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EU Global Gateway Multi-Stakeholder Consultation in Central Asia:

Fourth Regional Dialogue in Central Asia

Scaling Up the Circular Economy–Climate–Investment Nexus through Business and Innovative Entrepreneurship



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12-13 October 2026 • Dushanbe, Republic of Tajikistan

DIALOGUE REPORT

Date & Venue	12–13 October 2026, Serena Hotel, Dushanbe, Republic of Tajikistan
Organisers	EU SWITCH-Asia Policy Support Component (PSC), the Regional Environmental Centre for Central Asia (CAREC) and the Majlisi Oli (Parliament) of the Republic of Tajikistan, with support from the Delegation of the European Union to the Republic of Tajikistan
Participants	Members of Parliament from Kazakhstan, the Kyrgyz Republic, Tajikistan, Turkmenistan and Uzbekistan, together with government officials, entrepreneurs, commercial banks, international financial institutions, climate funds and development partners, in the room and online
Objectives	1. Take stock of national progress on circular economy (CE), climate and investment in the five countries. 2. Learn from businesses how circular practice becomes a climate investment opportunity. 3. Explore how CE can attract climate finance, and what Parliaments can do to make that happen. 4. Agree near-term priority actions and the future of the Parliamentarian Platform.

Acknowledgement

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Resources

The photos, presentations, publications and video shared during the event can be accessed on the SWITCH-Asia event page. The country white papers for Kazakhstan, the Kyrgyz Republic and Uzbekistan are linked in Section 7.

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EXECUTIVE SUMMARY



The Fourth Regional Dialogue in Central Asia, "Scaling Up the Circular Economy–Climate– Investment Nexus through Business and Innovative Entrepreneurship", was held in Dushanbe, Tajikistan, on 12 and 13 October 2026. It was the fourth in a series held under the Central Asia Parliamentarian Platform on Circular Economy, after Bishkek (May 2025), which built a common understanding of the circular economy (CE); Almaty (October 2025), which raised policy ambition and fed into the Regional Partnership Framework on Circular Economy, launched at the Regional Ecological Summit in Kazakhstan in 2026; and Tashkent (April 2026), which turned to business and finance. It brought Members of Parliament (MPs) from all five Central Asian countries together with government officials, entrepreneurs and finance institutions to answer one question: how can CE projects become investments that also deliver on national climate goals?

What Happened

Over two days, the Dialogue moved from progress to implementation. Day 1 opened with MPs reporting on national progress, then turned to businesses already applying circular models, and to banks, development finance institutions and climate funds on how such models can be financed and scaled. Day 2, after visits to the Parliament and an electric bus factory, brought these threads together as MPs set national priorities in a Parliamentary Action Lab and agreed in a closed session how the Platform should continue. Throughout, the emphasis was on implementing CE at scale, through businesses and investment.

What Was Discussed

Since the first Dialogue in May 2025, the conversation has moved from what CE means to laws, targets and financing. Tajikistan is consolidating its environmental laws in a new Ecological Code and aims to raise the share of industrial enterprises applying CE principles from 5% to 20% by 2030. Kazakhstan has approved KZT 374 billion in concessional loans for 72 waste and recycling projects, funded by extended producer responsibility (EPR) fees. The Kyrgyz Republic has begun preparing the region's first national CE programme. Uzbekistan has created a dedicated agency for waste management and CE. Turkmenistan applies circular principles in water, energy and agriculture, and has begun developing a CE programme for the agrifood sector.

Business cases showed that circular models already pay their way in the region, although most still focus on the final stages of the product life cycle. Businesses are the main implementers of CE: conducive government policies de-risk their investment, and once businesses are engaged, circular practices largely run on their own. The opportunities are recognised, but businesses need more facilitation, and finance is available, but only for projects that show a measurable climate result, have a realistic path to scale, and are backed by a business owner willing to share the risk.

A central theme of the Dialogue was the growing link between CE and climate action. CE offers mitigation options, since materials cause more than half of global greenhouse gas emissions, and adaptation options such as water reuse, efficient irrigation and resilient agriculture. Several NDC 3.0 commitments in the region already include circular measures. Participants agreed that elaborating these links at country level, through national policies, would let countries scale up CE, raise their climate ambition and mobilise climate and private investment.

Finance institutions, including European development banks, showed strong interest in CE investments that build on their portfolios. CE investments can be blended with climate finance, which makes them more attractive to businesses, provided national green taxonomies capture CE activities. Carbon pricing and carbon markets offer a further way to leverage finance, and Kazakhstan's emissions trading system is a model for other countries. Country investment platforms are taking shape with the help of climate funds, with Kazakhstan leading in the region. They can coordinate finance for CE-linked climate action, and EU Delegations can join them.

Key Observations

- The region's green growth agenda is strong and backed by high-level policy commitment. All five countries see CE as imperative within it, with strategic importance for economic, industrial and climate policy well beyond waste management.
- The links between CE and climate action are becoming stronger; with both mitigation and adaptation options, CE is a route to higher climate ambition and new investment.
- Finance institutions, including European development banks, are ready to build CE into their portfolios, and the agenda is highly relevant to EU Global Gateway priorities on water, energy and climate, critical raw materials and transport.
- The Platform has matured significantly over four Dialogues: from an initial phase in which MPs were building a common understanding of CE and exploring the purpose and institutional form of regional parliamentary cooperation, to a parliamentarian-owned policy network whose members now propose legislative actions, engage financiers on technical questions, and actively call for continued cooperation between meetings.

What Was Agreed and the Way Forward

In the Parliamentary Action Lab, each delegation named priorities for the next 12 to 24 months, including implementing Tajikistan's Ecological Code, mandatory green public procurement in Kazakhstan, CE through existing state planning in the Kyrgyz Republic, a green taxonomy in Turkmenistan and ISO 59000 circularity standards in Uzbekistan. At regional level, MPs recommended assessing CE requirements in trade within and beyond the region, exploring regional hubs for processing secondary materials and harmonising their standards.

MPs agreed that the Platform should continue after the current phase of SWITCH-Asia support and move to joint work between meetings, through a joint legislative roadmap, exchange of data and legislative materials, and support for identifying CE and climate investment priorities that governments, businesses and finance institutions can develop further. Mechanisms and funding are still to be agreed. After the Dialogue, Turkmenistan reaffirmed its support for the inter-parliamentary dialogue and the Regional Partnership Framework, Uzbekistan proposed concept notes for national and regional initiatives, and the Kyrgyz delegation will hold national consultations. The region is on the right path; with SWITCH-Asia support as a springboard, the task is to move faster and at scale, guided by nationally specific CE priorities (Section 13).

Recommendations

CE is advancing across Central Asia, but unevenly and not yet at the pace the region's climate and development goals require. The overarching recommendation of the Dialogue is that the five countries make CE a core part of economic, industrial and climate policy, with the political priority, legal certainty and investment to move it from pilots into the mainstream. Seven actions, with their lead actors, would give that push:

1. Parliaments and governments: use the CE–climate linkage for mutually reinforcing implementation of NDC 3.0 and Decarbonization and Green Growth Strategies, and recognise CE in green taxonomies with simple ways to measure its climate benefits.
2. Parliaments and governments: create markets for circular products through green public procurement and recycled-content requirements, and explore regional processing hubs for secondary materials.
3. Parliaments and governments: improve the supply of secondary materials through separate collection and extended producer responsibility.
4. Parliaments and governments, regionally: consider CE requirements in trade within the region and with partners such as the EU.
5. Governments, national banks and finance institutions: facilitate business, the main implementer of CE, with incentives such as tax measures and green lending rules that derisk private investment.
6. Governments and financiers: build a pipeline of bankable CE-linked initiatives for EU Global Gateway and Team Europe finance, starting with those already sponsored and financed.
7. The Platform, SWITCH-Asia and CAREC: sustain regional parliamentary cooperation with EU and partner support, and facilitate joint work between Dialogues.

1. ABOUT THE DIALOGUE

The Central Asia Parliamentarian Platform on Circular Economy brings together legislators from the five Central Asian countries to build shared understanding and political ambition on sustainable consumption and production (SCP) and CE. CAREC hosts the Platform with support from the EU-funded SWITCH-Asia Programme. Each Dialogue has built on the one before.

Dialogue	Place and date	Focus
1st	Bishkek, May 2025	A shared understanding of CE and SCP, and the role of parliaments in advancing them
2nd	Almaty, October 2025	Stronger policy ambition; MPs contributed to the draft Regional Partnership Framework on Circular Economy
3rd	Tashkent, April 2026	Business innovation, access to finance and the Regional Partnership Framework on Circular Economy
4th	Dushanbe, October 2026	The CE–climate–investment nexus, through business and innovative entrepreneurship

Between Tashkent and Dushanbe the Regional Partnership Framework on Circular Economy was launched at the Regional Ecological Summit in Astana in April 2026, and all five countries were preparing or refining their NDC 3.0. The Dushanbe Dialogue was designed to use that moment. Its central question, in the words of Dr. Zinaida Fadeeva, was what it takes for a CE project to become a viable investment, not because it is a good idea but because it makes business sense, and how the same project can help a country meet its climate targets.

Day 1 opened with welcome remarks and country updates from MPs, followed by business cases, a panel on the CE–climate nexus and a session with climate finance institutions. On Day 2 participants visited the Majlisi Oli of the Republic of Tajikistan and the Akia Avesto electric bus factory, then returned for the Parliamentary Action Lab, a closed meeting of parliamentarians and the closing session. Simultaneous interpretation in English and Russian was provided throughout, and several speakers joined online. The programme is summarised in Annex 1.

2. OPENING SESSION

Moderator: Mr Ranga Pallawala, Climate Change and Circular Economy Policy Expert, SWITCH-Asia PSC

The opening speakers agreed on the direction: CE is part of the economic agenda, parliaments set the rules that make investment possible, and the region gains more by working together.



Mr Aziz Qodir Giyozoda, Deputy Chairman of the Majlisi Namoyandagon of the Majlisi Oli of the Republic of Tajikistan

Welcoming participants to Dushanbe, Mr Giyozoda emphasised that for mountainous, landlocked countries, climate change and resource depletion come on top of limited access to finance, technology and transport. In that setting CE has strategic value: it cuts resource losses, supports processing and modernisation, and opens new economic opportunities. He placed this within Tajikistan's National Development Strategy to 2030, its Green Economy Development Strategy to 2037 and the Medium-Term Development Programme for 2026–2030, and linked it to the country's work on glaciers and water ahead of the 2028 UN water conference in Dushanbe. Parliaments can help through better legislation, shared experience and inter-parliamentary dialogue. He added that international partnership should be judged by the results it brings to countries and their citizens, not by the number of declarations signed.

Ms Karen Olislagers, speaking on behalf of H.E. Radoslav Darski, Ambassador of the European Union to the Republic of Tajikistan

In the statement, the Ambassador thanked the Parliament of Tajikistan, CAREC and SWITCHAsia, and placed CE firmly within the EU's Global Gateway strategy.

He described parliamentarians as the people who turn ambition into laws, budgets and oversight, and who give business and financiers the predictable, long-term signals they need. He welcomed the Dialogue's focus on the CE–climate–investment nexus at a time when countries are refining NDC 3.0 and their decarbonisation and green growth strategies, and pointed to the Regional Partnership Framework on Circular Economy launched in Astana as a basis for longterm regional action.

Dr. Zinaida Fadeeva, Team Leader, SWITCH-Asia PSC

Dr. Fadeeva thanked the hosts and introduced the national experts who support each country delegation during and between the Dialogues. She traced the CE Platform's path from Bishkek to Dushanbe and made four points: the region has come a long way; it is time to move from ambition to implementation, and countries are not starting from zero; CE is moving beyond environmental policy into industrial and competitiveness policy, as markets and investors now demand resource efficiency and transparent supply chains; and CE can make a large contribution to climate goals by cutting primary material use across the whole life cycle. She asked participants to also think about how the CE Platform itself should continue.

Dr. Batyr Mammedov, Executive Director, CAREC

Dr. Mammedov recalled two decades of EU support for regional environmental cooperation, the upgrade of EU–Central Asia relations to a strategic partnership at the Samarkand summit in April 2025, and the EUR 12 billion Global Gateway package for the region, which includes water, energy and climate. CE, he argued, should be part of that investment partnership. He noted that laws on EPR, green public procurement, tax incentives, resource-efficiency standards and investment guarantees can either speed up the circular transition or hold it back. His call was to move from single success stories to scaling, from individual projects to investment portfolios, and from parallel climate, economic and investment agendas to one development model for the region.

3. SESSION 1: COUNTRY UPDATES FROM MEMBERS OF PARLIAMENT

Moderator: Dr. Zinaida Fadeeva, Team Leader, SWITCH-Asia PSC

MPs were asked four questions: what has changed in policy since the 3rd Dialogue in Tashkent, and is CE still seen mainly through the lens of waste; which institutions drive CE and what role Parliament plays; how CE is reflected in NDC 3.0 and in decarbonisation and green growth strategies; and one business or investment example from the past year. The national experts had prepared short analytical country briefs to support the discussion.

Tajikistan



Mr Orif Amirzoda, Chairman of the Commission on Ecology, Majlisi Namoyandagon of the Majlisi Oli

Mr Amirzoda pointed out that the biggest change is that CE has moved from concept to legislation, and Parliament is now working on specific legal texts. In June 2026 the Majlisi Namoyandagon held a round table on codifying environmental law into a new Ecological Code, with the Constitutional Court, line ministries and scientists. The Code includes rational use of natural resources, the polluter-pays principle, waste reduction, use of waste as a secondary raw material, renewable energy and economic incentives. In July 2026 a draft Waste Management Strategy to 2041 was presented, which shifts the view of waste from an environmental problem to a question of keeping materials in the economy and sharing responsibility between the state, producers, importers, operators and consumers. The Medium-Term Development Programme 2026–2030 aims to raise the share of industrial enterprises applying CE principles from 5% in 2024 to 20% by 2030, and the share of industrial waste recycled or reused from 10% to 30%. With firm targets, he said, Parliament's role becomes more precise: tracking which legal, budget and institutional measures actually deliver them. The next step is to connect legislation, circular solutions, climate impact and investment into one chain.

Kazakhstan



Mr Arman Kalykov, Deputy of the Kurultai of the Republic of Kazakhstan, Member of the Committee on Economic Policy, Innovation, Investment and Regional Development

Recently re-elected to the newly formed Kurultai, Mr Kalykov argued that CE must now be treated as industrial, investment and climate policy, not as waste management. Kazakhstan's Strategy for Achieving Carbon Neutrality by 2060 names circularity as a principle of low-carbon development, and the Concept for Managing All Types of Waste for 2026–2030 targets 40% recycling of municipal waste by 2030. In 2025 the country collected 5 million tonnes of municipal waste and sorted 30% of it. Since 2024 a concessional finance window funded from EPR fees has offered loans at 3% for up to 15 years, with borrowers contributing up to 20%: 72 projects have been approved for KZT 374 billion and 14 are already operating. He highlighted that the country's official recycling rate has now exceeded 20%, driven significantly by the digital EcoQolday platform, which directed over 100,000 tonnes of waste for recycling in the first half of 2026 alone, compared to 60,300 tonnes during the entire year of 2025. The remaining problems are weak demand for products made from secondary materials, logistics, and gaps in separate collection, sorting and deep processing. The state's job, he said, is not to replace private capital but to reduce its risk through guarantees, concessional finance, public-private partnerships and green public procurement.

He set out four tasks for the Kurultai: a clear classification of circular projects so investors know what qualifies for green or climate finance; economic incentives and demand, including through public procurement; infrastructure and regional value chains; and coordination across ministries. At regional level he proposed harmonising the classification of circular and climate projects, exchanging legislative solutions, building cross-border recycling chains and preparing joint investment projects. Dushanbe, in his view, should be the start of a new phase of joint inter-parliamentary work rather than the end of a discussion.

Responding, Dr. Fadeeva picked up his point on weak demand for products made from secondary materials. Creating that demand, she noted, will require new legal requirements, for example on recycled content, and registers to track such products. She pointed to recent SWITCH-Asia work on using secondary materials in construction, and to the sustainable public procurement expertise within the Kazakh delegation, as resources other countries could draw on.

Kyrgyz Republic



Ms Nilufar Alimjanova, Member of the Committee on Agrarian Policy, Water Resources, Subsoil Use, Ecology and Environmental Protection, Jogorku Kenesh

Ms Alimjanova described four shifts observed in the Kyrgyz Republic. First, policy is becoming more coherent: elements of CE used to be spread across green economy, waste, energy efficiency and sector programmes, and in 2026 work began on a national CE programme. Second, some tools are already in use. By 1 April 2026 the EPR system had collected about KGS 150 million in recycling fees and registered 130 enterprises in sorting, recycling and waste handling. Green public procurement, standards, a green taxonomy and financial mechanisms are at different stages. Third, the Kyrgyz NDC 3.0 already links to CE through energy and resource efficiency, waste and water management, sustainable agriculture and better production systems, though the link to climate finance still exists more on paper than in actual projects. She stressed that a circular project does not become a climate project automatically: its climate effect has to be justified and measured. Fourth, an analysis of nine Kyrgyz business cases found that firms adopt circular practices mainly to cut costs and losses, and meet the same barriers again and again: access to finance, technology and knowledge, infrastructure, standards and markets.

Dr. Fadeeva noted that the Kyrgyz programme will be the first dedicated national CE programme in Central Asia, bringing together work on EPR, green procurement and the taxonomy, and that green taxonomies now exist or are being developed in Kazakhstan, the Kyrgyz Republic and Uzbekistan.

Turkmenistan



Mr Allayar Omarov, Deputy of the Mejlis of Turkmenistan, Member of the Committee on Environmental Protection, Natural Resources and the Agro-Industrial Complex

Mr Omarov explained that while "circular economy" is not yet a stand-alone term in Turkmenistan's main policy documents, much of national policy already follows its principles: climate policy, water saving, renewable energy, sustainable agriculture and modern infrastructure. He described the country's initiatives for a regional centre for climate technologies and a regional centre on desertification, and its work with the GCF, GEF, World Bank and ADB. In July 2026 the Ashgabat city administration and the EBRD signed a memorandum under the Green Cities programme covering solid waste, water, urban transport, low-carbon buildings, renewables and smart city solutions. The new city of Arkadag is testing smart transport management, digital waste collection and electric vehicles, and a 10 MW combined solar and wind plant is close to launch. He gave business examples, including solar-powered water pumping for farms and agricultural enterprises that reuse water and turn residues into compost for local farmers. Since agriculture is the largest water user, drip irrigation, water reuse and precision farming matter most. For Parliament, he saw a role in EPR, green public procurement, standards for circular products and material flow accounting, adapted to each country.

Uzbekistan



Senator Shukhrat Aslanov, Member of the Senate Committee on Youth, Women, Culture and Sport, Oliy Majlis

Senator Aslanov pointed out that CE now has its own institutional base in Uzbekistan. A presidential decree in September 2024 created the Agency for Waste Management and Circular Economy Development, which began work after a Cabinet resolution in October 2025. In November 2025 the Ministry of Ecology became the National Committee on Ecology and Climate Change reporting to the President. Waste businesses receive tax and customs support, and regular reporting on hazardous waste starts in October 2026. He was open about the scale of the task: the country generates 14–15 million tonnes of household waste a year and recycles only about 6% of it. The plan is to halve the number of landfills by 2030, and eleven waste-toenergy projects are under way, with six first-phase plants designed to process 3.6 million tonnes of waste and produce 1.6 billion kWh a year. Uzbekistan's NDC commits to a 50% cut in emissions per unit of GDP by 2035 against 2010, and 17 measures in agriculture could reduce that sector's emissions by up to 34%. About 300 processing enterprises operate, with new circular models in textiles and critical minerals.

He also named what is still missing. Practical work focuses on the end of the chain; product design, repair, reuse and industrial symbiosis have no dedicated instruments yet. The next steps are a full EPR system and one national document linking waste, industry, agriculture, climate and finance. Parliament's role is legal certainty, oversight and measurable targets.

What the Session Told Us

Summing up, Dr. Fadeeva saw a clear shift in all five countries from political commitment to coordinated implementation, with measures now needing to come together into one strategy in each country. CE is going beyond waste management into competitiveness and climate. Parliaments can lower investment risk by creating predictable conditions, which finance institutions watch closely. And because materials and energy chains cross borders, regional cooperation, including attention to trade agreements, will matter for scaling up.

4. SESSION 2 (PART 1): CIRCULAR ECONOMY IN BUSINESS



Moderator: Dr. Rene van Berkel, Senior Circular Economy Expert, SWITCH-Asia PSC

Dr. van Berkel opened by noting how much the language has changed: the MPs had spoken of CE as an economic opportunity across agriculture, urban development and energy, which goes well beyond recycling. He showed how SCP, then green economy and now CE each built on the previous idea, and reminded participants that a circular economy is different from a recycling economy. The aim is to keep both the use of new virgin materials and the disposal of waste as close to zero as possible, for materials, energy and water alike. Businesses can get there through three strategies used together: circularity (keeping resources in use), efficiency (using less, for longer) and substitution (moving from fossil-based to renewable resources). CE offers an innovation space in which these three strategies can be applied at each stage of the value chains of products and services. The pay-off comes for business (lower costs, new markets, resilience to shocks such as this year's fuel price spike), for the planet and for society (jobs, livelihoods, skills and safer work).

Panellists were asked three things: which circular practices they have put in place, who they partnered with, and how they financed them.

Mr Jalil Abdullaev, Executive Director, Akia Avesto Automotive Industry, Tajikistan

Akia Avesto was set up in 2018 as a partnership between Tajikistan's Avesto Group and Turkey's AKIA, and began production in 2019 with diesel buses. A government programme for electric transport for 2023–2028 encouraged the move to electric buses, which Mr Abdullaev said meant far more than swapping an engine: it required new skills in diagnostics, high-voltage safety and servicing. The company has produced 543 vehicles. Dushanbe already runs 90 of its electric buses, with 60 more due by the end of 2026. More than 350 types of metal bracket are now made in-house, along with side panels, frame welding and painting, and local firms supply composite parts and side glass. Batteries and some specialised components are still imported.

He described three circular directions: longer bus life through good diagnostics, maintenance and repair; more local parts to cut logistics costs; and battery management, so that batteries can stay in service, find a second life in stationary storage, or go to specialist recyclers. He was candid that a battery take-back and recycling system does not yet exist and will need standards, traceability and defined responsibilities. One diesel bus running 60,000 km a year emits about 56 tonnes of CO_2; with about 95% of Tajikistan's electricity from hydropower, the climate case for electric buses is strong. To scale, the company needs predictable long-term demand, charging infrastructure, affordable finance and rules on battery safety, repair and end-of-life.

Mr Nursultan Taabaldiev, Founder, Synch Materials, Batken Region, Kyrgyz Republic (online)

Synch Materials makes building blocks from rice husk, a farm residue, mixed with clay, cement, liquid glass and water. The blocks measure 40 × 30 × 20 cm and insulate well. The company won the Kyrgyz Republic's innovation grant programme in 2024 (KGS 1 million), holds Kyrgyz patent No. 290, and reports that more than 700 houses have been built with its blocks over five years. Asked about demand, Mr Taabaldiev said customers like the blocks because homes stay warm in winter and cool in summer and use much less electricity and gas. The grant let the company buy equipment, and he credited the government's regional innovation grants with practical help for green start-ups. Next, the company is developing dry blocks for interior walls and ceiling panels.

Mr Nury Hydyrov, General Manager, Täze Energiýa, Turkmenistan (online)

Täze Energiýa, founded in 2015, is the first and only licensed manufacturer and installer of solar energy systems in Turkmenistan. It powers water pumping for greenhouse operators and crop and livestock farmers in remote desert areas with solar and wind energy, cutting their use of diesel fuel. With the Solar Institute in Mary region and GIZ, the company is developing a project that collects water in a pool to grow chlorella, which enriches the water with nutrients before it is used for drip irrigation, with all operations powered by solar panels. It plans to build a solar panel manufacturing plant in Turkmenistan and a recycling facility to recover silicon and other valuable materials from used panels, an early example of planning for the end of life of clean energy equipment.

Mr Dauren Katranov, Deputy General Director, Raduga LLP, Petropavlovsk, Kazakhstan (online)

Raduga has been putting secondary materials back into the economy for 15 years, turning waste plastic into household goods, pipes, manhole covers and film. It is now building the Raduga Techno-Ecopark, which combines a paper products factory, a cardboard factory, a waste processing plant and a metal-plastic products plant, plus a new municipal landfill for the North Kazakhstan region. The idea is to link collection and sorting directly with the production of finished goods, so more value stays in the region. About 95% of sales are in Kazakhstan, and its products are found in one in four shops in the north, centre and east of the country. The project combines the company's own funds with concessional loans from the Industrial Development Fund and the waste programme (3% for up to 15 years) and the benefits of a special economic zone. The first paper factory is built and installation finishes this year.

Mr Katranov made two proposals. Support programmes should finance the whole project, including buildings and infrastructure, because refinancing equipment alone leaves a risk that recycling never starts on time. And investors need steady flows of secondary raw materials and demand for the products: good-quality separate collection, traceability, and clear procurement criteria.

Mr A. A. Kulmagambetov, Deputy of the Kurultai of the Republic of Kazakhstan, Member of the Committee on Agrarian Issues, Ecology and Natural Resources

Drawing on 16 years in waste management, from environmental engineer to landfill manager, Mr Kulmagambetov called CE a marathon, not a sprint. Kazakhstan has national CE standards in force (still voluntary), the new waste concept, and an official municipal waste recycling rate above 20%. A National Waste Management Centre has been created to coordinate a system that used to be split between ministries. He highlighted that Kazakhstan has already enacted foundational National Circular Economy Standards (ST RK 4012-2025, 4013-2025) and the Zero Waste standard (ST RK 4022-2025), noting that the newly established National Waste Management Centre now coordinates a system previously fragmented between ministries. He gave business examples, including the region's first plant for deep recycling of lithium-ion batteries, ERG's reuse of slag in road building, and digital collection of paper and plastic by Azabazar and Econetwork. He also described Taza El, a project in which residents of apartment buildings separate waste and the income goes back to their building. More than 100 buildings in Astana take part and 150 more are waiting to join; an active building can collect up to 2 tonnes of cardboard a month and earn more than KZT 70,000 (about USD 150). In September 2026 a parliamentary request asked the Government to make it a national project.

Reading Across the Cases

Dr. van Berkel observed that each case uses the three resource strategies together.

Business	Circular strategy	Benefit beyond the business baseline and revenue
Akia Avesto (Tajikistan)	Substitution through a renewablepowered drive train; circularity through brake energy recovery, local parts and battery second life	Lower GHG emissions and cleaner urban air
Synch Materials (Kyrgyz Republic)	Resource recovery and substitution (rice husk in place of conventional materials); enables energy efficiency through insulation	Lower heating and cooling energy in homes; rural jobs
Täze Energiýa (Turkmenistan)	Substitution of diesel with solar and wind energy; water efficiency and nutrient recycling through chlorella and drip irrigation; planned recovery of materials from used solar panels	Lower emissions and fuel costs; more water-efficient farming in desert areas
Raduga (Kazakhstan)	Sorting as the enabler of resource recovery into paper, cardboard and plastic products	Less landfill; lower embodied energy in materials

His conclusion was encouraging: these cases are the tip of the iceberg, and a catalogue of the region's CE businesses would help other companies get started.

The cases also show where the region's potential lies. Each business started from a local need, such as renewing an ageing city bus fleet, finding a use for rice husk, powering water pumps on desert farms or getting value from municipal waste, and turned it into a viable product. They grew mainly because circularity lowered their costs, opened new markets or reduced their reliance on imports. This is why business is the main driver of the circular transition: once the business case is proven, investment follows and the practices spread through supply chains.

Working examples now exist in every country, in sectors that matter for the region's economies: transport, construction, agriculture, energy and manufacturing. The next step is to scale them up. That means replicating proven models in other regions and countries, connecting them to green credit lines and climate funds, and removing the barriers the entrepreneurs named, from unstable demand and gaps in waste collection to finance that covers equipment but not the whole project.

Scaling up these businesses is also how the region's green growth agenda will be delivered in practice. Each case already contributes to goals that governments have set in their green economy strategies: cleaner transport, energy-efficient buildings, water-efficient farming, less waste, and more local manufacturing and jobs. Bringing such businesses into national green growth strategies and investment plans would turn individual successes into a steady pipeline for the green economy.

5. SESSION 2 (PART 2): THE CIRCULAR ECONOMY–CLIMATE NEXUS

Moderator: Dr. Rene van Berkel, Senior Circular Economy Expert, SWITCH-Asia PSC







Dr. van Berkel opened by pointing out that all the morning cases were climate-relevant: electric mobility, renewable energy for farm water pumping, better building insulation, and the lower embodied energy of recycled materials. He then set out why materials matter. According to the International Resource Panel's Global Resources Outlook 2024, the extraction and processing of materials accounts for more than 55% of global greenhouse gas emissions, over 90% of biodiversity loss and water stress linked to land use, and up to 40% of particulate pollution. The energy transition is itself a materials transition, from burning fossil fuels to running on a stock of metals in solar panels, wind turbines and batteries. He gave the example of Pan Brothers in Indonesia, a garment maker for international brands, which cut the greenhouse gas intensity of its products by about 60% through circularity, efficiency and rooftop solar, and has sciencebased targets to go further by 2032. He also explained how the EU taxonomy treats the transition to a CE as one of six environmental objectives, and how the Harmonised Circular Economy Finance Guidelines group eligible activities into circular design and production, circular use, value recovery, and enabling activities.

Mr Iqbol Boboev, Head of the Entrepreneurship Support Department, State Committee on Investments and State Property Management of the Republic of Tajikistan

Mr Boboev said the real question is how to turn a successful business practice into an investment opportunity that can scale. For entrepreneurs, CE is mostly about competitiveness, lower costs and new markets. The state should not choose technologies for business but create conditions in which resource efficiency, reuse and clean production pay. That means firm rules and definitions that separate truly circular projects from ordinary business, without letting environmental requirements become another administrative barrier. Often the problem is not the idea but long-term finance, collateral or a bank that does not know how to assess the project. He did not think a separate CE fund was needed; it would be more practical to add circular criteria, technical assistance and guarantees to existing SME programmes. He proposed that the Dushanbe Dialogue identify three to five priority directions, such as resource-efficient industrial modernisation, circular solutions for SMEs, sustainable construction and recycling, for follow-up consultations between government, business and finance institutions.

Ms Manuchehra Marjon, Head of the Main Department of Investment Policy and Regional Development, Ministry of Economic Development and Trade of the Republic of Tajikistan

Ms Marjon described Tajikistan's green transition under the Green Economy Development Strategy 2023–2037, now in its second phase with an action plan for 2026–2028. About 98% of electricity comes from hydropower, and the national goal is fully renewable generation by 2032. The Pamir Energy solar plant in Murghab produced 1.2 million kWh in 2024, TALCO has received a green production certificate, and Dushanbe runs an Eco-City programme for 2023–2028. In March 2026 the Government adopted a green taxonomy (Resolution No. 170), which gives business and banks common criteria. Asked by Dr. van Berkel what incentives come with it, she explained that qualifying businesses can receive profit tax and VAT exemptions under the Tax Code. The customs and tax privileges for importing electric vehicles show the effect: much of Dushanbe's taxi and private transport fleet is now electric. She later added that national law does not yet define CE or distinguish it from the green economy, and that Tajikistan will need partners' support to develop methodologies and legislation.

Ms Aidzhan Karieva, Member of the Management Board, Eldik Bank, Kyrgyz Republic (online)

Eldik Bank, one of the largest state-owned banks in the Kyrgyz Republic, was accredited earlier in 2026 as a national direct access entity of the Green Climate Fund. Ms Karieva called this the beginning, not the end. The bank is preparing its first GCF programme, a Kyrgyz green transition programme for renewable energy, energy efficiency and clean vehicles for SMEs and households, and sees room for resource-efficient and circular investment in agriculture and food processing. She named the three barriers SMEs face: high upfront investment, finance that does not match their needs (long tenors, affordable rates, flexible collateral), and a lack of technical knowledge to prepare plans and estimate savings, which she thinks is often underestimated. Concessional finance alone is not enough; it works best combined with partial credit guarantees and technical assistance. Her main lesson was to start by understanding the actual market barriers before designing a green product. For policymakers she asked for regulatory clarity, a national green taxonomy, targeted tax incentives and guarantees, and integration of CE priorities into NDCs.

Mr Holger Wiefel, Head of the EBRD in Tajikistan

Mr Wiefel said the EBRD looks at CE from a market point of view rather than project by project. It has had a green economy transition approach that includes CE since 2023 and developed CE finance guidelines with the EIB in 2020. He urged a sharper focus on CE itself, as distinct from renewable energy, and offered EBRD help in every country with CE taxonomies. He stressed the role of national banks: in Tajikistan the EBRD and GCF are working with the National Bank on a "green financial systems" approach so that all commercial banks, non-bank lenders and leasing companies track and report green lending, including Amonatbonk with its 500 branches. Concessional money is only a catalyst; the aim is to crowd in private lenders.

He gave a recent example of EBRD finance for a Tajik plastics manufacturer, using risk sharing, subsidies and compensation for the higher cost of circular equipment, and described outcomelinked loans in which part of the interest is returned when milestones are met. He stressed that business plans written for entrepreneurs are not sufficient: entrepreneurs have to be willing to take the risk themselves, and they will only invest if it is profitable. He noted that Tajikistan and the Kyrgyz Republic generate about ten times more waste per dollar of GDP than the average across EBRD countries of operation, and that a Tajik paper and cardboard producer wants to reach 80% recycled content but cannot, because waste paper is not collected properly and some is exported. That, he said, is easy to fix with the right laws.



"We depend on you taking the right decisions, proposing the right laws and adopting the right frameworks."

Mr Holger Wiefel, EBRD, to the parliamentarians

Discussion

Mr Zafar Mahmudov, Senior Liaison Expert at SWITCH-Asia, asked how international partners could help raise awareness when governments are focused on fast growth. Mr Wiefel pointed to a young generation that cares about the environment, and argued that resource efficiency is also cheaper than importing raw materials. Mr Firdavs Toshpulotov (online) asked about debtfor-nature swaps; Mr Wiefel replied that this would come later, once the basic framework is in place. Closing the panel, Dr. van Berkel concluded that the links between circularity, green economy and climate investment are well established, but change will not happen by itself: it needs entrepreneurs, citizens and communities to take responsibility, supported where necessary by legislation. Waste management also needs to be sorted out in its own right, with assigned responsibilities and a price on disposal, before CE instruments can work.

In his notes, Dr. van Berkel welcomed the taxonomies but urged that they be connected to tangible business benefits. He saw three ways to unlock CE finance: national banks setting targets for CE lending, requiring ESG reporting on portfolios and using incentive-based lending; better entrepreneurship and project preparation; and shifts in society, with producers and consumers taking responsibility.

6. SESSION 3: LEVERAGING CE INVESTMENTS FOR CLIMATE AMBITION AND CLIMATE FINANCE

Moderator: Mr Ranga Pallawala, Climate Change and Circular Economy Policy Expert, SWITCH-Asia PSC



Mr Pallawala opened by looking at the nexus from the climate side. The climate transition itself depends on large volumes of materials, so how those materials are produced and used matters for emissions. In Kazakhstan, steel made from scrap emits about 0.68 tonnes of CO_2 per tonne, compared with 2.33 tonnes for steel made from iron ore in a blast furnace. Demand for construction materials is also rising quickly: cement imports to the Kyrgyz Republic more than doubled between 2023 and 2024, from about 243,000 to 526,000 tonnes. If new climate and infrastructure investment does not build in circular design and the recovery of materials, it will lock in higher material use, and the emissions that come with it, for decades. NDC 3.0 documents in the region already contain circular measures beyond waste, for example the dry process for all new cement plants and 17 circular measures in agriculture in Uzbekistan, and energy efficiency in 25,000 households and 1,400 public buildings in the Kyrgyz Republic. Tajikistan is preparing its NDC 3.0, and CAREC and SWITCH-Asia have recommended SCP and CE targets.

The finance needs are large. Kazakhstan's NDC 3.0 requires about USD 175.6 billion over 2026– 2035, with a gap of about USD 71.8 billion, around USD 20 billion of it needing highly concessional support. The Kyrgyz Republic estimates about USD 23.1 billion, with a gap of about USD 14.6 billion. Mr Pallawala drew a lesson from renewable energy: once feed-in tariffs, regulators and investment rules were in place, private capital followed. CE, he argued, is the next market that policy can transform, through policy de-risking and financial de-risking together, using increasingly scarce concessional finance where it can mobilise the most private money. Policy tools are already producing results. Kazakhstan's EPR system collected KZT 324 billion between January and November 2025, of which KZT 86.1 billion was lent for municipal waste projects, while the Kyrgyz Green Economy Development Programme 2025–2029 targets 30% green public procurement and a draft law would ban the landfilling of recyclable waste. He proposed four steps: anchor CE measures in NDC 3.0, Decarbonization and Green Growth Strategies and sector plans; quantify their mitigation and adaptation benefits; build bankable pipelines and country platforms; and mobilise climate funds, MDBs and DFIs to crowd in private capital. SWITCH-Asia's analysis for Kazakhstan found that the green finance infrastructure is largely in place; what is missing is a visible pipeline of circular projects.

Mr Alexander Gareev, Central Asia and Eastern Europe Department, Green Climate Fund (online)

Mr Gareev said the GCF increasingly looks for systemic, country-driven solutions over isolated projects. Its starting point is climate impact: does an intervention cut emissions, build resilience, protect ecosystems, or do several of these at once? He saw openings in low-carbon buildings, water efficiency and reuse, resource-efficient industry, and agriculture and food systems, with attention to food loss and value chains. The GCF's recent regional dialogue in Tbilisi had concluded that the region does not lack ideas; the challenge is turning priorities into mature, bankable investments. He explained that country platforms, which the GCF already supports through its Readiness funding, give governments a way to coordinate ministries, MDBs, national banks and private investors around a single country-owned pipeline, and that Kazakhstan had signed its country programme only days earlier in Tbilisi. Platforms already exist for the energy transition in Kazakhstan and for agriculture in Uzbekistan.

Dr. Michael Knaus, Vice-President, Climate Team Coordination, DEG – Deutsche Investitions- und Entwicklungsgesellschaft (KfW Group), Cologne (online)

Dr. Knaus said CE and climate finance belong together, but DEG, as KfW's private sector arm, finances only commercially viable businesses, looking at cash flows, offtake contracts, permits and management. His examples included agribusinesses turning residues into biochar, paper companies organising separate collection of waste paper, a company that leases, takes back and refurbishes IT devices to double or triple their life, and cement producers lowering their clinker ratio or using waste as fuel. DEG has built its green finance framework on the EU taxonomy, defining what CE means in each sector. For him, CE and green finance are two sides of the same coin; what companies call CE is often what good firms have always done to stay competitive.



Mr Holger Wiefel, Head of the EBRD in Tajikistan

Mr Wiefel described how the EBRD works with the national NDC body and with the GCF, its biggest partner in Tajikistan. Its three main tools are SME credit lines (including the Green Economy Financing Facility, part-funded by the GCF at subsidised rates), risk sharing, and outcome-linked loans. In Tajikistan it sees most potential in food waste, packaging and water, and plans a dedicated agricultural green credit line around mid-2027. In the Kyrgyz Republic it is studying a biogas plant to use organic waste at the Kaindy Kant sugar factory. His request to the MPs was direct: include CE in national green taxonomies and make it eligible under NDCs, so finance can flow through existing green programmes. Asked what is still missing, he named the basics: permits, VAT treatment, collection systems, access to secondary materials and a clear legal line between waste and secondary material, alongside compensation for the higher cost of circular equipment. He also announced that the first labelled green bond in Tajikistan is being prepared for the first half of 2027.

Questions from Parliamentarians

A Kyrgyz MP asked how Parliament can help small firms reach climate finance. Dr. Knaus suggested pooling: large lenders prefer bigger tickets, so they can lend to local banks that onlend to small businesses, and those banks can in turn seek GCF accreditation. He added that a fair carbon price would make many more projects viable. Mr Wiefel said there is no shortage of climate finance for Central Asia; MPs should work through their ministries of finance and economy and their national banks, and ask partners for help.



Mr Kulmagambetov asked whether mandatory quotas of 15–20% recycled content in public procurement would lead banks to ease lending terms for recycling plants. Dr. Knaus said that at DEG pricing depends only on creditworthiness and market conditions. Mr Wiefel called recycledcontent quotas a fair and effective tool, but said he could not confirm concessional terms for Kazakhstan and offered to follow up. Mr Kalykov asked whether finance institutions would accept technogenic mineral formations (Kazakhstan holds an estimated 55 billion tonnes) as assets and collateral if Parliament gave investors clear ownership rights. Mr Wiefel said the EBRD's natural resources team could consider such projects, and Mr Gareev added that banks would look for a licensing regime for these deposits, suitable recovery technologies and a careful assessment of their risk category. Dr. Fadeeva noted that the Regional Partnership Framework on Circular Economy already includes a CE financing element, which could be the starting point for national or regional finance platforms.

The questions themselves were telling. MPs put specific, technical questions to the financiers about procurement quotas, collateral and access for small firms, which showed how far the Platform has come in connecting legislators with the finance community.

One Step for Parliamentarians

Mr Pallawala closed by asking each panellist for the single thing MPs could do. Mr Gareev: treat CE not as a new sector but as a way of making existing sectors more resource-efficient, resilient and low-carbon, and use country platforms to bring it together. Dr. Knaus: offer tax deductions for investments that cut emissions and dependence on imported materials. Mr Wiefel: better laws and a level playing field with clear guidance over several years.

> *"Don't underestimate what you, as lawmakers, can do."*
>
> Mr Holger Wiefel, EBRD

Reflecting on the session, Dr. van Berkel concluded that climate finance is ready to go to business, provided that projects show measurable mitigation or adaptation benefits, have a plausible path to scale (emission cuts in kilotonnes and megatonnes), and are not framed as philanthropy. For policymakers, predictable policy and regulation and matching government funding matter most.

7. THE CE–CLIMATE LINKAGE: RAISING AMBITION AND MOBILISING INVESTMENT

The link between CE and climate action ran through every session of the Dialogue, and it was the theme participants discussed in most depth. The reasoning starts with materials. The extraction and processing of materials accounts for more than half of global greenhouse gas emissions, so using materials more efficiently, keeping them in use longer and replacing virgin inputs with secondary ones cuts emissions directly. The energy transition itself depends on materials, from the metals in solar panels and batteries to the cement and steel in new infrastructure. Without circular design and recovery, climate and infrastructure investment will lock in larger material footprints.

CE Offers Both Mitigation and Adaptation Options

Participants stressed that CE is not only a mitigation tool. In a region facing water stress, land degradation and climate shocks, many circular measures also build resilience, and many deliver both benefits at once. Reducing water use, for example, builds resilience to drought and also cuts the energy used to pump and treat water. The table shows the main climate benefit of each measure, with co-benefits where relevant.

Climate benefit	Examples of circular measures	Examples from the 4th Dialogue
Mitigation	Secondary materials in place of primary production	Steel from scrap in Kazakhstan emits about 0.68 t CO_2 per tonne against 2.33 t by the blast furnace route; each tonne of clinker replaced by slag or fly ash avoids about 0.5 t CO_2
Mitigation	Recycling and recovery of materials	Recycled paper, plastics and metals carry far less embodied energy than virgin materials, as in the Raduga ecopark
Mitigation	Electrification and product life extension	Electric buses running on Tajik hydropower, with longer bus and battery life through repair and second use
Mitigation and adaptation	Bio-based and insulating building materials	Rice-husk blocks in the Kyrgyz Republic that cut heating and cooling energy in homes
Adaptation, with mitigation cobenefits (less energy for pumping)	Water reuse and efficient irrigation	Uzbekistan's NDC plans to expand drip irrigation from 0.6 to 2 million hectares; solar-powered pumping and drip irrigation in Turkmenistan; water recycling in agrifood businesses
Adaptation, with mitigation cobenefits (lower emissions from food loss and residues)	Resilient agriculture and food systems	Use of farm residues, reduced food loss and circular farm-to-table approaches highlighted by the Green Climate Fund
Adaptation	Resource security	Less dependence on imported raw materials and fuel, reducing exposure to price shocks such as this year's fuel price spike

Elaborating the Linkage at Country Level

NDC 3.0 commitments in the region already contain circular measures, even where they are not labelled as such. Because these measures are rarely identified or quantified as CE, their contribution goes largely unrecognised; identifying, quantifying and tagging them is a practical way to raise ambition and attract finance without setting new targets. Uzbekistan's NDC requires the dry process for all new cement plants and

includes 17 circular measures in agriculture expected to cut that sector's emissions by up to 34%. The Kyrgyz NDC 3.0 covers energy efficiency in 25,000 households and 1,400 public buildings and pilot decarbonisation of 20 enterprises. Kazakhstan targets a 20% cut in the energy intensity of GDP. Tajikistan is preparing its NDC 3.0, and CAREC and SWITCH-Asia have recommended SCP and CE targets in energy, agriculture and waste. Participants saw room to go further in the next NDC cycle, through industrial symbiosis, low-carbon steel, circular construction, agrifood residues, textiles and the recovery of solar panels and batteries.

To make this happen, the linkage has to be worked out in detail at country level and written into policy. The analytical country briefs prepared by the national experts for this Dialogue, and SWITCH-Asia's white papers on harnessing SCP and CE opportunities to achieve higher climate ambition and green growth in Kazakhstan, the Kyrgyz Republic and Uzbekistan, give each country a starting point. A CE project does not automatically qualify as a climate project: its mitigation or adaptation benefit has to be identified, measured and reported. Participants called for CE measures to be used in implementing NDC 3.0, Decarbonization and Green Growth Strategies and sector plans, so that circular and climate action reinforce each other; for simple, shared methods to quantify their climate benefits; and for CE activities to be explicitly eligible under national green taxonomies. Done well, this lets countries raise their climate ambition using measures that also strengthen their economies.

Mobilising Investment Through the Linkage

Country-level analysis gave this discussion a factual footing. SWITCH-Asia's country white papers for Kazakhstan, the Kyrgyz Republic and Uzbekistan (listed below) set out the investment needs, the finance gaps and the mitigation potential of specific circular measures. That evidence helped move the conversation from principle to investment, and it can now inform national investment platforms and project pipelines.

- Harnessing SCP and CE Opportunities to Achieve Higher Climate Ambition and Green Growth in Kazakhstan (SWITCH-Asia, 2026)
- Harnessing SCP and CE Opportunities to Achieve Higher Climate Ambition and Green Growth in Kyrgyz Republic (SWITCH-Asia, 2026)
- Harnessing SCP and CE Opportunities to Achieve Higher Climate Ambition and Green Growth in Uzbekistan (SWITCH-Asia, 2026)

The linkage also opens a route to finance. NDC 3.0 implementation will need large sums: about USD 175.6 billion in Kazakhstan for 2026–2035 and about USD 23.1 billion in the Kyrgyz Republic, with gaps that public budgets cannot close. Concessional finance is becoming scarcer and must be used strategically. CE-linked initiatives are well placed to fill part of the gap because they often have their own business case, saving costs as well as emissions. SWITCH-Asia analysis for the Kyrgyz Republic suggests that USD 100 million of concessional finance, blended at a ratio of 1:13.8, could mobilise about USD 1.38 billion. Participants drew a parallel with renewable energy, where stable policy and regulation transformed the market and brought in private capital. CE, they argued, is the next market that policy can transform in the same way.

The finance institutions confirmed that the green finance infrastructure is largely in place in several countries: taxonomies, green credit lines, green bonds and country platforms. What is missing is a visible pipeline of CE-linked initiatives with quantified climate benefits. Building that pipeline, and the policies that support it, is where parliaments, governments and finance institutions now need to work together.

Country investment platforms are a promising vehicle for this. They are taking shape across the region with support from climate funds, and Kazakhstan is leading the way, with a GCF country programme signed shortly before the Dialogue. A country-owned platform brings ministries, national and development banks, climate funds and private investors around one set of national priorities, which allows more coordinated efforts to finance CE-linked climate actions. EU Delegations in each country can be part of these platforms, helping to connect them with Global Gateway and Team Europe finance.

Finance Mobilisation Options

Across the sessions, participants discussed a range of tools that can raise, attract or unlock finance for CE-linked initiatives. They work in different ways: some raise revenue, some create demand, some lower the cost of capital or the risk for lenders, and some make projects eligible for green and climate finance. Others, such as tax measures, are investment incentives rather than sources of finance. None of them attracts private investment automatically; the result depends on how each scheme is designed and applied.

Option	How it mobilises finance or provides investment incentives	Examples from the Dialogue
Extended producer responsibility (EPR)	Mobilises producer contributions to finance collection, sorting and treatment; depending on national arrangements, may also support infrastructure investment. It can improve collection and the supply of materials, but does not by itself guarantee feedstock for recyclers	Kazakhstan: KZT 324 billion collected in January–November 2025, part of which the national scheme channels into concessional loans at 3% for up to 15 years (72 projects approved); Kyrgyz EPR fees of about KGS 150 million
Green public procurement (GPP)	Creates demand for products and services that meet circular economy criteria and, when backed by reliable purchasing commitments (volumes, specifications, contracts and timely payment), gives businesses greater confidence to invest	Mandatory GPP planned in Kazakhstan; 30% target in the Kyrgyz Green Economy Programme; recycled-content quotas of 15–20% discussed
Carbon pricing and carbon markets	Raises the cost of emissions, which makes lower-emission circular solutions more financially attractive; governments may use revenue from carbon taxes or allowance auctions to support circular investment. Separately, projects that meet carbon-credit standards may earn income from verified emission reductions, but CE activities do not qualify automatically	Kazakhstan's emissions trading system and the Action Lab proposal to link it with CE incentives; calls for a fair carbon price
Tax and customs measures	Investment incentives rather than finance raised: lower costs and improve returns on circular investments	Profit tax and VAT exemptions and electric vehicle import incentives in Tajikistan; planned Tax Code changes in Kazakhstan; extending renewable energy benefits to circular products in Turkmenistan
Green taxonomies	Align CE activities with the eligibility criteria for green credit lines, green bonds and climate finance	Tajikistan's taxonomy adopted in March 2026; taxonomies in Kazakhstan and the Kyrgyz Republic; a national taxonomy planned in Turkmenistan
Concessional finance	Lends below market rates or on longer tenors, lowering the cost of capital for projects that are not yet fully commercial	EBRD green credit lines cofinanced by the GCF at subsidised rates; outcome-linked loans that return part of the interest when milestones are met; Kazakhstan's EPR-funded loans
Risk sharing and guarantees	Covers part of a lender's potential losses, so banks can lend to circular projects they would otherwise see as too risky	EBRD risk sharing; partial credit guarantees recommended by Eldik Bank; state guarantees for private investment proposed in Kazakhstan
Blended finance	Combines concessional or public funds with commercial finance in one structure, so that public money can help attract private investment; this depends on project quality and terms and is not automatic	SWITCH-Asia estimate of a 1:13.8 blending ratio for the Kyrgyz Republic; Eldik Bank's GCF accreditation, which opens access to GCF funding for future programmes

Option	How it mobilises finance or provides investment incentives	Examples from the Dialogue
Green bonds	Raise capital market finance for green and circular projects	First labelled green bond planned in Tajikistan for 2027; AIFC green bonds in Kazakhstan
Country investment platforms	Coordinate public, development and private finance around national priorities	Kazakhstan's GCF country programme; platforms for the energy transition in Kazakhstan and agriculture in Uzbekistan

No single tool will be enough. Their value grows when they are used together through systematic coordination between ministries, national banks, finance institutions, climate funds and EU Delegations. Where schemes are designed for it, EPR revenue can capitalise concessional credit lines, as in Kazakhstan; carbon tax or auction revenue can fund CE incentives; and taxonomies that capture CE can open the door to green bonds and climate funds. How best to combine these tools in each country, and in what sequence, needs further exploration.

8. DAY 2: STUDY VISITS






Majlisi Oli of the Republic of Tajikistan

Delegations began Day 2 at the Parliament of Tajikistan, which gave MPs a chance for direct exchange with their Tajik counterparts. Participants found the visit impressive and informative, and noted Tajikistan's clear commitment to multilateralism and to international cooperation on climate and CE.

Akia Avesto Electric Bus Factory

The group then visited the Akia Avesto plant presented on Day 1. The company's model combines local manufacture of the bus body and final assembly with imported drive trains: batteries, electric motors, axles with energy recovery, air conditioning and battery management software. Participants saw a neatly organised, mostly manual metal fabrication and assembly workshop with mature practices such as Kaizen and written procedures. Dr. van Berkel suggested that occupational safety could go a step further, for example foot-operated presses to protect fingers and ergonomic platforms for welders. The company is still establishing its market and proving its product: a bus designed for 50 passengers may carry 150 in stop-and-go city traffic, and battery management is still being worked out with customers. There is room for more local design and customisation, though the current scale is small. The visit gave MPs a close look at how industrial policy, climate goals and circular practice meet on a factory floor.

9. SESSION 4: PARLIAMENTARY ACTION LAB



Dr. Fadeeva opened the afternoon with a recap. CE strategies are gaining respect across the region but remain fragmented. She outlined the EU's approach to CE in three parts: requirements for products entering the market (as in ecodesign rules), transformation of major sectors, and building markets for secondary materials, and showed how instruments such as the EU Carbon Border Adjustment Mechanism are bringing these issues to exporters.

The Action Lab then asked each delegation, supported by its national expert, to answer three questions. Which two or three legislative or policy actions would most help scale up CE, climate and investment action in the next 12–24 months? For each, who leads, what is Parliament's role, and what support is needed? Which actions would benefit from regional alignment under the Regional Partnership Framework on Circular Economy?

Uzbekistan's table took a distinctive approach, starting from the problems enterprises actually face rather than from general policy goals. It identified three: every production facility is different; enterprises use very different raw materials and technologies; and the end of a product's life is rarely planned when it is designed. Its answer to the first two is an individual circularity assessment of each facility, carried out with CE experts under the ISO 59000 standards; its answer to the third is to build disposal and recovery into product design. In followup reflections, Uzbekistan's national expert suggested a phased path, starting with a voluntary national standard and pilot assessments at selected enterprises before assessment becomes mandatory for large producers. The table also proposed that the Central Asian countries adopt ISO 59000 at the same time, giving the region a common language and shared circularity indicators, a basis for mutual recognition of assessments and a regional market for secondary raw materials. This corresponds directly to the standards direction of the Regional Partnership Framework on Circular Economy.

The Kyrgyz delegation, which brought together MPs, the Ministry of Economy and Commerce, the Green Finance Fund and national experts, chose to work through existing mechanisms rather than create new structures. It saw Parliament's role as setting the legal framework, the budget and oversight, not accompanying individual investment projects. No specific legislative initiatives, deadlines or institutional commitments were finalised in the Lab; the next step is consultations with the Ministry of Economy and Commerce and the Jogorku Kenesh. As areas for SWITCH-Asia support, the delegation pointed to international methodologies and EU practice, exchange on programme implementation and parliamentary monitoring. Further expert's reflection (undertaken by Olga Fadeeva) point out at the usefulness of discussions related to national taxonomies, green public procurement practicies, EPR and standards, through targeted expert consultations and inter-parliamentary exchange.

Across the delegations, several areas came up for regional work: harmonising standards for secondary materials and green public procurement, assessing CE-related requirements in trade within and beyond the region, exploring regional hubs for processing secondary materials, developing regional circular value chains, and aligning green taxonomies. In feedback on Kazakhstan's plan, participants suggested building carbon market opportunities directly into the planned amendments to the Ecological Code and Tax Code.

Over the two days, a picture emerged of how the main implementation tools fit together. Extended producer responsibility mobilises producer contributions for collection, sorting and treatment and can improve the flow of materials to recyclers; green public procurement creates demand for circular products, which gives businesses confidence to invest when it is backed by reliable purchasing commitments; and standards for secondary materials make those products marketable and bankable. The tools are at different stages in each country. Participants stressed that they work best when introduced together, enforced consistently and coordinated across ministries; on their own, single measures have limited effect.

10. RECOMMENDATIONS

Circular economy is advancing across Central Asia. Every country now has strategies, laws or programmes that support it, and businesses are showing that circular models can pay. But progress is uneven, and it is not yet moving at the pace or scale that the region's climate and development goals require. The overarching recommendation of the Dialogue is that the five countries make the circular economy a core part of their economic, industrial and climate policy, and give it the political priority, legal certainty and investment it needs to move from pilot projects into the mainstream of the economy. Parliaments are central to this through their law-making, budget and oversight powers, and regional cooperation can take national efforts further.

The specific recommendations below are the steps that would give the transition that push. They draw on what MPs, businesses and finance institutions said in Dushanbe, and are grouped by who would act on them.

For Parliaments

1. Make CE part of NDC 3.0 implementation and eligible as green investment. Use CE measures as a means of delivering NDC 3.0 and Decarbonization and Green Growth Strategies, and make sure national green taxonomies explicitly cover CE activities in every sector, waste included. This was the single most common request from the EBRD, KfW DEG and Eldik Bank, and it lets CE-linked initiatives use existing green credit lines instead of new dedicated funds.
2. Create stable demand. Use green public procurement, including recycled-content requirements, to give producers of secondary materials and circular products a predictable market, as Kazakhstan and the Kyrgyz Republic are already planning.
3. Improve the supply of secondary materials. Strengthen separate collection, EPR, landfill rules and, where needed, controls on exports of recyclable waste, so that recyclers can run at capacity. Several businesses and the EBRD named feedstock as the main bottleneck.
4. Consider CE requirements in trade. Assess how national regulations and trade rules within and beyond the region, including the EU Carbon Border Adjustment Mechanism and ecodesign requirements, affect circular products and secondary materials, and align them where this helps regional markets.
5. Use fiscal incentives that business can feel. Tajikistan's customs and tax privileges for electric vehicles show how quickly well-designed incentives change markets. Similar tax deductions or exemptions can target investments that cut emissions and reliance on imported raw materials.
6. Give investors legal certainty. Provide clear, multi-year rules, including on ownership and licensing of resources such as technogenic mineral formations, battery responsibility and end-of-life rules for electric vehicles, and definitions that separate waste from secondary material.
7. Track results. Use Parliament's oversight and budget powers to follow progress against the targets now in national plans, such as Tajikistan's 20% of enterprises applying CE principles and Kazakhstan's 40% municipal waste recycling by 2030.

For Governments and National Banks

1. Bring national banks in. Introduce green lending classification and reporting across the whole banking system, as Tajikistan is doing with the EBRD and GCF, and consider targets or incentives for CE lending.
2. Measure the climate benefit. Develop simple, shared methods to quantify the emission cuts and resilience gains of CE projects, so they can qualify for climate finance.
3. Select a small number of priority directions. As proposed by Tajikistan's State Committee on Investments, agree three to five priority CE investment areas in each country and consult business and finance institutions on them.
4. Coordinate finance mobilisation tools systematically. Map how EPR, green procurement, carbon pricing, tax measures, taxonomies and blended finance work in each country, and explore how they can be combined and leveraged, for example by channelling EPR or carbon market revenue into concessional finance for CE.
5. Use country investment platforms. Build CE-linked climate actions into the country investment platforms now taking shape with support from climate funds, learning from Kazakhstan's lead, and invite EU Delegations to take part so that Global Gateway and Team Europe finance is coordinated with national priorities.

For Finance Institutions and Development Partners

1. Combine instruments. Pair concessional finance with partial credit guarantees, outcomelinked loans and technical assistance, as Eldik Bank and the EBRD recommended, rather than relying on cheap loans alone.
2. Finance whole projects. Cover buildings and infrastructure as well as equipment where recycling plants depend on them, to avoid stalled projects.
3. Reach small firms through local banks. Pool small investments through on-lending by local banks, and support national banks seeking GCF accreditation.
4. Support project preparation. Fund feasibility studies, technology choice and business planning, and follow up directly on questions MPs raised in Dushanbe.

For the Platform, SWITCH-Asia and CAREC

1. Maintain the engagement of national experts in preparing for and following up on the Regional Dialogues and other national and regional engagements. Their country briefs and work with national delegations are essential to translate technical content and regional commitments into nationally relevant legislative priorities and practical follow-up actions, ensuring continuity between the Dialogues and national policy processes.
2. Agree a practical form for continuity, with a national focal point in each Parliament, a joint work plan and regular thematic consultations, and consider a regional working group or expert council if countries wish. Link it to the Regional Partnership Framework on Circular Economy and to national climate investment platforms.
3. Facilitate the identification of potential CE and climate investment priorities and candidate initiatives in each country, starting with a small number of private-sector opportunities, and connect them with the relevant national authorities, businesses, financial institutions and project-preparation mechanisms. The Platform's role should be to identify enablingpolicy needs, maintain political attention and monitor follow-up; preparation, appraisal and financing of individual investment projects should remain with the competent government institutions, businesses and finance partners.
4. Hold regional parliamentary–business dialogues with business associations, enterprises and financial institutions, so that businesses help identify regulatory barriers and shape incentives.
5. Prepare a joint legislative roadmap on secondary material markets, green public procurement, economic incentives and conditions for private capital, and work on regional alignment of standards, procurement criteria and taxonomies, including the synchronised adoption of ISO 59000 circularity standards.
6. Explore regional hubs for processing secondary materials, starting with the exchange of data between national registers of secondary resources, enterprises and projects, and on waste dumps and tailings, as proposed by Kazakhstan.

7. Facilitate joint work between Dialogues through short thematic online meetings, exchange of legislative materials and consultations with the private sector, and agree one or two joint topics to start with.
8. Produce regular knowledge products, such as a quarterly overview of CE policy, institutions, investment and standards in each country and the region, building on the country briefs prepared for the Dialogue.
9. Document and share business cases. Build a catalogue of 25 or more CE businesses from the region to inspire other companies and inform policy.
10. Measure success by results. In a year, assess the Platform by the investment projects prepared, legislative initiatives considered and outcomes of work with the private sector, and secure continued support from the EU and other partners.

11. WAY FORWARD

Four Dialogues have shown that Central Asia is on the right path. Each country now has strategies, institutions or programmes that support CE; businesses are proving that circular models work; and parliamentarians from the five countries have built a shared understanding and the habit of working together. The question is no longer whether to pursue CE, but how to move faster and at greater scale.

The support of the EU SWITCH-Asia Programme has helped bring the region to this point. In the next phase it can serve as a springboard for parliaments and governments to make their policy and regulatory frameworks work in favour of CE, so that the region captures its full benefits. Economically, that means more competitive and resource-efficient industries, new markets for circular products and less dependence on imported raw materials. Socially, it means quality jobs, rural livelihoods and new skills. Environmentally, it means lower emissions, less waste and pollution, and less pressure on scarce water and land.

Six policy directions emerged from the Dialogue:

1. Elaborate the CE–climate linkage at country level so that CE and the implementation of NDC 3.0 and Decarbonization and Green Growth Strategies reinforce each other: CE measures help deliver climate commitments, while climate policy and climate finance help CE scale up.
2. Turn strategies and targets into a predictable legal and regulatory framework, with rules, standards and incentives that give businesses and investors confidence over several years.
3. Align approaches across the region through the Regional Partnership Framework on Circular Economy, so that standards, taxonomies, procurement rules and trade-related requirements support cross-border markets, value chains and regional hubs for processing secondary materials.
4. Review the domestic financing landscape for the structural, regulatory and transition needs of CE, including EPR, green procurement, green taxonomies that capture CE, fiscal incentives, climate finance opportunities and carbon market options, and explore how these can be combined and leveraged through systematic coordination. Kazakhstan's emissions trading system offers lessons for countries considering local carbon markets.
5. Prepare for international trade and market requirements, such as the EU Carbon Border Adjustment Mechanism, ecodesign rules and sustainability reporting standards, so that exporters stay competitive and CE becomes part of trade strategy.
6. Give the Parliamentarian Platform a lasting, country-owned form, so that interparliamentary cooperation continues and deepens beyond the current phase of support.

Participants agreed that these directions should be translated into national terms. The outcomes of the four Dialogues, including the Action Lab priorities and the discussions in the closed meeting of parliamentarians, will be collated and the remaining information gaps filled with the national experts and each delegation. The result will be a strategic way forward that sets out nationally specific CE priorities for each country, together with the areas where regional cooperation adds value.

The region is heading in the right direction. With continued commitment from parliaments and governments, and support from the EU and other partners, the next step is to turn that direction into laws, budgets and investments that deliver results.

ANNEX 1: FINAL AGENDA

DAY 1

Time	Session	Moderator(s)	Speakers and panellists
08:30–09:00	Registration		
09:00–09:45	Welcome and Opening Remarks	Emcee: Ranga Pallawala, SWITCH-Asia PSC	Mr. Aziz Qodir Giyozoda, Deputy Chairman of the Majlisi Namoyandagon of the Majlisi Oli of the Republic of Tajikistan Mr. Bahodur Sheralizoda, Chairman of the Committee for Environmental Protection under the Government of the Republic of Tajikistan H.E. Mr. Radosław Darski, Ambassador of the European Union to the Republic of Tajikistan Dr. Zinaida Fadeeva, Team Leader, SWITCH-Asia PSC Dr. Batyr Mammedov, Executive Director, CAREC Ms. Jamila Abdurakhmonzoda, National Focal Point of EU SWITCH-Asia, Ministry of Economic Development and Trade of the Republic of Tajikistan
09:45–11:00	Session 1: Country Updates – Emerging CE, Climate and Investment Developments	Dr. Zinaida Fadeeva, Team Leader, SWITCHAsia PSC	Mr. Orif Hamid Amirzoda, Chairman of the Environmental Commission of the Majlisi Namoyandagon of the Majlisi Oli of the Republic of Tajikistan Mr. Arman Kalykov, Deputy of the Kurultai of the Republic of Kazakhstan, Member of the Committee on Economic Policy, Innovation, Investment and Regional Development Ms. Nilufar Yakubjanovna Alimzhanova, Member of the Committee on Agrarian Policy, Water Resources, Mining, Ecology and Environmental Protection, Zhogorku Kenesh of the Kyrgyz Republic Mr. Allayar Omarov, Member of Parliament, Mejlis of Turkmenistan, Member of the Committee for Environmental Protection, Natural Resources and Agroindustrial Complex Senator Shukhrat Aslanov, Member of the Senate Committee on Youth, Women, Culture and Sports, Oliy Majlis of the Republic of Uzbekistan
11:00–11:30	Break and Group Photo		
11:30–12:30	Session 2 (Part 1 of 2): Circular Economy in Business – From Practice to the Climate Investment Opportunity	Opening framing: Dr. Zinaida Fadeeva, Team Leader, SWITCH-Asia PSC Moderator: Dr. Rene van Berkel, Senior Expert on Circular Economy, SWITCH-Asia	Mr. Dzhalil Abdullaev, Executive Director, LLC “Akia Avesto Automotive Industry” (Tajikistan) Mr. Dauren Asetovich Katranov, Deputy General Director, Raduga LLP (Kazakhstan) Mr. Nursultan Taabaldiev, Founder, Synch Materials Ltd, Batken region (Kyrgyz Republic) Mr. Nury Hydyrov, General Manager, Täze Energiýa (Turkmenistan)
12:30–13:30	Lunch		

Time	Session	Moderator(s)	Speakers and panellists
13:30–15:00	Session 2 (Part 2 of 2): Circular Economy in Business – From Practice to the Climate Investment Opportunity	Dr. Rene van Berkel, Senior Expert on Circular Economy, SWITCHAsia	Representative of the State Committee on Investments and State Property Management of the Republic of Tajikistan Ms. Aidjan Baisenovna Karieva, Member of the Management Board, Eldik Bank (Kyrgyz Republic) Mr. Holger Wiefel, Head of Tajikistan, European Bank for Reconstruction and Development (EBRD)
15:00–15:30	Break		
15:30–17:00	Session 3: Leveraging Circular Economy Investments for Climate Ambition and Climate Finance	Ranga Pallawala, SWITCH-Asia PSC	Mr. Alexander Gareev, Green Climate Fund, Central Asia and Eastern Europe (online) Dr. Michael Knaus, Vice-President, Climate Team Coordination, DEG – Deutsche Investitions- und Entwicklungsgesellschaft (KfW Group) (online) Mr. Holger Wiefel, Head of Tajikistan, European Bank for Reconstruction and Development (EBRD)
18:00	Welcome Reception and Networking Dinner		

DAY 2

Time	Session	Moderator(s)	Speakers and panellists
08:30–08:40	Participants gather at Serena Hotel		
09:00–10:20	Study Visit to the Majlisi Namoyandagon of the Majlisi Oli of the Republic of Tajikistan		Representative of the Committee on Legislation and Human Rights of the Majlisi Namoyandagon
10:30–11:00	Transfer to the production facility		
11:00–11:40	Visit to Akia Avesto LLC		Mr. Dzhalil Abdullaev, Executive Director, LLC “Akia Avesto Automotive Industry”
11:40–12:10	Return to Serena Hotel		
12:20–13:20	Lunch		
13:30–14:00	Recap of Day 1 and the Visits, and Overview of the Afternoon		Recap of Day 1: Dr. Rene van Berkel, Senior Expert on Circular Economy, SWITCH-Asia Recap of the visits: Dr. Zinaida Fadeeva, Team Leader, SWITCH-Asia PSC, and Dr. Rene van Berkel
14:00–15:15	Session 4: Parliamentary Action Lab	Dr. Zinaida Fadeeva, Team Leader, SWITCHAsia PSC, assisted by national experts	All participants
15:15–15:30	Break		

Time	Session	Moderator(s)	Speakers and panellists
15:30–17:00	Meeting of Parliamentarians (by invitation)	Co-chairs: Dr. Zinaida Fadeeva, Team Leader, SWITCH-Asia PSC Mr. Zafar Mahmudov, Liaison Expert, EU SWITCH-Asia	Members of Parliament
17:00–17:30	Session 5: Closing Session	Emcee: Ranga Pallawala, SWITCH-Asia PSC	Action Lab outcomes: Dr. Zinaida Fadeeva, Team Leader, SWITCH-Asia PSC Closing remarks: Representative of the European Union; Dr. Zinaida Fadeeva, SWITCH-Asia PSC; Representative of CAREC; Representative of the Government of the Republic of Tajikistan (host country)

ANNEX 2: SPEAKERS AND PANELLISTS

Name	Position
Mr Aziz Qodir Giyozoda	Deputy Chairman, Majlisi Namoyandagon of the Majlisi Oli, Republic of Tajikistan
Ms Karen Olislagers	On behalf of H.E. Radoslav Darski, EU Ambassador to the Republic of Tajikistan
Dr. Zinaida Fadeeva	Team Leader, SWITCH-Asia PSC
Dr. Batyr Mammedov	Executive Director, CAREC
Mr Orif Amirzoda	Chairman, Commission on Ecology, Majlisi Namoyandagon, Tajikistan
Mr Arman Kalykov	Deputy, Kurultai of the Republic of Kazakhstan
Ms Nilufar Alimjanova	Member of Parliament, Jogorku Kenesh of the Kyrgyz Republic
Mr Allayar Omarov	Deputy, Mejlis of Turkmenistan
Senator Shukhrat Aslanov	Senate of the Oliy Majlis of the Republic of Uzbekistan
Mr A. A. Kulmagambetov	Deputy, Kurultai of the Republic of Kazakhstan
Mr Jalil Abdullaev	Executive Director, Akia Avesto Automotive Industry, Tajikistan
Mr Nursultan Taabaldiev	Founder, Synch Materials, Kyrgyz Republic
Mr Nury Hydyrov	General Manager, Täze Energiýa, Turkmenistan
Mr Dauren Katranov	Deputy General Director, Raduga LLP, Kazakhstan
Mr Iqbol Boboev	Head of Entrepreneurship Support Department, State Committee on Investments and State Property Management, Tajikistan
Ms Manuchehra Marjon	Head of Main Department of Investment Policy and Regional Development, Ministry of Economic Development and Trade, Tajikistan
Ms Aidzhan Karieva	Member of the Management Board, Eldik Bank, Kyrgyz Republic
Mr Holger Wiefel	Head of the EBRD in Tajikistan
Mr Alexander Gareev	Central Asia and Eastern Europe Department, Green Climate Fund
Dr. Michael Knaus	Vice-President, Climate Team Coordination, DEG – Deutsche Investitions- und Entwicklungsgesellschaft (KfW Group)
Dr. Rene van Berkel	Senior Circular Economy Expert, SWITCH-Asia PSC
Mr Ranga Pallawala	Climate Change and Circular Economy Policy Expert, SWITCH-Asia PSC
Mr Zafar Mahmudov	Senior Liaison Expert, SWITCH-Asia PSC

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