



## COUNTRY PROFILE

JANUARY 2008



*With the collapse of the Soviet system, Kyrgyz farmers lost access to markets and networks for purchasing quality seeds, fertilizers and crop protection products. Earnings dropped and agriculture became unprofitable.*

*In 2002, USAID helped farmers and agribusinesses create a cooperative association to procure much-needed supplies and demonstrate new technologies to improve yields and profits.*

*"In Soviet times, we used to have other people think for us. Now we are independent, we can choose our own way of life," says Asanov Nimatulla, a farmer with 30 years of experience.*

### KYRGYZSTAN SNAPSHOT

Date of independence:  
August 31, 1991  
Capital: Bishkek  
Population: 5.3 million  
GDP per person: \$628

For more information,  
see [www.usaid.gov](http://www.usaid.gov)  
Keyword: Kyrgyzstan

### OVERVIEW

Governmental gridlock continues to be a significant barrier in Kyrgyzstan's development, as its Parliament and Executive work to establish positive working relationships after significant political upheaval and constitutional reform. Corruption remains a major factor in the lives of most citizens, and foreign investment remains low. Approximately 50 percent of the population lives below the poverty line and the official unemployment rate is 18 percent. Youth unemployment is particularly high. However, progress has been made in reform of the banking, healthcare, basic education, and agricultural sectors. Democratic reform remains a challenge as government agencies continue to place pressure on media outlets, political parties, and non-governmental organizations.



**Bishkek**

The USAID program in Kyrgyzstan focuses on strengthening economic growth, governance, democratic institutions, education, and healthcare services.

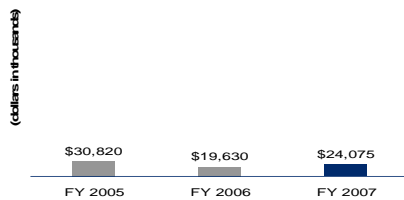
### PROGRAMS

#### BUILDING THE FOUNDATION FOR A STRONG ECONOMY

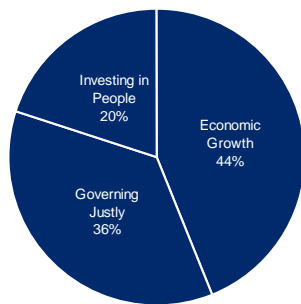
USAID promotes economic policy reforms to strengthen fiscal management, decentralization, and an efficient tax administration. Projects also help reduce regulatory and administrative constraints for small and medium enterprises by improving implementation of laws and regulations needed to improve the business environment. To expand regional trade USAID is supporting the country's World Trade Organization compliance process and the reduction of trade barriers. USAID also facilitates the development of regional electricity markets in Central Asia and helps to reform the country's electricity system by making the needed reforms that will bring added investments into the sector. In agriculture, USAID is taking a value chain approach to increase profitability to farmers and associated businesses for selected commodities. Management of the critical irrigation network is improved by strengthening Water User Associations responsible for system maintenance. Assistance is provided to microfinance institutions to improve the legal environment for

## COUNTRY PROFILE CONTINUED

### USAID ASSISTANCE TO KYRGYZ REPUBLIC



Percent of FY 2007 Budget for Each Area



Governing Justly & Democratically: \$8,710,000  
Economic Growth: \$10,600,000  
Investing in People: \$4,760,000

lending and to expand agricultural lending. In support of land market development, USAID helps streamline land legislation, assists farmers in leasing, buying, and selling land, and facilitates the reform of state-owned land management.

#### INVESTING IN THE KYRGYZ PEOPLE

USAID works closely with other donors and the Kyrgyz Government in improving the quality of primary health care services through the implementation of the wide ranging National Health Reform Program, Manas Taalim. The Reform Program supports training for health professionals, financing of medical care, and several other critical areas. USAID also assists the Kyrgyz Government in developing and implementing grants from the Global Fund to fight AIDS, TB, and malaria.

USAID seeks to improve basic primary and secondary education by improving teaching methods that stress critical thinking and active learning, capacity-building for administrators, and education finance reform. USAID also funds the Kyrgyz National Scholarship Test which qualifies secondary school graduates to receive state grants for higher education.

#### PROMOTING GOOD GOVERNANCE

USAID democracy programs provide technical assistance and training to strengthen the Parliament and improve local governance. Initiatives to strengthen civil society, the media, political parties and human rights organizations are also elements of USAID assistance. USAID also works with seven clusters of local communities to promote community development. The program is based on an integrated and participatory approach, supporting the formation of local economic development councils and youth employment and building up the skills of local governments, community organizations and businesses. An anti-trafficking program works on prevention activities and provides for the protection of trafficking victims.

Through funding for Eurasia Foundation, USAID provides small grants to NGOs to strengthen private enterprise, civil society, public administration, and education. Professionals from various sectors are provided opportunities to receive training in the U.S.

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