



Green Economy and Sustainable Private Sector Development in Kyrgyzstan

Context

Kyrgyzstan – nestled among high mountains and a place of outstanding beauty – is not immune to the impact of climate change as the country pursues economic growth. Despite very good progress in lowering poverty rates in the past years, transitioning into a greener economy remains a high priority in the development agenda. The government is determined to reverse the trend of environmental degradation and take advantage of opportunities for economic growth that will be comprehensive and sustainable.

The current state of the economy in Kyrgyzstan is primarily characterised by inefficiency: the systems are old, people unmotivated, and connections weak. Agriculture employs 30 per cent of the total population, and the practices used for growing food largely continue to be environmentally unfriendly. Such practices alone bound the export of high-value agriculture products to newer markets let alone keep the population healthy. The country has a substantial unused economic resource in the form of potential workforce. But women and socially disadvantaged groups, predominantly people with disabilities, are widely overlooked as potential contributors to the economic growth.

The most conspicuous manifestation of the current situation is the lack of well-thought-through and high-performing economic systems. The relationships among suppliers, producers, mediators, and customers are not as stable, wide, and characterised by trust as they can be. Green economy principles imply the employment of the full potential of an economy, and this is why working on the strengthening of the connections is a priority.

Programme name	Green Economy and Sustainable Private Sector Development in Kyrgyzstan
Commissioned by	Federal Ministry for Economic Cooperation and Development of Germany (BMZ); Swiss Agency for Development and Cooperation (SDC)
Programme region	Kyrgyzstan
Main partners	Ministry of Economy and Finance of the Kyrgyz Republic
Duration	06.2020 – 05.2023

Our objective

The objective is to use the principles of green economy to enable sustainable development in three sectors: production of fruit and vegetables, livestock, and tourism.

Our measures

In addressing the establishment of sustainable economy in Kyrgyzstan, we are promoting the green economy principles. It means, that resources must be used in a way that does not undermine future development but instead creates new opportunities for larger numbers of people. For this we work on three levels and first we support the government at promoting green economy policies in the best interest of the private sector. On the level of a private sector we aim at enhancing green economy practices among micro, small, and medium-sized enterprises (MSMEs). Third, on the public level, we aim at raising potential customers' awareness of environmentally friendly business patterns and thus increasing the demand for products produced sustainably. Additionally, with the co-financing from



L. to r.: Participants of the Green Economy Week 2019.

A Kyrgyz family during the season of agritourism.

Pg 2: Farmers during the harvesting season in the south of Kyrgyzstan.

Media influencer during the meeting with children on the harm of plastic.



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the Government of Switzerland through the Swiss Agency for Development and Cooperation (SDC) the programme is able to expand by strengthening its activities in Jalal-Abad region and start work in Batken region. Our comprehensive and integrated approach designs a logical cycle from planning to implementation to reliable evaluation of numerical results.

The support will be catered to three sectors of the economy: production of fruit and vegetables, livestock, and tourism. Although agricultural enterprises constitute only 12 per cent of total enterprises, they employ 30 per cent of the population, and mostly those who are living in rural areas. Ten per cent of the enterprises are offering touristic services. Owners, managers, and employees of MSMEs in selected Value Added Chains will be supported by the programme in the introduction of green practices and technologies by conduction of trainings, organization of specifically designed workshops, and improvement of the technical base. For the time being only a fifth (19.2 per cent) of the total of small-scale farms is headed by women. Therefore, we will pay extra attention to finding ways to reach vulnerable and underprivileged parts of the population: women, young people (between 14 and 34 years of age), and people with disabilities. The possibilities to promote green economic practices are enormous, and the entire population of Kyrgyzstan, 6,637,000 people (as of 2021), can be involved.

It is especially important that our output-based approach does not regard activities on the three different levels as separate efforts: the programme goals will be pursued and achieved not just simultaneously but also coherently and in an inclusive manner. All programme activities are designed to complement each other and to acknowledge that the authorities, businesspeople, and the public are all stakeholders moving towards the same goal: a green economy that will define the future for Kyrgyzstan.

Our results to date

The Ministry of Economy and Finance of the Kyrgyz Republic developed green policy approaches which are adapted to the needs of the private sector. Already 15 potential measures with the private sector from three regions of the country have been identified. By taking into consideration all measures and introducing green modelling system, the ministry will be able to effectively plan and intensifying evidence-based policymaking.

Four business associations throughout the country introduced green practices and technologies within their members. More than 20 activities were conducted with partner associations.

10 measures on altering behaviours of customers and consumers to start using greener services and products were conducted within the awareness raising campaign. Thanks to this, audience of more than 400,000 people throughout the country have been informed about importance of environmental issues, organic and safe food, approaches in sustainable tourism, contribution of women in livestock and inclusion of people with disabilities eventually increasing the demand for local, organic, and environmentally friendly produce.

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