alliance.

Project contributions to Climate Change Mitigation and SDGs

The PERETO project has significantly contributed to climate change mitigation and the achievement of Sustainable Development Goal (SDG) 12 by promoting sustainable consumption and production patterns. Through energy and resource efficiency measures, the project has helped tourism SMEs in Kyrgyzstan reduce their environmental impact, implementing solutions such as energy-efficient lighting and proper insulation. These initiatives not only decrease carbon emissions but also lower operational costs for businesses.

Additionally, the project has integrated sustainability principles into tourism education by collaborating with universities to develop curricula focused on sustainable production, consumption, and green technologies. By educating future professionals and conducting energy audits for businesses, PERETO fosters a culture of sustainability, ensuring long-term environmental and economic benefits.

SDG 4 (Quality Education): PERETO promotes education on sustainable practices through its digital communication products and training sessions for SMEs. This increases awareness and knowledge of sustainable consumption and production among businesses and consumers (more information).

SDG 7 (Affordable and Clean Energy): By promoting energy and resource efficiency in the tourism sector, PERETO helps reduce energy consumption and integrates renewable energy solutions. This includes initiatives like the 'Eco-tourism' green loan for energy-efficient technologies and sustainable practices in hotels, restaurants, and cafes (more information).

SDG 8 (Decent Work and Economic Growth): The project supports small and medium-sized enterprises (SMEs) in the tourism sector by providing green loans and eco-certification, which enhance their competitiveness and sustainability. This contributes to sustainable economic growth and the creation of decent jobs in the tourism industry (more information).

SDG 11 (Sustainable Cities and Communities): The project contributes to making cities and communities more sustainable by encouraging eco-friendly practices in the hospitality sector and promoting sustainable tourism that minimizes environmental impact (more information).

SDG 13 (Climate Action): By encouraging the adoption of green technologies and sustainable practices, PERETO helps mitigate climate change impacts. The focus on energy efficiency and renewable energy reduces greenhouse gas emissions, aligning with global climate action goals (more information).

Impacts at a Glance

Economic Impact	 Considering the saved kilowatt-hours of electricity and cubic meters of water in relation to the tariffs in the country for businesses and residents, the beneficiaries of the project from among tourism companies saved 15,012,596.05 soms or 164,254.75 euros. Credit institutions were mobilized to start providing loans to enterprises in the tourism sector for the implementation of green technologies and approaches.
Environ- mental Impact	 63,492 m³ water saved annually. Environmental impact reduced through SCP measures: Reduction in Greenhouse Gas Emissions; Improved Air Quality; Biodiversity Preservation; Reduction in Soil Contamination; Water Conservation; Decreased Water Pollution; Reduction in Resource Depletion; Mitigation of Climate Change; Reduction in Waste Generation; Conservation of Natural Habitats; Enhanced Public Health.
Social Impact	 503 total new jobs (311 women and 192 men) created within the framework of the PERETO project activities. Overall, the PERETO Project contributes to the sustainable development of local communities by improving health, creating economic opportunities, protecting the environment, and fostering social inclusion and participation.
Climate Benefits	 5,549 MWh/year of energy saved by HoReCa enterprises that received financing or independently implemented the recommendations of PERETO consultants. Reduced 3,006 tonnes of CO₂ emissions per year as a result of implementing energy efficiency measures.
Green Finance	164 MSMEs, 4 banks and 5 financial institutions engaged.
Target Group Engagement	 2725 SMEs engaged in project activities. 34 trainings, with 787 participants (355 women, 432 men).
Policy Development	225 round tables, guest lectures, consultations for local authorities.



FUNDING

EUR 2,832,155 (EU Contribution: 80%)





PARTNERS



American University of Central Asia (Kyrgyzstan)



CSCP (Germany)



Unison Group (Kyrgyzstan)



Technopolis Group (Belgium)



CONTACT

Kanat Sultanaliev

Tian-Shan Policy Center, American University of Central Asia Bishkek 720060,7/6 Aaly Tokombaev Street, Room#235

Telephone: +996 312 915000 Email: sultanaliev_k@auca.kg Website: https://pereto.kg/

Facebook: https://www.facebook.com/PERETO.kg/

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