

Green Economy and Sustainable Private Sector Development in Kyrgyzstan

Context

Kyrgyzstan – a beautiful country nestled among high mountains in Central Asia – is not immune to the impact of climate change as it pursues economic growth. Rising temperatures lead to more frequent climate extremes such as droughts and unpredictable seasonal weather. These consequences negatively affect the economy, as more than half of the GDP comes from climate-sensitive activities. Therefore, the transition towards a greener economy is a best way for country's development and remains a high priority. To maximize the benefits, green economy principles must be integrated into policies, private sector growth, and public awareness. Also, the natural resources, including forests and pastures, have significant potential for the expansion of the agriculture sector and tourism industry. And access to green financing is crucial for the transition, with initial regulatory steps underway. Strengthening of all these connections is a top priority.

Our objective

The transition towards an inclusive green economy, designed to enhance the well-being of the Kyrgyz population is strengthened.

Our measures

In collaboration with our partners, including state agencies, associations, micro, small and medium enterprises (MSMEs), NGOs, private individuals, educational and media institutions, we support the promotion of green economy principles for development. These principles aim to enhance the well-being of the population and foster social equity while concurrently reducing

Programme name	Green Economy and Sustainable Private Sector Development in Kyrgyzstan
Commissioned by	German Federal Ministry for Economic Cooperation and Development (BMZ)
Co-financed by	European Union (EU), Government of Switzerland
Programme region	Kyrgyzstan
Main partner	Ministry of Economy and Commerce of the Kyrgyz Republic
Duration	06.2020 - 08.2026

environmental risks. This approach also entails the preservation and constant multiplication of natural capital, efficient resource use, and conservation of the country's natural ecosystems.

We work on three dimensions:

1. The focus is on integrating environmental, social, and private sector considerations into the development of evidence-based employment-oriented green economy policy instruments, such as the Green Economy Programme, Green Economic Modelling, and a green taxonomy.
2. We help micro, small, and medium-sized enterprises (MSMEs) in employing economically, socially, and environmentally beneficial green economic practices while generating more income and employment. The support is catered to enhance tourism development and production systems in agriculture – fruit and vegetables, rice, cereal crops. In 2023, a newly introduced approach will promote adaptation of heat pumps as an energy-efficient technology. The programme experts conduct trainings and custom-designed workshops



L. to r.: A Kyrgyz family during the season of agritourism. Issyk-Kul region.

Farmer demonstrates a champion bull. Chui region.



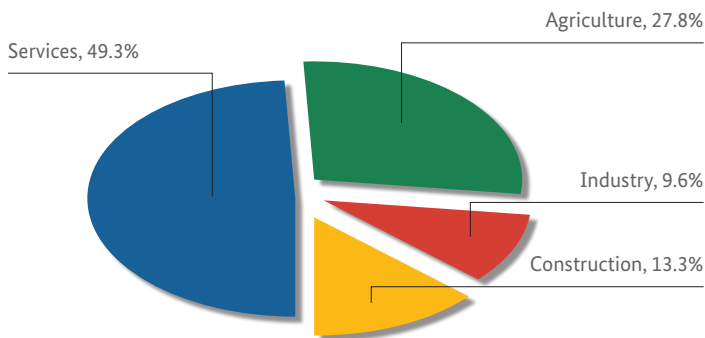
L. to r.: Drying rice during the harvesting season in Batken.

Children experimenting during the environmental class in one of the Bishkek school.

for owners, managers, and employees of MSMEs in selected value-added chains. The acquired knowledge helps them to introduce green practices and technologies, organize marketing-related activities, and enhance their technical capabilities.

and broader population. This will be achieved through communication for social behavioral change and enhancing tertiary education on the green economy.

Employment by economic sectors in Kyrgyzstan



Source: World Bank © Statista 2023

Our comprehensive and integrated approach encompasses planning, implementation, and rigorous result evaluation across all intervention areas. Furthermore, the programme addresses crosscutting themes such as marketing, gender equality, inclusion of people with disabilities, and youth support. The country possesses a significant untapped economic resource in the form of a potential workforce, with women and people with disabilities, making substantial contributions to economic growth. And the entire population of almost 7 million people can be involved in the promotion of green economic practices.

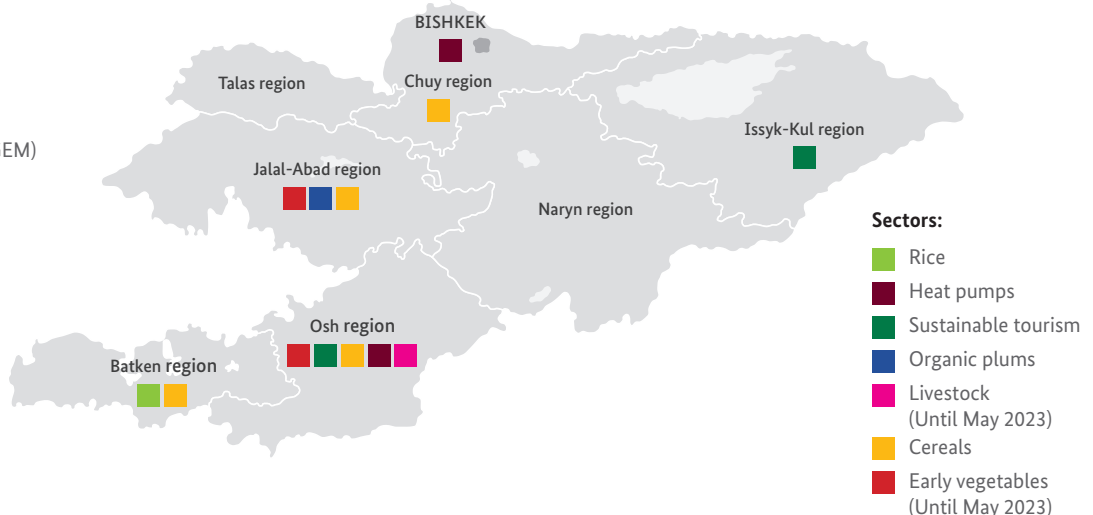
- Another important working field is the promotion of effective implementation of green economy policies and environmentally-friendly lifestyle among stakeholders

Our output-based approach ensures that activities across the three work dimensions are not treated as separate efforts. The programme aims to pursue and achieve its goals simultaneously, coherently, and inclusively. All activities are designed to complement one another, recognizing that authorities, business stakeholders, and the public are all working together toward a common goal: shaping a green economy that will shape Kyrgyzstan’s future.

Programme areas and sectors

Nationwide level:

- Policy development
- Green Economic Modelling (GEM)
- Green Finance
- Social Behavioral Change
- Green Innovation Facility



Selected results and impacts

The Ministry of Economy and Commerce of the Kyrgyz Republic has developed green policy approaches tailored to private sector needs. Already 17 green measures primarily targeted the agriculture and tourism development have been identified in the revised draft of the national Green Economy Programme. Governmental agencies together with the private business and entrepreneurs, international partner organizations, and civil society are currently implementing them, with the goal of achieving results by 2026. For instance, the establishment of a good working regional center for “green” agriculture has been a priority of the national programme. These centers will provide service support to the farmers using or interested in environmentally friendly technologies.

We utilize multiple platforms to promote green economy elements among various stakeholders. These include National Green Economy Days, the Green Economy Forum, roundtable discussions, the Economic Club, and more. These platforms facilitate discussions on green innovations in businesses, green investments, and foster dialogues on opportunities and challenges among public and private entrepreneurs. This, in turn, allows the Ministry of Economy and Commerce to plan evidence-based policies effectively.

An example from the field



©akchabar.kg

Since 2019 the largest business association in the country JIA jointly with green-oriented businesses in coordination with the Ministry of Economy and Commerce has been hosting the Green Expo and Green Economy Forum.

In November 2022, green technologies and solutions were exhibited under the heading “**Developing Green Economy in Central Asia**” in Bishkek. A total of 3,255 individuals, comprising 1,928 males and 1,327 females from Kyrgyzstan, Kazakhstan, Mongolia, Azerbaijan and Georgia, participated at these platforms. This resulted in the establishment of new stakeholder partnerships in green transport, eco-friendly tourism, and financing. It also involved development of skills and knowledge sharing. The events contributed to create shared positions on the promotion of sustainable economic development in Central Asia. Beyond JIA and the Ministry also the Association for the Development of the Agro-Industrial Complex co-hosted the event.



1,058
jobs

were created on seasonal and permanent basis



810
people

have increased income by at least 27%



198
MSMEs

have increased annual turnover by at least 28%

An example from the field



The application of green practices in Batken has led to reduced emissions, improved rice quality, and increased productivity for rice farmers. **Ysakov Muktarali, a rice**

farmer from the village of Min-Chynar, highlights the importance of water efficiency in rice production: “Efficient use of water was always a priority. With the support of the specially trained brigadiers, our rice farmers started growing furrow rice that we water only once in 4 days compared to once in 2 days for a regular type of rice. Not only do we use water in a more efficient way but also are able to produce the same amount of quality rice. I am very pleased with the result.”

Eco-friendly tourism practices encompass supporting local communities, responsible waste management, preservation of local cultural heritage, sustainable transportation, and the promotion of local economy and biodiversity. In Kyrgyzstan, these practices are promoted through tourism associations.



L. to r.: Host of a green touristic destination in Tamga village. Issyk-Kul region.

Farmers during the harvesting season in the south of Kyrgyzstan.

Pg 4: Green Economy Week 2019 attracted around thousand participants at 37 events across the country.

Social media influencer discussing the harm of plastic with children. Bishkek city.



Hanna Sabass,
 hanna.sabass@giz.de
 Phone +996 312 90 65 45

One notable initiative is the “award on sustainable tour packages” mechanism currently being tested by the national association of tour operators (KATO). This award serves as a benchmark for a new approach in tourism in Kyrgyzstan and Central Asia. It operates based on KATO’s internal certification criteria aligned with globally recognized standards such as those from the Global Sustainable Tourism Council and Travelife. In 2023 the top performing tour packages received recognition and were presented at the International Tourism Fair in Berlin. Additionally, an internal classification system called the Edelweiss Community-Based Tourism (CBT) was introduced that ranks CBT enterprises not only for hospitality but for environmental criteria as well. Tourism service providers have improved skills and knowledge in energy efficiency, food safety, and waste management. Moreover, Kyrgyzstan was registered with the World Travel & Tourism Council and adapted Safe Travels global protocols to local conditions. To date, more than 60 enterprises have already received this recognition.

The World Travel & Tourism Council (WTTC) is a forum for the travel and tourism industry. It is made up of members from the global business community and works with governments to raise awareness about the travel and tourism industry. It is known for being the only forum to represent the private sector in all parts of the industry worldwide.

Furthermore, trainers from the World Federation of Tourist Guide Associations (WFTGA) up-skilled 25 tour guides from all over Kyrgyzstan according to the international WFTGA standards. The guides obtained WFTGA certification and the status of “Trainer Guide”, joining the WFTGA community – the global forum for professional tourist guides.

We conducted 30 awareness-raising campaigns in communities aimed on at encouraging people to use greener services and products. Around 500 children in 4 pilot schools in Bishkek and Osh attended eco-classes which were designed to cultivate environmental awareness and values for the future. On a higher education front, our programme collaborates with universities to develop a curriculum on Green Economy. We have reached out to inform around 2,200,000 people throughout the country about the importance of environmental issues, the advantages of organic food, the principles of eco-friendly tourism, the role of women in livestock agricultural production, and the inclusion of people with disabilities. This initiative eventually increases the demand for local, organic, and environmentally friendly products.

Published by Deutsche Gesellschaft für
 Internationale Zusammenarbeit (GIZ) GmbH
 (German federal enterprise for international cooperation)

Registered offices Bonn and Eschborn, Germany

Programme “Green Economy and Sustainable
 Private Sector Development in Kyrgyzstan”
 105, Isanova Str.
 720001 Bishkek, Kyrgyzstan
 Phone +996 312 90 65 45
 www.giz.de

As at September 2023

Printed by “Triada Print”, Bishkek

Design Aleksandra Ustinova, Bishkek

Photo credits GIZ / Programme archive: pages 1, 2, 3, 4

Text Hanna Sabass, Erlan Amiraev

GIZ is responsible for the content of this publication.

On behalf of German Federal Ministry for Economic
 Cooperation and Development (BMZ)