

Kyrgyzstan

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About Kyrgyzstan

- Population: 5.2 million (Kyrgyz 67.9%, Uzbeks 14.3%, Russians 9.9% and others 7.9%).
- Area: 199,000 km². About 80% of the territory is mountainous.
- With per capita GNI of US\$ 500 (Atlas method, World Bank 2006). Kyrgyzstan is the 2nd poorest country in Central Asia.
- Unemployment rate is 11.5% (National Statistical Committee data for 2007).
- Poverty levels are high but falling - **63% to 40%** of the population between 2000 and 2006 (National Statistical Committee data for 2006).
- Education enrolment rates are high (93% in 2006) and have been slowly growing, but faster progress is needed. Completion rates are high and traditionally most children go to secondary school. However this is declining, and there is an imbalance, as the majority of children who are not in school are from rural areas.
- HIV/AIDS represents a concentrated epidemic, principally among Injection Drug Users with a cumulative total of 1,479 cases.
- 89% of population have access to water and sanitation. In rural areas 83% of people have access to improved water supply (only 33% with household connections) and 93% to improved sanitation (UNICEF and WHO Joint Monitoring Program, 2006).
- The Kyrgyz Republic experienced the third of the 'coloured' revolutions in the CIS in March 2005 and suffers on-going political tensions. The main cause of instability is long-promised but yet not delivered constitutional reform.

DFID: Working to reduce poverty in Kyrgyzstan

DFID has been active in Kyrgyz Republic since 1997. Current expenditure on the bilateral programme is £7 million per year. We use a range of aid instruments including, technical assistance projects, programme-based support and a health sector budget support operation that is unique in the region. Key themes of DFID support are **governance, service delivery, accountability and HIV and AIDS**.

Making aid effective

Kyrgyzstan is an OECD-DAC pilot country on Aid Effectiveness, and this is central to DFID's work. We are members of a Joint Country Support Strategy (JCSS) (2007-10) with the World Bank, Asian Development Bank, the Swiss Government, the EC, the German Government and the UN.

Through the JCSS we support implementation of the Government's Country Development Strategy (CDS) (2007-10). The CDS presents a change in emphasis following the March 2005 "Tulip Revolution," with a greater focus on job creation and economic growth. Achievement of poverty reduction is anchored on four strategic pillars—economic development, governance and transparency in public administration, human resource development, and environmental sustainability.

Health/HIV and AIDS

DFID provides £7M of health sector budget support in a co-financing arrangement with four other donors to support implementation of the National Health Strategy (Manas Taalimi). This has been an excellent example of applying aid effectiveness principles in practice and creating a positive impact on sector performance. Additional safeguards have been put in place to ensure proper and accountable use of sector funds..

DFID provides regional support on HIV and AIDS through our Central Asia Harm Reduction Project (CARHAP) (2004-9), which covers Kyrgyzstan, Tajikistan and Uzbekistan. The project supports harm reduction activities for high-risk groups, and implementation of national strategies to combat the disease. One of the results of this project is establishment of harm reduction centres that offer syringe exchange and condom distribution in the beneficiary countries.

DFID also provides co-financing to the World Bank regional project on HIV and AIDS (CAAP), and we work very closely with UNAIDS, USAID and other UN agencies across the region.

Governance and Financial management

Promoting good governance cuts across all of our work. DFID assists the GoK in tackling governance issues and taking forward Public Financial Management reform through our PFM project. This support aims to: improve the budget formulation process; strengthen internal audit; help rationalise and re-organise the Ministry of Finance; and strengthen voice and participation to increase accountability and transparency particularly in public expenditure. Aid effectiveness principles are applied and DFID has galvanised much better donor co-ordination in PFM under government leadership.

DFID also works with the World Bank, IMF, EBRD and civil society organisations in assisting Kyrgyzstan to implement the Extractive Industry Transparency Initiative (EITI). Work with civil society ensures active and productive engagement in EITI, and attention to transparency issues. We are now exploring opportunities to assist the Government in applying the EITI principles to the pharmaceutical industry, under the Medicines Transparency Alliance (MeTA) initiative.

Community Development

DFID has allocated £7 million to the second phase of the Village Investment Programme, which aims to reduce rural poverty through empowering communities to improve access to social and economic infrastructure services. DFID co-finances with the WB and German Government with all funds managed by ARIS, the national Community Development and Investment Agency. ARIS provides project coverage to 100% of village municipalities in the country. The impact is likely to be far reaching: improved access to essential infrastructure services, better and more accessible education, sanitary and health facilities, more employment opportunities, better access to markets and a general revitalisation of rural communities.

Water and sanitation

DFID supports the water sector through the Rural Water Supply and Sanitation Project implemented jointly with the World Bank. The main goal of this project is to improve water supply, hygiene and sanitation facilities at village level in three oblasts in the north of Kyrgyzstan. The Asian Development Bank assists the government in covering the four remaining oblasts. DFID's £4M technical assistance is geared towards capacity building of the Department of Rural Water Supply and mobilising and training Community Development Water Users' Union to effectively run and maintain newly built or rehabilitated water supply systems. Following the request of the Kyrgyz Government, WB and DFID are jointly developing a follow up project to further increase the access to clean water and improve sanitation in the country.

Making progress towards the Millennium Development Goals...

Kyrgyzstan has a mixed track record in its progress towards achieving the national MDGs. It is unlikely that all of the MDG targets will be reached by 2015 if the country continues along its current path. The country can potentially achieve its targets on poverty reduction, universal enrolment in primary education and literacy. Making sustainable progress towards MDGs will require the implementation of concrete plans of action in priority areas:

- Kyrgyz Republic is off track to meet targets for gender equality in employment and parliament. Although gender equality in primary schools has been met, unemployment is high amongst women, women's wages are lower than those for men and women hold few managerial and parliamentary positions. (source: UN MDG data)
- Child and infant mortality has fallen steadily but slowly since the 1980s. In 2006 it was estimated that infant mortality in the Kyrgyz Republic is 38 per 1,000 live births, while child mortality is 44. Faster progress would be needed to meet the 2015 MDG target. Most children are immunised against measles. (Unicef MICS survey 2006)
- Official data suggest that maternal death rates have fallen in Kyrgyzstan; however there are significant differences between oblasts, with poorer oblasts having higher maternal death rates. Most births (96.8% in 2006) are attended by skilled personnel. (MICS survey 2006)
- The Kyrgyz Republic is experiencing a rapid growth of HIV/AIDS, particularly among intra-venous drug users. Death rates from TB have more than doubled from 8/100,000 in 1990 to 18/100,000 in the most recent years, with Multi Drug Resistant TB a significant problem. Malaria exists at low levels in Kyrgyzstan. (UN MDG website)

For more information about DFID's work in Kyrgyzstan please visit www.dfid.gov.uk

If you are a journalist and wish to know more about DFID and its work to reduce poverty in Central Asia please call DFID press office: 0207023 0600.