

ASIAN DEVELOPMENT BANK MEMBER FACT SHEET

Kyrgyz Republic: 2018 Committed Loans, Grants, and Technical Assistance (\$ million)

Loans		Technical Assistance	Grants	Total
Sovereign	Nonsovereign			
113.98	–	2.68	39.14	155.80

– = nil.

Notes: Commitment is the financing approved by the ADB Board of Directors or Management for which the investment agreement has been signed by the borrower, recipient, or the investee company and ADB.

Grants and technical assistance include ADB-administered cofinancing.

Kyrgyz Republic: Cumulative Lending, Grant, and Technical Assistance Commitments^{a, b, c}

Sector	No.	Total Amount (\$ million) ^d	% ^d
Agriculture, Natural Resources, and Rural Development	24	145.67	7.45
Education	18	136.07	6.96
Energy	14	349.73	17.89
Finance	20	148.92	7.62
Health	7	15.31	0.78
Industry and Trade	6	26.49	1.36
Multisector	13	113.01	5.78
Public Sector Management	40	268.43	13.73
Transport	32	651.97	33.35
Water and Other Urban Infrastructure and Services	8	99.22	5.08
Total	182	1,954.84	100.00

^a Grants and technical assistance include ADB-administered cofinancing.

^b Includes sovereign and nonsovereign loans and technical assistance.

^c Using primary sector in reporting of commitments.

^d Numbers may not sum precisely because of rounding.

Kyrgyz Republic: Ordinary Capital Resources Nonsovereign Commitments by Product, 2007–2018

No. of Transactions Signed	Amount (\$ million)
Loans	20.00
Equity Investments	–
Guarantees	–
Total	20.00

– = nil.

ADB operations in the Kyrgyz Republic focus on energy, transport, education, public sector management, water supply and sanitation, and agriculture.

KYRGYZ REPUBLIC

In recent years, the Government of the Kyrgyz Republic has maintained a strong development agenda to reduce poverty through inclusive economic growth.

With the support of the Asian Development Bank (ADB), the government has sought to reform legal and regulatory frameworks, improve the country's business environment, make affordable finance available to all, improve the reliability of electricity services, and help Kyrgyz Republic citizens become more employable.

The Kyrgyz Republic joined ADB in 1994 and the bank has since approved 44 loans (\$1.2 billion) and 40 grants (\$662 million) from the Asian Development Fund (ADF) as well as 6 grants (\$7.5 million) from Japan Fund for Poverty Reduction. ADB has also financed 104 technical assistance projects (\$60.2 million).

Cumulative loan and grant disbursements to the Kyrgyz Republic amount to \$1.22 billion. These were financed by regular and concessional ordinary capital resources, and the ADF.

ADB-SUPPORTED PROJECTS AND PROGRAMS

ADB has placed an emphasis on sustainability and environmental protection in the Kyrgyz Republic's development. In 2017, work was completed on phase 1 of the \$37.5 million Issyk-Kul Sustainable Development Project in the cities of Balykchy, Cholpon-Ata, and Karakol. This 8-year project helped to improve basic infrastructure and preserve the environment of Issyk-Kul lake. The Issyk-Kul Wastewater Management Project, with financing of \$36.52 million, was approved in November 2018.

The \$38.6 million Climate Change and Disaster-Resilient Water Resources Sector Project, approved in November 2018, will help modernize and maintain



infrastructure, enhance agricultural and on-farm water management, and improve disaster risk management. The \$30 million Landslide Risk Management Project is planned to begin in 2020.

Through the \$21.4 million [Naryn Rural Water Supply and Sanitation Development Program](#), ADB will work to deliver decent living standards, improve health and quality of life for Kyrgyz citizens, and reduce adverse environmental impacts by 2026.

ADB remains the largest development partner of the Kyrgyz Republic in education. The \$30 million [Skills for Inclusive Growth Sector Development Program](#) aims to achieve inclusive growth through improved workforce skills and productivity, and will help develop a market-responsive, entrepreneurial, and inclusive system for technical and vocational education and training. In 2018, the government successfully completed all policy actions of the [Strengthening Education System Sector Development Program](#), with the second (and final) \$7 million tranche of the policy grant released in December.

To enhance regional trade for the Kyrgyz Republic, ADB has helped rehabilitate about 1,000 kilometers of major transport corridors and feeder roads. In 2018, the bank approved \$78 million for the [Central Asia](#)

[Regional Economic Cooperation Corridors 1 and 3, Connector Road Phase 2](#). By rehabilitating 138 kilometers of roadway, the project will reduce the cost of transport between the southern and northern regions of the Kyrgyz Republic and shorten the route between Kazakhstan and Tajikistan. With the \$10 million [Regional Improvement of Border Services Project](#), ADB is helping construct border crossing point facilities that meet international standards at Karamyk on the Kyrgyz–Tajik border.

Energy security is a top priority for the Kyrgyz Republic. In 2018, the [Power Sector Improvement Project](#) was successfully completed, modernizing data systems, enhancing optical metering and communication systems, and rehabilitating major substations. The project has improved service reliability, reduced power losses, and provided transparency and accountability in the country's energy sector. ADB has also approved \$275 million to rehabilitate the [Toktogul Hydroelectric Power Plant](#). With ADB support, the government is preparing the Power Sector Master Plan to cover the coming decade.

ADB is also encouraging private sector participation in the Kyrgyz Republic. The \$20 million [Rural Financial Inclusion](#)

[Project](#) will help boost rural incomes and improve livelihoods by providing credit lines to enterprises in the agriculture value chain.

NONSOVEREIGN OPERATIONS

As a catalyst for private investments, ADB provides financial assistance to nonsovereign projects and financial intermediaries. Total commitments from ADB's own funds (in equity and direct loans) in 2018 amounted to \$3.14 billion for 32 transactions in economic and social infrastructure, the finance sector, and agribusiness. ADB also actively mobilizes cofinancing from commercial and concessional sources. In 2018, ADB mobilized \$3.17 billion of long-term cofinancing and \$3.99 billion of cofinancing in trade finance, microfinance, and supply chain finance programs. Total outstanding balances and commitments of nonsovereign transactions funded by ADB's own resources stood at \$12.7 billion as of 31 December 2018.

COFINANCING

Cofinancing operations enable ADB's financing partners, governments or their agencies, multilateral financing institutions, and commercial organizations to participate in financing ADB projects. The additional funds are

Kyrgyz Republic: Project Success Rates

Year	Success Rate (%)	No. of Independently Evaluated Projects and Programs
2007	100.0	1
2009	100.0	2
2011	66.7	3
2013	–	1
2014	33.3	3
2015	100.0	2
2016	100.0	1
2018	100.0	1
Total	71.4	14

Note: "Year" refers to the circulation year of the project completion report (PCR). The success rates reported are based on the ratings from validated PCRs and independently evaluated performance evaluation reports only and do not include self-evaluations. With small sample sizes, success rates do not necessarily represent country operations performance.

Source: PCR validation reports and project/program performance evaluation reports ratings database as of 31 December 2018.

Kyrgyz Republic: Portfolio Performance Quality Indicators for Sovereign Lending and Grants, 2017–2018

	2017 (\$ million)		2018 (\$ million)	
	Amount	% of Total	Amount	% of Total
No. of Ongoing Loans ^a (as of 31 Dec 2018)			11	
Contract Awards ^{b,c}	51.96		67.22	
Disbursements ^b	20.70		20.72	
No. of Ongoing Grants ^a (as of 31 Dec 2018)			15	
Contract Awards ^{b,c}	35.22		47.02	
Disbursements ^{b,d}	57.54		37.14	
Actual Problem Projects (%) (as of 31 Dec 2018)			22	

^a Based on commitments.

^b Includes closed loans/grants that had contract awards or disbursements during the year.

^c Excludes policy-based lending/grants.

^d Includes only Asian Development Fund and other ADB special funds.

Kyrgyz Republic: Projects Cofinanced, 1 January 2014–31 December 2018

Cofinancing	No. of Projects	Amount (\$ million)
Projects ^a	3	277.00
Official loans	3	277.00
Technical Assistance Grants	4	2.35

^a A project with more than one source of cofinancing is counted once.

Kyrgyz Republic: Share of Procurement Contracts for Loan, Grant, and Technical Assistance Projects

Item	2017		2018		Cumulative (as of 31 Dec 2018)	
	Amount (\$ million)	% of Total	Amount (\$ million)	% of Total	Amount (\$ million)	% of Total
Goods, Works, and Related Services	40.14	0.39	17.17	0.14	605.70	0.33
Consulting Services	1.17	0.16	1.76	0.25	29.66	0.23
Total Procurement	41.32	0.38	18.93	0.14	635.36	0.33

Top 5 Contractors/Suppliers from the Kyrgyz Republic Involved in Goods, Works, and Related Services Contracts under ADB Loan and Grant Projects, 1 January 2014–31 December 2018

Contractor/Supplier	Sector	Contract Amount (\$ million)
AT Empire LLC	EDU	5.68
Bior Plus LLC	EDU, FIN	2.76
Minur LLC	WUS	2.17
Impuls Osh LLC	WUS	1.95
Mostdorstroi LLC	TRA	1.76
Others		128.04
Total		142.36

EDU = education, FIN = finance, TRA = transport, WUS = water and other urban infrastructure and services.

Top 5 Consultants from the Kyrgyz Republic Involved in Consulting Services Contracts under ADB Loan, Grant, and Technical Assistance Projects, 1 January 2014–31 December 2018

Consultant	Sector	Contract Amount (\$ million)
Kappa Group Ltd.	WUS	0.34
ISR Consult Ltd.	ENE	0.33
Erflog Consult LLC	EDU	0.33
University of Central Asia	FIN	0.32
Marka Audit Bishkek LLC	EDU, ENE, TRA	0.24
Individual Consultants		6.70
Others		0.51
Total		8.77

EDU = education, ENE = energy, FIN = finance, TRA = transport, WUS = water and other urban infrastructure and services.

provided in the form of official loans and grants, technical assistance, other concessional financing, and commercial cofinancing such as B loans, risk transfer arrangements, parallel loans and equity, guarantee cofinancing, and cofinancing for transactions under [ADB's Trade Finance Program](#) and [Supply Chain Finance Program](#).

ADB began cofinancing operations in the Kyrgyz Republic in 1988. Since then, cumulative direct value-added official cofinancing commitments for the Kyrgyz Republic have amounted to \$333.58 million for 12 investment projects and \$5.48 million for 11 technical assistance projects.

A summary of projects with cofinancing from 1 January 2014 to 31 December 2018 is available at www.adb.org/countries/kyrgyz-republic/cofinancing.

PARTNERSHIPS

Development coordination in the Kyrgyz Republic is exemplary. The Development Partners' Coordination Council regularly discusses issues and coordinates sector support, while the Prime Minister chairs an investment council that takes input from development partners.

As a landlocked country, the Kyrgyz Republic needs to strengthen regional cooperation to improve its investment climate, create employment, and reduce poverty. ADB therefore supports the Kyrgyz Republic's active participation in the Central Asia Regional Economic Cooperation Program.

ADB also cooperates with the private sector and civil society organizations within the Kyrgyz Republic to strengthen the effectiveness, quality, and sustainability of the assistance it provides.

PROCUREMENT

Each year, ADB provides loans, grants, and technical assistance to fund projects and activities in its developing member countries and several billion dollars in contracts to procure goods, works, and consulting services. Most contracts are awarded on the basis of international competition, which is open to firms and individuals from any ADB member, regional or nonregional.

Share of ADB's Procurement Contracts

Goods, Works, and Related Services

ADB's procurement contracts in Asia and the Pacific for goods, works, and related services under loan and grant operations totaled \$10.2 billion in 2017 and \$12.55 billion in 2018. Cumulative procurement since 1966 has been \$180.86 billion covering 215,461 contracts.

In the Kyrgyz Republic, 1,938 contracts worth \$605.7 million have been awarded to contractors and suppliers since 1994.

Consulting Services

ADB's procurement contracts in Asia and the Pacific for consulting services under loan, grant, and technical assistance operations totaled \$746.79 million in 2017 and \$696.18 million in 2018. Cumulative procurement since 1966 has been \$12.7 billion covering 59,248 contracts.

In the Kyrgyz Republic, 1,227 contracts worth \$29.66 million have been awarded to consultants since 1994.

OPERATIONAL CHALLENGES

Government decision-making and private sector investment in the Kyrgyz Republic are impeded by political

instability, regional disparities, corruption, and poor management of public finances.

ADB helped develop an e-procurement portal, launched in 2015, that has increased transparency in the use of public funds and improved the efficiency of government procurement.

The bank is also providing technical assistance to strengthen the government's capacity for managing development projects, to enhance policymaking, and to seize the opportunities and address the risks identified since the Kyrgyz Republic joined the Eurasian Economic Union in 2015.

FUTURE DIRECTIONS

In September 2018, the ADB Board of Directors endorsed the [country partnership strategy \(CPS\), 2018–2022](#) for the Kyrgyz Republic to foster sustainable economic growth, leverage regional cooperation to profit from access to larger markets, and improve the quality of life for the Kyrgyz people.

The CPS is expected to provide \$641 million in grants and sovereign loans to the country. Sovereign operations will focus on energy, transport, education, public sector management, water supply and sanitation, and agriculture. Private sector support will explore opportunities in agribusiness, energy, and telecommunications.

The CPS will aim to improve access to public and social services across the country. ADB will re-engage in the agriculture sector through project financing to improve services, increase productivity, build resilience to climate change and natural disasters, and improve supply chains to expand access to regional markets.



ABOUT THE KYRGYZ REPUBLIC AND ADB

ADB Membership

Joined 1994

Shareholding and Voting Power

Number of shares held:	31,746 (0.298% of total shares)
Votes:	71,443 (0.537% of total membership, 0.826% of total regional membership)
Overall capital subscription:	\$441.52 million
Paid-in capital subscription:	\$22.09 million

Baktygul Janybekovna Jeenbaeva is the Governor and **Oleg Pankratov** is the Alternate Governor for the Kyrgyz Republic in ADB.

Syrkani Ishak Kasim is the Director and **Karen Murray** is the Alternate Director representing the Kyrgyz Republic on the ADB Board of Directors.

Candice McDeigan is the ADB Country Director for the Kyrgyz Republic. The Kyrgyz Republic Resident Mission was opened in 2000 and provides the primary operational link for activities between ADB and the government, the private sector, civil society stakeholders, and development partners. The resident mission engages in policy dialogue, country partnership strategy development and programming, and portfolio management, while also acting as a knowledge base on development issues in the Kyrgyz Republic.

The Kyrgyz Republic government agency handling ADB affairs is the Ministry of Finance of the Kyrgyz Republic.

ABOUT THE ASIAN DEVELOPMENT BANK

ADB is a multilateral development bank owned by 68 members, 49 from the region and 19 from other parts of the world. ADB's main instruments for helping its developing member countries are policy dialogue, loans, equity investments, guarantees, grants, and technical assistance. In 2018, lending volume was \$19.88 billion (126 projects), with technical assistance at \$241.20 million (280 projects) and grant-financed projects at \$1.42 billion (44 projects). In addition, \$14 billion was generated in direct value-added cofinancing in the form of official loans and grants, other concessional cofinancing, and commercial cofinancing such as B loans, risk transfer arrangements, guarantee cofinancing, parallel loans, parallel equity, and cofinancing for transactions under ADB's Trade Finance Program. From 1 January 2014 to 31 December 2018, ADB's annual lending volume averaged \$15.99 billion. In addition, investment grants and technical assistance funded by ADB and Special Funds resources averaged \$583.95 million and \$184 million over the same period. As of 31 December 2018, the cumulative totals excluding cofinancing were \$275.82 billion in loans for 3,090 projects in 44 countries, \$9.38 billion in 374 grants, and \$4.52 billion in technical assistance grants, including regional technical assistance grants.

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Useful ADB websites

Asian Development Bank
www.adb.org

Annual Report
www.adb.org/documents/series/adb-annual-reports

Asian Development Outlook
www.adb.org/publications/series/asian-development-outlook

ADB Data Library
data.adb.org

Notes:

ADB welcomed Niue as its 68th member in March 2019.

Figures are estimated by ADB unless otherwise stated. "\$" refers to United States dollars.

Data are updated as of 31 December 2018 unless otherwise indicated. Fact sheets are published annually in April.