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Prepared by GRM International

For Asian Development Bank

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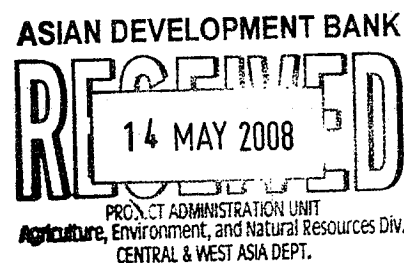


Asian Development Bank



The Impact of Land Reform on Agriculture, Poverty and the Environment in Kyrgyzstan

Draft Final Report
15 March 2008



Any views expressed in this document are those of the authors, not of the Asian Development Bank, unless specifically mentioned otherwise. The utmost care has been taken to collect authentic data and opinions. As this is a draft version of the final document, the authors welcome suggestions by reviewers for updates of data and opinions.

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Acronyms and Terms Used

ADB	Asian Development Bank Азиатский Банк Развития (АБР)
Adult Citizen	a person aged 18 years or older with Kyrgyz citizenship
AO	Ayil Okmoto: Local Government
ASSP	Agricultural Support Services Project
AusAID	Australian Agency for International Development
BTI	Bureau of Technical Inventory
CBO	Community Based Organization
CASE Kyrgyzstan	Centre for Economic and Social Research
Certificate of Title	A document extracted from the Title Register, proving ownership of rights
Certificate of Title	A document extracted from the Title Register, showing complete details of registered rights to a Land Parcel as registered
CRC	Community Relations and Communication
DANIDA	Danish International Development Agency
DfID	Department for International Development
Easement	Rights attached to a Land Parcel over another Land Parcel owned by another person
EBRD	European Bank for Reconstruction and Development
Farm	One or more land parcels owned and commercially operated for agriculture by a single entity (personal or juridical).
Encumbrances	Interests, rights and or claims, which can be created or set up on or in respect to a Land Parcel, and as such can be registered
Giprozem	State Institute for Scientific Research on the use of Agricultural Lands (Part of Gosregister)
GIS	Geographic Information System
GISK	Geographic Information System of Kyrgyz Republic
GosAkt	A document conferring land use rights
Goscartographia	State Agency for the provision of Cartographic and Geodetic Services (Part of Gosregister)
Goscominvest	State Committee with responsibility for international credit for national development. This agency was restructured and reformed in January 2001.
Gosregister	State Agency for the Registration of Rights to Immovable Property
GRM International	The company responsible to the implementation of this Study
GTZ	German Technical Assistance
Household	A single family unit living together.
IMF	International Monetary Fund
JICA	Japanese International Co-operation Agency

Kalys Consult	The Kyrgyz company responsible to GRM International for the implementation of the project in Kyrgyzstan
KAFC	Kyrgyz Agricultural Finance Corporation
Land Certificate	A document extracted from the Title Register, showing complete details of registered rights to a Land Parcel as registered. Also called a land deed. Ref. Certificate of Title
Land Parcel	A unit of land separately delineated on a Cadastral Map and Cadastral Plan and described with a unique reference by showing the unique Land Parcel number. A land parcel could be a land plot or a land share.
Land Plot	A unit of land made up of 2 or more land shares owned by the same family and owned in common.
LAR	Land and Agrarian Reform
Land Share	A right of access to a – shared – unit of land, created during land reform with the distribution of land from the Kolhoz or Sovhkoz, owned by an individual.
LARC	Legal Assistance to Rural Citizens Project
Lease	A lease and or a sub-lease is a temporary use right of an immovable property unit or a temporary use right of (a part of) an immovable property unit
LRERP	Land and Real Estate Registration Project
LR Survey	Survey amongst nearly 500 households, carried out by this study on the impact of Land Reform
LRF	Land Redistribution Fund formerly National Land Fund. An area of land set aside by the State for future use by the local community
LRO	Land Registration Office
LTC	Land Tenure Centre (University of Wisconsin)
MAWRPI	Ministry of Agriculture, Water Resources and Processing Industries
MDG	Millennium Development Goals
MF	Ministry of Finance
MJ	Ministry of Justice
Mortgage/Hypotek Documents	Documents defining funds borrowed using land and or property as collateral. Such documents are normally registered. See Mortgage law.
NGO	Non-Government Organization (includes private organizations funded by International Aid Agencies)
NZAID	New Zealand Agency for International Development
OA	Oblast Administration
RA	Rayon Administration
RAS	Rural Advisory Service
Registry	A Government office for the registration of ownership of and other rights associated with Land Parcels (whereby "land" is meant as encompassing all real property)
SILR survey	The survey done for this Study of the Impact of Land Reform
SDC	Swiss Agency for Development and Co-operation
Sida	Swedish International Development Agency

TACIS	Technical Assistance to Commonwealth of Independent States
UNDP	United Nations Development Program
USAID	United States Of America Agency for International Development
UWLTC	University of Wisconsin Land Tenure Centre
WB	The World Bank
ADB	Asian Development Bank Азиатский Банк Развития (АБР)

Summary

Poverty

1. Kyrgyzstan is a poor country with a per capita GDP of \$400 in 2004. Nearly half the population in Kyrgyzstan lives in absolute poverty. There have been substantial improvements to livelihoods since the major economic decline that followed the collapse of the Soviet Union and poverty has fallen consistently since around 1998 to 48 percent in 2004. While many people have improved their situation in rural areas, many others are unable to improve their welfare because of lack of means to improve the land and develop new and profitable crops.
2. While land distribution in Kyrgyzstan has been essentially pro-poor and equitable, the Study on Land Reform, together with other research, has shown that large scale distribution of land during the transition period has not been enough by itself to translate into widespread rural income growth and poverty reduction. In addition, the egalitarian nature of land distribution has been attributed with the reduction in inequality which might otherwise have risen as agriculture development progressed. Most poor people live in rural areas and agriculture has become a sector in which those engaged are predominantly from low-income and poor groups within the population.
3. The agriculture sector has been a crucial one for economic growth in the country and for the poor, as most of the country's poor rely on agriculture for their livelihoods. Land reforms lead to larger increases in agricultural production in the 1990s – during 1995-1999 agriculture sector grew by 7.3 percent per annum while from 2000-2003 it grew by 4 percent possibly suggesting a leveling off on returns from land reform. Further development of the sector is likely to benefit the living standards of the poor and therefore contribute to reduction in poverty in Kyrgyzstan.
4. While it is not possible to make a direct correlation between land reform and poverty reduction, logic suggests that the distribution of land has been partly responsible for the slow but steady improvement in poverty levels particularly in rural areas. Before land distribution, people focussed on surviving but once in possession of land people had a means to assure food supplies for themselves and their animals. Land is an important source of income for people especially irrigated land and for food to a lesser or greater extent depending on the oblast.
5. The myriad changes in Kyrgyzstan especially since the mid 90s when people were issued with land shares have lead to a complex and inter-dependent set of factors that contribute to poverty. As the poor have land as much as do the non-poor in rural areas, it appears that land reform has reduced inequality but so far not succeeded in eliminating poverty. While access to land is a crucial factor for poor people in improving their livelihoods, land in itself has not been sufficient in many cases to change their economic status. Barriers to change include remoteness of some land shares from place of residence, lack of basic inputs including credit to benefit from the land despite having access to it, absence of local organizations to provide an enabling environment and assist people to develop their land, lack of farming knowledge and marketing advice, a deteriorating environment often as a result of poor understanding of

how to manage land, large families and dependence on farming, and deteriorating socioeconomic infrastructures in many villages making access to basic services such as health and education difficult for many (with the elimination of large scale farms also the social and medical services offered by the farm management ceased to exist). In addition, the migration of young people to towns and cities in search of work and education has rendered some communities more vulnerable than before.

Gender

6. Like any strategy targeted to contribute to human development, the land reform strategy should have been approached from the perspective of gender. A gender approach is one that includes evaluation of actions or processes in respect of their effects on the social role of men and women.¹ Moreover, during a transition in the economy and the introduction of title to property in land and other reforms, society often revises many of its rooted traditions and concepts including social values. When women's rights are explicitly acknowledged and they begin to take part in policymaking, equality between men and women evolves. The promotion of gender equality is mostly associated with economic equality. Women's access to land rights is a significant component in the success of agricultural sectorial strategies. Unfortunately staff of newly formed land registration offices is often unaware of the legal equity of men and women – especially in rural areas - and tends to follow the customary way by registering rights to land in the name of the male head of the household, making it harder for women to proof their rights when the household falls apart.

Agriculture

7. Economic growth of the agriculture sector in the Kyrgyz Republic has been strong over recent years. Averaging 5.3% annually since 1995, the sector has in effect moved from a subsistence focus to market production. The growth results from greater labour productivity and improved crop yields. The principal causal factor is a shift from large state owned collectives to private or individually owned farms, a move driven by land reforms that have been intensified since 1995.

8. Increases have occurred primarily in arable farming, which has had a strong impact despite the fact that arable land accounts for 12% of agricultural land in the country. Growth has also occurred in livestock farming but is constrained by inefficiencies in pasture management which arise both from undue complexity in pasture administration and from the process of adjustment from the Soviet era, when the system was supported by supplementary feed supplies, higher levels of mobility and organization. The complexity in pasture administration is a result of the classification of pastures according to altitude and to the existence of administrative boundaries in the pasture area: where pastures cross rayon boundaries they are classified as distant and their administration is handled at oblast level, and where they cross Aiyyl Okmotu (AO) boundaries they are classified as intermediate and are handled at rayon level. High altitude pasture is included in the distant category. Other pasture is defined as near and is administered locally, at AO level. Agricultural growth has been largely pro-poor, through the redistribution of land assets to small family farms. However economic

¹ Cited from the Report of the UN Economic and Social Council (1997).

pressure persists for members of the bottom quintile, largely because of limited off-farm employment in rural areas. Further growth of the agricultural sector requires completion of the land reform process, improvements in agricultural productivity and improvements in marketing of agricultural produce.

9. In the period 1996 – 2001, the area of sown arable land has reduced slightly (by 8%) however total value added from land has increased, indicating an improvement in productivity. The labour force for agriculture has increased and also has improved in productivity terms. The most marked improvements in productivity come from individual private farms, while large agricultural enterprises and household plots have both performed less well. Most private farms are fully owned, however some 20% are leased to farmers. Levels of livestock ownership are also increasing among private farmers. As a result of the dominance of private farms, most workers in the sector are self employed and wage employment accounts for only 14% of employment in the sector.
10. Increases in crop production are attributed mainly to efficiencies resulting from the land reform process but stand to improve further from plant breeding, fertilizer use and appropriate small scale mechanical technologies. However, capital investment for this remains a constraint, particularly in the north of the country.
11. Improvements in livestock production require appropriate allocations so that stocking levels meet pasture carrying capacities, as well as improvements in forage quality and the use of fodder crops. There is strong potential to achieve improved yields from forage production in rain fed arable land. For these to take place, an effective system of administration is necessary, regulating stocking levels and collecting grazing fees to use for pasture improvement and maintenance.
12. Land prices are increasing, particularly for good quality irrigated land. Investments in rehabilitation of irrigated land and infrastructure are expensive, are benefiting the more wealthy members of the rural populations, and are likely to be less effective in terms of economic impact. At present, land transfers are restricted to buyers from the AO or rayon in which the land is located. There is, however, a need to bring in fresh owners who have access to capital and a greater degree of risk tolerance, in order to stimulate innovation leading to more efficient land use.
13. The Land Redistribution Fund has been established to facilitate handover to private farmers. Its operation is problematic, with no transparent system for setting leases, and frequent citations of misuse. There is a need to develop an open, equitable means of land redistribution. For pasture, a fair means of fixing grazing fees is needed, in such a way that they promote the matching of numbers of grazing animals to the capacity of the pastures. Similarly, a system of cost recovery for the market and operation of irrigation schemes is required to ensure that schemes do not deteriorate and investments in these are protected.
14. A current focus on growing basic staple crops exists as a result of farmers being risk averse and having small landholdings. This is a disincentive to experimentation with crops that have higher value added potential. The situation may be ameliorated by

importing competitively priced wheat to relieve pressure to grow it, and merits a review of policies on the import of wheat.

15. Imports of fertilizer have grown since 2000; however, levels of application are generally inadequate to achieve significant production gains.

16. Small farms are constrained by credit availability which is necessary on a seasonal basis in order to meet production costs prior to sales of produce.

17. Processing capacity of agricultural products has not increased with increasing agricultural production as a whole and this lag is likely to be depressing demand and hence prices for agricultural products. Reasons include excessive regulation, government involvement in market processes, high interest rates, shortages of capital and limited management skills.

18. Farm gate price stability and growth will benefit from investment in transport, storage, processing, grading, packaging consumer research and improved access to finance. Investments in these are often inhibited by a poor transport and public utility infrastructure and a legal and regulatory environment that is not presently orientated to support market conditions. Enhanced legislation, existence of workable grades and standards, appropriate contract law and market intelligence services are areas where “soft” infrastructure needs to be improved. Also, growth in the sector currently lacks a “backbone” of manufacturing and processing enterprises.

19. Seasonal price fluctuation for agricultural commodities are marked, and consultations with producers revealed that this is widely regarded as a serious issue.

20. Levels of technical support to farmers are limited, with existing services reaching only around 10% of farm households.

21. The availability of arable land, accounting for 12% of total agricultural land, varies considerably in different Oblasts. The majority of arable land is irrigated. There is a tendency to invest more consistently in inputs for crops on irrigated land as there is a greater certainty of yield achievement. Costs of inputs in general are rising rapidly, particularly fuel and fertilizer. Farmers are keen to find crops with low requirements for these inputs.

22. Fieldwork was carried out on Osh and Chui Oblasts. Osh Oblast borders with Uzbekistan, and has enjoyed special market access, and has some fertile arable land. 75% of all arable land is privately owned – higher than the national average. Farmers have mainly persisted with basic stable crops but have made some moves to profitable cash crops. Increasing surpluses are being achieved.

23. Chui Oblast also has a significant amount of arable land, and again 75% of it is in private ownership. Farmers show greater versatility on the irrigated land, responding to market signals and switching crops accordingly. Livestock investments are favoured, largely because markets for their products are considered less risky and are bolstered by an export market to Kazakhstan. Farmers are building forage crops into their farming systems. Annual returns for sheep are around 90% and for bulls are around 40% .

Livestock farmers often need to buy fodder, and some farmers are beginning to take advantage of this by growing fodder for sale.

24. On rain fed arable land, risks are greater and profits lower. Problems of low yields are compounded by a reluctance of farmers to invest in inputs in this situation. This tendency is supported by analysis of farm lending. 25% of all loans are used for seed purchase, accounting for only 6% of loan funds. Conversely, 47% of loans and 83% of loan funds go to livestock use. Forage crop production is a promising option for rain fed arable land, which may also improve soil fertility in the long term.

25. Land sales have been possible since 2001 and prices vary according to soil quality and availability of irrigation as well as demand and supply for a particular location. However, the market for land has a variety of restrictions imposed – notably that individual parcels from within overall titles cannot be sold, and buyers must be local. The land market is therefore not open. Interviews with villagers suggested that land changes hands for lower prices than indicated by official records (Gosregister).

26. It is common for farmers both to own and lease land. The LR survey found that only 31% of leases are from the LRF. Most leases are of irrigated land. Issues associated with the LRF dominate discussions about land leases. While the LRF's governing decree stipulates a competitive bidding procedure, which is in practices modified to suit local conditions or local officials. Leases are generally for 5 years (maximum 10 years). Competition intense for higher quality land and can be set too high, rendering profitable farming impossible. Difficulties with the determination of fair prices include inadequate availability of capable independent specialists, and inadequate information on production costs and of likely market values of alternative crops. Under current economic conditions, outright land purchases are beyond the reach of most farmers. Differences were found between the situation of Chui and Osh Oblasts, with farmers in Chui able to enjoy a greater share of the crop gross margin. The land reform process requires further review to reduce its vulnerability to exploitation by officials who administer it at local level. The LR survey found that 34% of all respondents in Osh are dissatisfied with AO administration.

27. 86% of agricultural land in Kyrgyzstan is pasture. The complex 3 level system of administration (previously described) is highly non conducive to sound pasture management, allowing threats of both under utilization and over utilization of pasture to occur. Fieldwork in Naryn Oblast was undertaken to examine the situation. The economy of Naryn is largely based on livestock production. Levels of production are largely governed by forage availability on accessible, less exposed pasture during the winter months, as there are currently limited surpluses from the summer months. An increase of feed supplies of at least 33% between and including autumn and spring is necessary for optimal pasture usage. Improvements to the situation will be highly significant to rural poor livestock farmers.

I - Introduction

28. The Kyrgyz Republic, after gaining the status of an independent nation in 1991, went through an economic crisis which had its roots in the sudden isolation from its trade partners. It was in these early months of independence that the country firmly started a land reform process that continues to this date. The question asked in this report is whether and to what extent the land reforms in the Kyrgyz Republic have had an impact on agriculture, poverty and the environment.

2. The purpose of this study is to provide information about the process of land reform as much as the impact itself, in order to draw lessons from these. These lessons are offered to Kyrgyz authorities and others interested in land reform to support future decision making.

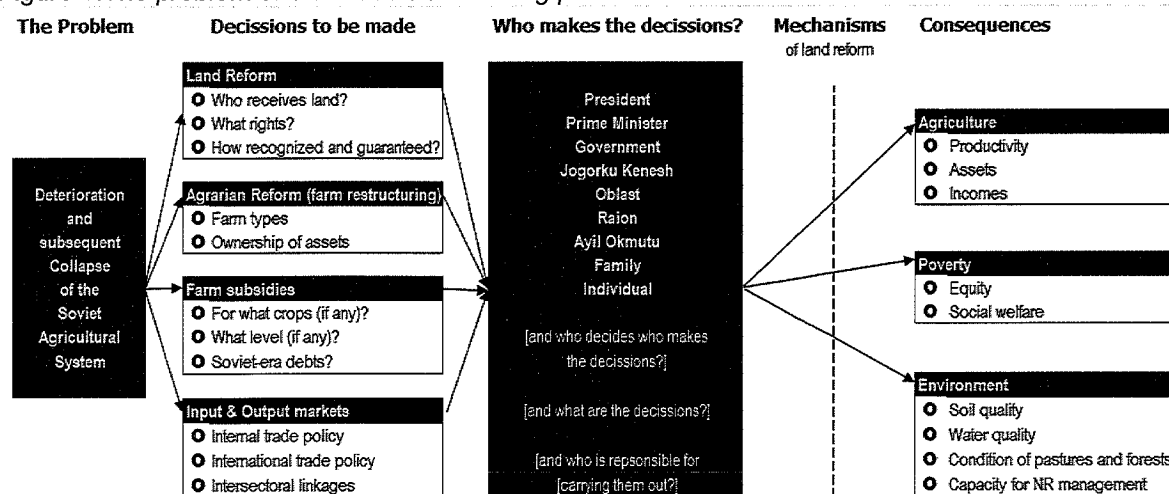
1A. Issues addressed by the study

29. The challenge in studying impact of land reform is to isolate its influence from the influence of other, external factors on agriculture, poverty and environment. Which increases in agricultural production, changes in income and poverty and changes in environmental stability are caused by land reforms?

30. The Analytical Framework of this study synthesizes both the process by which land reform has been implemented in the Kyrgyz Republic and the mechanisms by which the impacts of reform actions are intended to be generated.

31. The deterioration and subsequent collapse of the Soviet agricultural system that came with the demise of the Soviet Union necessitated a series of decisions about the future of Kyrgyzstan's agricultural sector. These are illustrated in Figure 1 and involved Land Reform (the focus of this Study), Agrarian Reform (or, as it is called in some countries, Farm Restructuring), Subsidies to Agricultural Producers (or Pricing Policy and Debt Policy, following the elimination of Soviet subsidies), and Input and Output Market Development.

Figure 1. The problem and the decision-making process

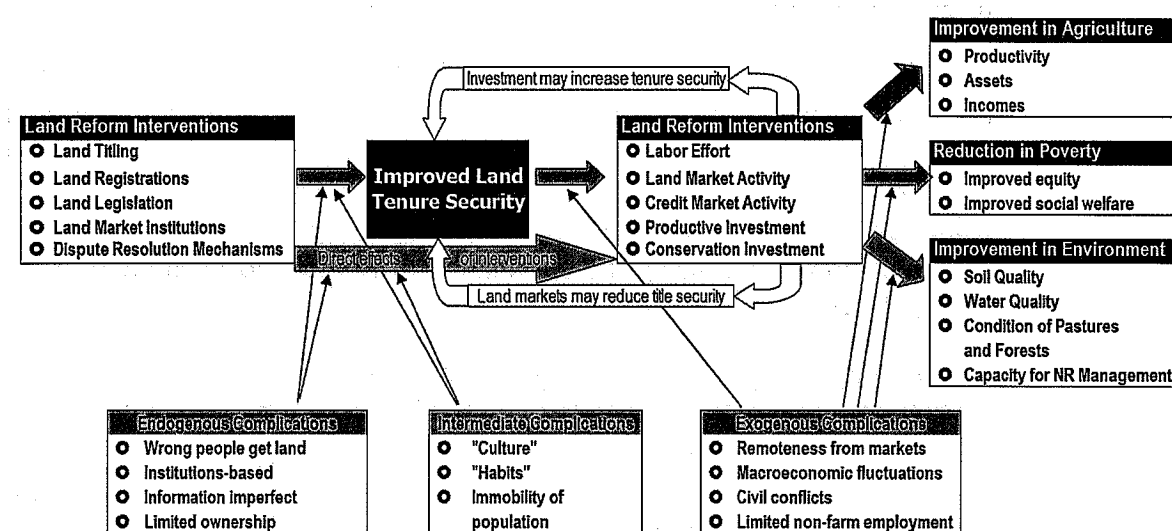


Source: Project Study Team

32. The *process* of reform beginning in 1990 was to determine the level of government that would be responsible for making decisions about these issues, what decisions had to be made, and which institutions were to be responsible for their implementation. There were subsequent revisions of the initial decisions as a result of increased understanding borne of experience, with major changes occurring in 1992, 1994, 1998, and 2001. Figure 1 therefore is a simplification of the process by which revisions were made. The revisions made will be documented in the relevant chapters of this report.

33. The *mechanisms* by which the desired outcomes concerning agriculture, poverty and environment are to be achieved by land reform interventions are summarised in Figure 2. These include land titling and land registration but also the development of the laws and institutions governing land relations and land markets, plus the essential dispute resolution mechanisms. All of these have been implemented in the Kyrgyz Republic, both without donor support (especially land titling) and with it (the other interventions). The hypothesis underlying these interventions is that they will improve land tenure security, which in turn will induce landholders to increase effort and investment, and land and capital markets to function efficiently, ultimately leading to the desired outcomes. The green arrows in Figure 2 show these mechanisms, which are common to other donor support to land reform programs around the world.²

Figure 2. The mechanisms by which land reform generates impact on agriculture, poverty and environment.



Source: Project Study Team

1B. Study Approach

34. At first sight, it might appear that the methodology of assessing impact would be a simple matter of gathering statistics and opinions about agriculture, poverty and environment and correlating them with steps in the land reform process. However, the

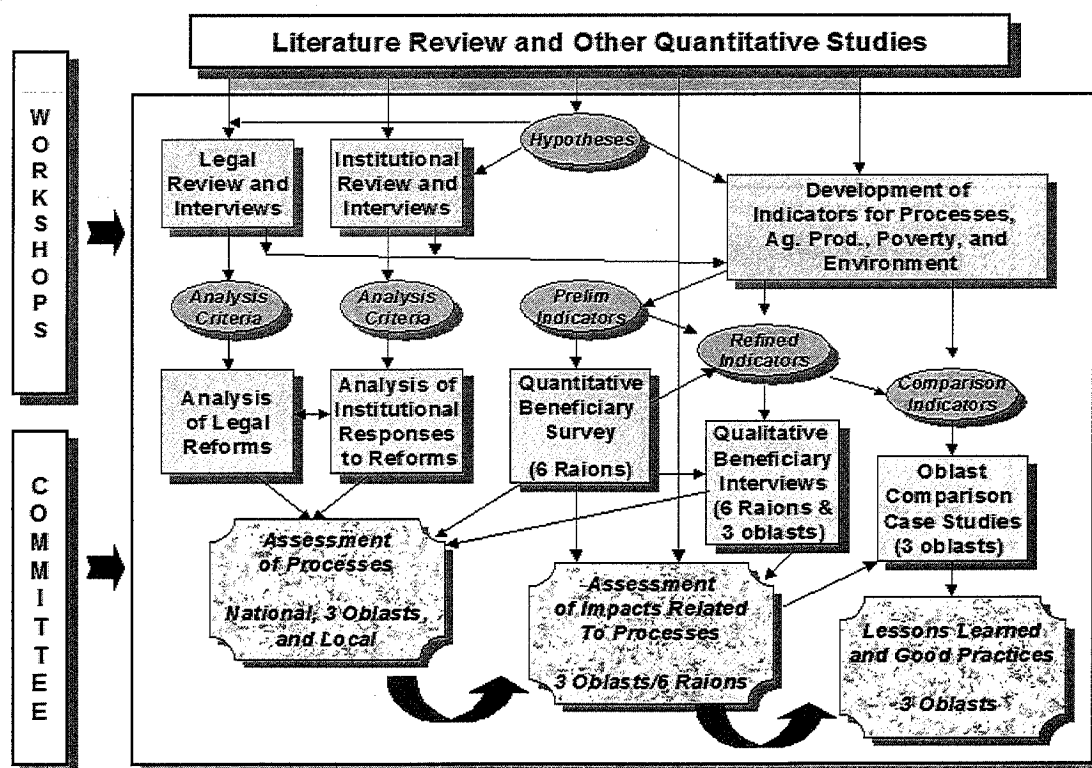
² The arrow "direct effects of interventions" represents the fact that some interventions do not operate via increased land tenure security directly. For example, a mortgage law that allows land title to be used as collateral for a mortgage.

green arrows above imply a causality which in reality is blurred by other influences. First, there are feedback mechanisms, including:

- a positive one by which investment on land may increase land tenure security (for example, if construction of a house is not contested by either neighbors or government, implicitly the investor has established property rights)
- a negative one by which open land markets may in fact cause landowners to lose their land because they must sell it to reimburse debts incurred in making investments that did not generate sufficient income.

35. Second, it is difficult to isolate the direct effects of land reform (the green arrows) from those of other influences, from endogenous (internal) complications such as poor project design, through “intermediate” complications involving primarily cultural and historical impediments to market-oriented responses to new market opportunities, to exogenous (external) complications such as Kyrgyzstan’s landlocked geography and its less-than-sympathetic neighbors, a macroeconomic situation in which the country is vulnerable to external shocks, recent uncertainties caused by civil conflict (some of which are land-related) and the serious problem of redundant labor in agriculture that has no other opportunities to earn income.

Figure 3. Study approach to understanding process and impact.



B1. Impact of land reform on agriculture growth and development

36. When the Soviet Union collapsed the Kyrgyz economy and agriculture already showed a decrease. The collapse itself was a disruption of economic ties with Russia and other republics which lead to a further deterioration of the economy. After land reform gained momentum in 1994, so did the economy, but this has not necessarily been a cause-effect relation. Would the economy have recovered in the same fashion had land reform not been adopted, or had been adopted, say five years later?

B2. Impact of land reform on poverty

37. There is an essential link between access to land and poverty in Kyrgyzstan that required specific investigation and analysis. As a member of the Soviet Union, livelihoods in Kyrgyzstan were inextricably linked with the Soviet economy. There was a guaranteed market for all agricultural products and particularly for wool, its major export. The sudden collapse of that economy had serious repercussions for the Kyrgyz people. Human development indicators plummeted, poverty increased overnight and inequality grew. There was officially no poverty during the soviet era and the first years following independence were tough for the Kyrgyz people as they struggled to survive with few if any social safety nets. A generation or more of a people accustomed to government taking care of their needs from the “cradle to the grave”, supplying all services, much of the employment and social support, was left bewildered. Survival depended on savings, selling what assets they had, and help from family members where available. With the support of donors, poverty reduction programs were developed by successive governments and remain one of the present Government’s two key policy objectives. Levels of poverty did reduce at the same time as land reform progressed and land distribution has been essentially pro-poor and equitable. Nonetheless large numbers of Kyrgyz remain poor.

38. The challenge for the Study on Land Reform was to identify what characterizes the poor in Kyrgyzstan today, and to separate out the impacts on poverty levels caused by land reform from other causal factors. The Study undertook a series of field investigations to document change, recorded case studies and using available data and statistics sought to draw conclusions about the key factors underpinning poverty since land reform began.

B3. Impact of land reform on ensuring sustainable use and management of environment

39. Before land reform, crop and pasture rotation and regular use of fertilisers based on need were standard practice. Irrigated lands were supplied with a complex irrigation system involving both irrigation and drainage circuits. This integrated, state supported system, ceased with land reform as arable lands and hayfields were divided into individual land shares. The practice of crop rotation ceased and areas used as access roads and channels were fragmented. As a consequence significant changes occurred in the utilisation of land in the period since land reform began. The study aimed to document these changes on the following four categories of land: Agricultural land, Forestry land, Land under and contiguous to water and Land reserves (undistributed pastures).

40. The Study used the following key factors to define success or failure of land reform on the land resource:

- Change of status of the land
- Decrease in productivity of arable and pasture land
- Erosion, salinization, water logging; and
- Stocking levels of cattle on pasture land.

B4. Land reform and institutional changes in the Kyrgyz Republic

41. Since 1990 when land reform began, a plethora of Government Institutions at all levels have been involved with land and agriculture. In the National Government there are presently no fewer than six Government Institutions with direct influence and control of land, farming and farmers. In addition there are other Government Institutions at Oblast, Rayon and Local Government level. Most of these Government Institutions date back to, or before, Independence.

42. The Study considers the involvement of institutions since land reform began and how the present multi-agency situation has developed from the process of change. It considers the institutional processes at Rayon level such as local rural administrations and rural committees right through to Central Government

43. The growth of farmers' and producers' institutions is described. Before independence, and privatisation of farms, it was not necessary for every individual farmer to have extensive knowledge of all farming activities from land ownership, through production to marketing of products. With privatisation came the need for individual farmers to be knowledgeable in all aspects of the business of farming. The Study considers the role of farmers and producers' institutions in this knowledge development.

1C. Data collection

44. The Study required a mixed methodology of both **quantitative and qualitative methods** including:

- Examination of official national statistics. These include statistics of the National Statistics Committee, Gizprozem, Gosregister and indirectly, from international organizations collecting such statistics, such as ADB, UNDP, World Bank and FAO. Where possible, data from 1991 to 2005 were obtained;
- Examination of statistics at the oblast, rayon or ayil okmutu level, in combination with field visits to Chui, Naryn and Osh Oblasts. These data, where available, were collected from local administrations, from local projects, the rural advisory service and other relevant offices;
- A household survey specifically for this study, of which more details are provided below;
- Studies by other donors and agencies were obtained and examined, in particular the BASIS surveys. More details about the latter are provided below;

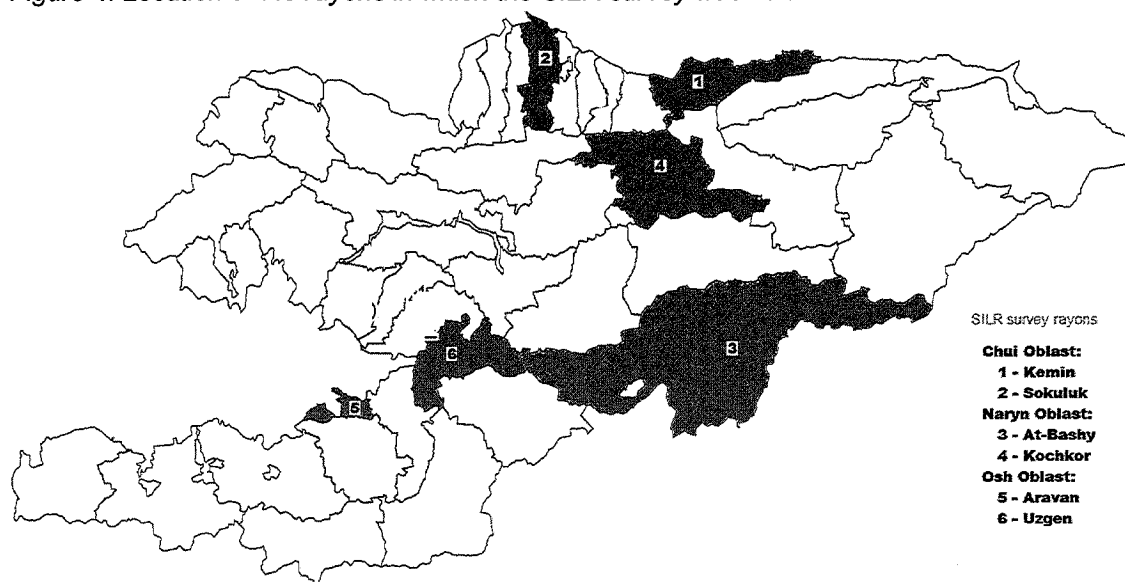
- Interviews with key stakeholders were held and other key resource persons were asked to provide the Study team with their experiences and observations on the reforms. Each of the resource persons worked at the national, oblast or rayon level or was a leader of a community that was involved into implementation of land reform in the Kyrgyz Republic. These interviews and papers are provided as Annex 2 to this report. Most of the quotes in this report are drawn from these resource persons;

For example, S. Tynaev – the head of the main department of the MAWRPI says in his article:
Because of the low profitability of agricultural production there was a reduction of industrial and technical potential more than in other areas. The lack of a necessary financial means caused shortage of purchasing of new machinery and equipment. Currently more than 90% of agricultural machinery is below shock-absorbing term of use. During the last 15 years only about 1000 tractors came to the country but the need is 1500 tractors each year. The same situation is with combines. This period only 300 ones have been bought in the country. As the result it needs to harvest till two months and it causes twice losses of grain.
- A series of regional workshops were held in Osh, Naryn and Chui were held, at which key stakeholders participated in focus group discussions. The contributions of participants have been collected and used in designing the questions of the survey indicated above and in general have guided the study team in developing their hypotheses. The participative approach used during these workshops are described in more detail below;
- Special case studies were held to have more in-depth information on aspects of land reform (two reports of these are provided separately as Annex 16 to this report). A modified version of Most Significant Change Methodology (MSC) was carried out in two villages in Naryn to determine whether communities viewed land reform as an important component of change in their lives;
- At the end of the project, in July 2006, a review seminar was held with key stakeholders, at which the same methodology as in the regional workshops was applied. A summary of presentations is provided as Annex 17 to this report.

45. The project conducted a survey which in this report is referred to as the **SILR survey** (Study of the Impact of Land Reform survey). It covered 494 households in 6 rayons in 3 oblasts (Figure 4). Pilot rayons were selected to exemplify a range of impacts of land reform: areas where land reform was advanced and where it was not, where it had been successful or less so, where land was available and where it was scarce, where the condition of land was good or poor, whether cropping was more developed, and where livestock was more developed. The survey involved 24 villages (8 in each oblast) from December 2005 to February 2006. The questions focused, amongst others, on devolution of land and property, investments and credit, land sales, purchase and leasing, agricultural production, livestock and pasture, land disputes, access to common property and gender³. SPSS software was used to compile and analyse the data. The complete questionnaire form and a basic analysis of all data is provided in Annex 6 and 7 to this report.

³ The questionnaire is provided as Annex 6 and a primary analysis of results is provided as Annex 7

Figure 4. Location of the rayons in which the SILR survey was held.



Source: Project team

46. In addition, the data obtained in three earlier concluded **surveys amongst agricultural enterprises** were analysed. These surveys were done in 1999 (468 respondents), 2001 (463) and in 2003 (448) in the framework of the BASIS research programme (www.basis.wisc.edu). The datasets received for analysis included complete sets of the latter two surveys and a partial set of the first survey, namely, information provided by enterprises in 1999 that were re-interviewed in 2001. Our analysis therefore focused on changes of those farm enterprises that had been interviewed in *each* of the three surveys, so that data could be compared directly over time. Data of those farms that could for any reason *not* be visited in all three surveys were simply left out. This implies that the sample size in the present analysis equalled 302 in most of the analyses. The statistical implication of *leaving out data* of those farms that have not been re-visited is difficult to assess but may be important. Their number, in 2001, was built up as follows: 123 farm representatives could not be found and 22 owners refused to be interviewed. This situation illustrates the fact that between 1999 and 2003 farm restructuring continued and that a number of farms split up or have conglomerated into a larger unit. Basis statistics describing the 302 farms covered are provided as Annex 9 to this document.

47. At occasions of gatherings of more than a few people, that is, at workshops and the final seminar, the project study team used **participatory approaches** with stake holders. First, the project team ensured that participants were invited of all levels of the administration, of different NGOs, direct implementers of land reform and beneficiaries represented by poor people. Participants in focus discussions generally were chosen to ensure a similar representation of the different stakeholders. Moderators of discussions paid specific attention to invite all participants to contribute to the discussions. At most stages of such

Card №6, Concerning poverty, Matliuba Snarilova:

- *Improve awareness of the population on crop production and livestock breeding*
- *people have to plan their life, budget and income to reduce poverty*
- *Improve the system of long-term lending and reduce interest rates for credits.*

discussions, comments were presented on cards. The cards (comments) of participants of the final seminar have been compiled and are provided as Annex 4 to this report. Exmples are used in the report's text, such as here (orthography is left as the original).

Card №6, Concerning Agriculture: 4 N. Kumushbekov:

- *distinguish functions of local self-government and bodies of local administration in the sphere of lease of pastures;*
- *Assistance to the government in solving problems of pasture infrastructure;*
- *Monitoring of pasture land use and lessees*

Card № 4, Concerning Agriculture:

For agriculture there are the following needs:

- *State procurements, export of goods*
- *Processing is very important*
- *Solve the problem of prices for fuel, chemicals, fertilizes, machinery and seeds*

Card № 6, concerning Agriculture, K. Kadyrkulov

- *conduct urgent land inventory;*
- *Conclusion: there is a corruption within use of LRF lands;*
- *Local self-government is not competent currently;*
- *There are o lot of NGOs and they do not meet the requirements*
- *People do not understand what a cooperative is, there is a need of public awareness and economic basis;*
- *Land inspection has to be separated from Gosregister;*
- *Establish and independent commission on allocation of LRF lands*

1D. Limitations of the methodology and general comment

48. There was no baseline data specific to land reform available from the early 1990s, and while longitudinal data had been collected at household level by the Government, it was not collected specifically for the purposes of revealing impact of a specific change such as land reform. For this reason a rigorous impact evaluation of the effect of land reform was not able to be based on official or other data. The methodology therefore required an ex-post approach using retrospective inquiry – specifically surveys and workshops and so on, asking people to recall changes in their livelihoods, and using statistics particularly from the household budget surveys to compare changes that occurred as land reform progressed. The Study must be seen within these limitations.

II. Review of Literature: Lessons from Other Country Experiences

A. Definining the Scope of the Literature Review

49. To separate the effects of land reform from other effects and to do so in comparisons among various countries would require a detailed description of starting positions, the various differences in social, cultural and economic developments in the past and currently, plus a separation of all other changes that would have occurred autonomously – not influenced by land reform – because of international developments, world economics, international price fluctuations of commodities and natural resources and technological developments

50. Kyrgyzstan as well as the other countries of the former Eastern Bloc have not been the first countries to experience land reform. However, in comparison with land reforms in many other countries and reforms of the world before, land reform in transition countries took place after more than 50 years of communist systems and thus in an environment where most features typical for democratic capitalist societies had to be build from scratch. In this regard, the countries of Central and Eastern Europe (CEE) and the Former Soviet Union (FSU) presented a form of experimental laboratory. Looking at the countries in these regions, the ultimate question is what has made their experience unique and what can be learned from this for the Kyrgyz case?

51. A literature review was therefore carried out to examine the experiences of other countries in land reform. Special attention was given to transition countries. Countries selected for the review were Russia, Ukraine, Moldova, Kazakhstan, and Tajikistan (all transition economies). For comparisons, selected cases from Central and Western Europe, India, Columbia, Brazil and South Africa were included. The annotated bibliography includes 73 papers and the Study Team worked only with material in English and/or Russian. The land reform subject is widely presented at the web-sites of the World Bank, ADB, FAO and other institutions and in special editions. The types of literature examined include Articles (including scientific), Social surveys, Reviews and Reports.

52. Of course, a lot could be said about land reform. Keeping the purpose of the study in mind, the literature review was to determine what is known about land reform formulation, implementation, and its impact, particularly on agriculture growth, development, poverty, and the environment. Is it possible to draw conclusions about the successes of land reform in the transition countries after 15 years already? What could be learned from these findings for the Kyrgyz case? And is it possible to identify possible priorities for future policy making?

53. Land reform – as any transition process and once started – is an *irreversible process* and there is no option to change back to the old system or to restart the process again. In fact, there was little, if any experience on how to implement land reforms in the transition context. While previous land reforms had taken place in countries where there were excisting markets and where systems of ownership were a – for the landless even painful – reality, transition countries had neither established market systems nor systems

that would be able to protect ownership rights. Many of the basic requirements which create an enabling environment for were either non-existing or only in the process of building up. Governments were faced with the pressures from the international donor community, national and international market realities and their own societies alike to take the supposedly right decisions that would turn their countries into blossoming economies. It was clear from the beginning that land reform would go hand in hand with deep changes to the lives of the predominantly rural societies of the transition countries

54. The impact of land reform is impossible to assess strictly separated from the impacts of changes in society in general and in particular the changes that occurred and still occur in transitional economies. The spirit of independence that broke free after the collapse of communist rule has had a profound impact and will have an impact for some time to come in the societies involved. The drastic changes resulted initially in a lot of confusion, of a disintegrating of many of the state institutions that formed the backbone of central planned economic government and in an initial euphoria among the population that rapidly turned around in disappointment. The latter was very obvious when the expected rapid improvement of livelihoods did not materialize but instead only very slowly some progress could be made while a large segment of the population did not notice any improvement at all. The re-election of many former communists in government positions – albeit now mostly as socialists or semi-reformed communists – was a means for the population to show its discontent and a sign for international observers to increase donor funded assistance for the development of the economy.

55. However, despite many similarities in the change patterns, it soon became clear that the transition countries of CEE and CIS were far from being alike and that there is *no blue-print version*. The countries differed in their size, populations, economic and agricultural preconditions. Newly awakened ethnic identities, political ideologies and feeling of historical injustices clashed with quick realizations of non-existing safety nets and unfulfilled expectations thus creating very specific mixtures in which land reform was planned, started and implemented. It is therefore not surprising that in many countries land reform was not greeted with much enthusiasm. Studies in Russia showed that despite agreement and interest in the development of small and medium sized ownership of land, there was widespread concern. This concern included the possibility that land would no longer be used for agriculture and lead to a decrease of agricultural production. Second, there was nervousness about the possibility of the national wealth being purchased by foreigners, bankers, or the mafia. Third, there was concern that a free market for land might lead to concentration of ownership of arable lands in the hands of large owners and ordinary people will be reduced to being hired labor.

B. Framing Land Reform

B1. What is land reform and what do we know from other regions?

56. Land reform is the deliberate act to change the existing land tenure in a rural area making it a non-evolutionary way to change land tenure. Traditional land reform or agrarian reform – as opposed to land redistribution by privatization of previously collectivized land in former communist countries – is *not a contemporary invention*. It

has been practiced over the centuries. The traditional and official motive for land reform has been one or another (and in some cases both) of these two: the motive to modernize agriculture or to redress inequalities in the distribution of land assets. An example of the first official motive is the reform by the Díaz government in Mexico at the end of the 19th century. Examples of the latter motive are the Mexican uprising of 1994, the Chinese revolution of 1949 and the Russian revolution of 1917 although, the latter did not accomplish what Russian peasants expected. Instead of farmer-owners they became agricultural employees on large state owned farms. This is the 'official' motive because there often are non-spoken motives rooted in political or power balance interests and those motives stay invisible.

57. Land reform can be defined as any *fundamental alteration of the existing land tenure*, usually understood as redistribution of tenure rights from one group (elite landowners) to others (peasants) without land, too little land to make a living, or with insecure access to land. In Eastern Europe and Central Asia land reform is widely defined as: the redistribution of land and property rights and/or granting land users secure, long-term tenancy while privatizing the former 'socialized' property. When speaking of land reform most people think primarily of agricultural land of which the land tenure changes. However, 'land reform' in this respect should be understood as encompassing changing the tenure situation of all real property⁴.

58. The start of a non-evolutionary change in land tenure often is the result of a politically instigated land reform program. Currently such a program, when carried out nationwide, will most likely be implemented with (foreign) donor support and foreign funding.

59. *Land reform should be distinguished from agrarian reform*, being the complex of changes in rural structure that occur as a matter of passing of time, as a governmental supported activity to assist farmers in achieving more efficient agricultural land use, but also always as part of land redistribution processes either on purpose or as a side-effect. Agrarian reform has long been regarded a powerful weapon against rural poverty. Whereas affirmative action in industrial countries is a conscious government-sanctioned policy to redistribute opportunities more equitably, agrarian reform in agricultural societies is a method to apportion land, a major source of employment and income.

60. It is generally assumed that the leading cause of rural poverty by far is the lack of access to sufficient land and low productivity of land use for the peasants. Land reform is therefore often seen as a *means for alleviating rural poverty*. This idea stems mainly from the Latin-American experience where inequitable distribution of land resources is the norm. Here a tiny minority of landlords holds a high percentage of the best land and the majority of the rural people are crowded onto tiny holdings of lesser quality land. There is evidence that large farms tend to include even more acreage while smaller farms are subdividing. Land is misallocated among users, and potential users may not be able to gain sufficient access to farmland. As long as the rural poor are unable to obtain that access their best option to escape from continuing poverty might never be within reach for them.

⁴ Reference to urban land reform!

61. However, apart from large-scale re-distributive land reforms in many former communist countries, large-scale expropriative land reforms are nowadays outside political reality in most countries. But there may be alternative ways to improve access to farmland for the rural poor. Land reform programs and their results have been studied around the world and many scholars have reported on them. Studying these reports shows an array of land policy interventions to improve welfare and efficiency of land use, but they also include the attempts of counter forces at work to limit or completely turn back the results of land reform.

62. A word of care should be added though when trying to compare various countries' and regions' experiences with land reform. *Comparing land reforms* is not an easy task given their variety in starting points, societal environments and accompanying reforms that have to be taken into consideration. Some of the major differences between e.g. the transition countries and the Latin American experience can already be seen from the fact that in Latin America it was the hope to end the fight of peasants struggling for bare survival against the individual private owners of large farms that forced governments to take action to distribute land from the large owners to small holders. In the CIS countries, however, the decision to dismantle large farms and to distribute them to small holders was largely motivated by the expectation of increased food production and economic development while also with the intention to battle rural poverty.

63. In Latin America it was mostly fear for uprisings and insurgencies by desperate peasants that made Latin-American governments willing to consider land reform and to actually start land reform projects, but as soon as the direct threat of unrest and insurgencies was taken away by partly satisfying the most urgent needs of peasants the half-hearted attempts to actually implement land reform projects petered out and most of the achieved results watered down and were sometimes even blatantly turned back by the hacienda owners without much determined actions by the government. Especially the Latin-American cases where land reform was typically the result of social uprisings and therefore often accompanied by violent interventions, highlight the ways in which land reform can contribute to answering the demands for social justice of large parts of societies. They also provide excellent case studies for the importance of considering existing lines of conflict and the dynamics that unfold if land reform is implemented without the necessary changes in agrarian policy. Keeping this in mind, previous land reforms around the world can therefore only represent interesting cases for learning.

Case Studies from Latin America

64. One of the most radical approaches to land reform in Latin America is the land reform in *Peru*. It started with a law in 1964 that had many loopholes and as a result very little implementation. Dissatisfaction among the poor segment of the rural population and the fear for an uprising caused a military take over of the government in 1969. The new military leaders formulated three objectives for governance:

- establish social justice in rural areas
- development and enlargement of the internal market
- focus on capital formation for rapid industrialization

65. All farms over a certain size became subject to expropriation without exception. The results were mixed. Many pre-reform peasants were neglected and little was done to ensure credit, inputs and technical assistance. Capital was squeezed out of agriculture to subsidize industrialization. Price control to keep food prices low in cities discouraged production for the national market. With a new initiative in 1981, the production cooperatives were divided among members in the coastal plains.

66. While the Peruvian case points at the need for supporting changes in agrarian policy, land reform in **Chile** calls attention to the fact that land redistribution per se does not necessarily contribute to enhancing rural livelihoods. In Chile⁵, the system of dual farming – some large landholders on haciendas, owning much of the country's best farmland and many small farmers or campesinos (peasants), with farms hardly large enough to provide sufficient food for the campesino family – has been common for a long time. When Allende took over as president in 1970, he promised to eliminate all haciendas, nationalize foreign mining interests, and expropriate the largest industrial and commercial enterprises among others by pushing the existing reform law harder. Little attention was given to production of food and marketing of output. Imports of foodstuffs doubled, although, statistics of that period are still questioned. Inflation was 35% per year.

67. Nationalization and a set of policies called *economic populism* should tackle the problem. The first year brought a burst of public spending. It brought euphoria, but ignored signals of danger. The redistribution of income among the Chileans resulted in an enormous increase of the demand for food. Imports increased dramatically. Plummeting foreign exchange reserves and inflation (up to 217 % annually in 1972 and 606 % in 1973) plus price controls brought increasing scarcity in some consumer goods. It prepared the country for a military coup which did occur in September 1973. It ended Allende's life and dismantled the agrarian reform. Campesinos completely lost voice in matters of government. Land was given back to previous owners, mostly members of the class of old landlords (hacienda owners).

68. Contradictory to what happened in Chile, in the **Dominican Republic** where of all the 450.000 farmers in the Republic in 1960, 1% owned over 50% of the land the land reform was less radically executed. In 1962 the Instituto Agrario Dominicano was formed after the dictatorship of Trujillo. In 1972 a more direct approach and a new law was adapted. Currently 1/3 of the rice is produced by the reform sector. The collective model was promoted to preserve economies of scale and the management by the Instituto was authoritarian.

69. In 1985 a new law permitted creation of individual land plots under the associative asentamiento. Stanfield (1989) concludes that the experience with the collectives strengthened the capabilities of reform beneficiaries to manage their own affairs and use their lands in a productive manner. The men and women who received access to land through the agrarian reform in the early 1970s are now different people. They have become, in large measure, managers and farmers - something that was almost impossible to imagine when the collectives were first organized. Indeed, these people seem to make up a new class in rural society.

⁵ taken from 'Broken Promises' (1995)

70. As a third example in **Bolivia** the 1952 revolution broke up some traditional landholdings and land was sold to peasants, but in general landlord associations exerted pressure to prevent individual landlords from selling or renting land to peasants. 82% of the landowners held a mere 1% of arable land in the country. Violence, and land invasions were common before 1952, in 1953 the new government promulgated a land reform decree. By the early 70s much land was distributed in individual parcels. It was carried out by campesinos via invasions. Colonization received support from the government and only 10% of cropland remained in large holdings, but livestock farms were hardly touched by the reform.

71. Although the government was hardly able to provide many of the required services to new smallholders, the land reform and the peasant organizations led to a considerable degree of integration of the masses of peasants into the national economy, society and policy (Clark, 1971).

Motivation for land reform

An interesting example of the attitude of the large landowner, and in particular his counselor, is very well characterized in Carlos Fuentes novel, 'The death of Artemio Cruz' (1991[38] p 48). The story is situated in Mexico at the time of government intervention in land tenure and distributing land of large land holdings to land poor peasants. One character in the novel, the counselor, advises the landlord and large landholder Don Gamaliel:

'You said it yourself, Don Gamaliel ... It's impossible to stop the course of events. Let's turn over those plots to the peasants; after all, they're only good for dry farming, so no one's going to get much out of them. Let's give out those plots so they can be used only for small-scale farming. You'll see that, to thank us (when they are obliged to us), they'll leave their women to work that dust and come back to working our good land (irrigated fields HD). Think about it: you could turn out to be a hero of the agrarian reform, and it won't cost you a thing.'

72. It is estimated that there are nowadays more than 7 million subfamily (units not large enough to provide year round sustenance for a family) farms in Latin America. This despite the numerous land reform projects carried out over the past fifty years.

Case studies from Asia

73. Experiences with land reforms in **Asia** suggests that successful agricultural intensification requires (as Platteau states) 'local farmer organizations and decentralized forms of peoples' associations able to mobilize communal labor and to take on-the-spot initiatives.' Asian countries are in a certain way unique. They started in a society where smallholding was rule. The agricultural structure of South-east Asia is based mainly on small but fertile irrigated rice fields. Farmer organization has been strong and many farmers know entrepreneurship, they have been owner-operators for a long time already. The dominantly Latin-American feature of a dual system of small holdings and large haciendas (a farm with on its vast lands, smallholders who not only provided the patron with a part of the crop of their small farms but also provided readily available laborers in times of harvest), is unknown in Japan, Taiwan and South Korea.

Case studies from Africa

74. For the most part, **African** people living in rural areas have adequate and surprisingly equitable access to land for farming compared to farmers in Latin America and South East Asia (although, not always land of high quality, still sufficient land to

develop sustainable individual farming). But landlessness is a problem in some African countries, especially in former white settler areas such as Botswana, Namibia, South Africa and Zambia, where Africans were historically displaced in large numbers from prime farmlands. In Zimbabwe the president has used the inability of the government and the growing frustration among the landless class to encourage mobs of black people spreading terror and fear among white farmers in order to get those 'foreigners' out of the country and (re-) claim their land. The results for the nation are however disastrous. Inflation and poverty have reached unknown levels and most of the expropriated land is highly underutilized. Fertile fields once tilled by 'black' labor under 'white' management are now lying idle because of inaptness of the new 'black' right holders to cultivate and manage the farms. Nowadays inflation has reached 4500%, 80% of the population is jobless and 30% of the population needs food aid to survive.

What can we learn from other regions?

75. The above examples show that most land reform projects are specific for the region where they are planned and carried out. They are idiosyncratic in nature and never fully comparable or similar as land reforms carried out elsewhere. To state it simple: There is no blue-print or general desk-top solution for land reform. A report by US-AID (#3 Spring Review 1970) noted that this strange animal called land reform is an animal that changes its colors, its appearance, its anatomy, and its physiology almost as often as much as other strange animals called democracy, freedom, capitalism. Virtually every author apparently felt he or she had to define the term. Definitions vary according to whether you favor or oppose land reform, whether you treat it as an ideological symbol, or as an achievable goal, or look at actual results. Although this description reveals difficulty in determining the contents of land reform, one thing is obvious; land reform aims at changing the existing pattern of land tenure in a society, but will ultimately affect rural societies as a whole and result in changes in rural classes and livelihoods.

76. It is important to note though that the agrarian sector has changed with and without reform. Cynically one can make the remark that in Latin America the non-reform sector has benefited most. Capitalist agriculture in the non-reformed sector has shown most of the growth. It also receives the bulk of public services, credit, infrastructure and research (De Janvry 1981). Although met by criticism, De Janvry's explanation seems to fit rather well a number of situations in Latin- and Central America. Rather different is the story in Asia. The economic boom of South-east Asia during the last half of the twentieth century was not the result of changing agricultural practices. Here the combination of widely available entrepreneurship and an abundant amount of relatively cheap labor spurred small-scale industrialization.

77. On the basis of a fairly wide and documented experience, past and present, land reform can be expected to do at least one very important thing: to raise peasant living standards by raising peasant incomes. At lower levels of living, in the world's diet deficiency regions, where the income elasticity of demand for food is high. Most of this increase will be consumed as food. At higher levels, more will be spent on farm equipment or consumption goods. Whether the recipients of land become better farmers as well as better eaters depends on a variety of circumstances. If they are given tiny holdings on marginal land, then this first step will not lead to better farming, though as a

first step it may be better than nothing. But if they get viable holdings, then there is a prospect of better farming also.

78. On the same basis, the transfer of land from large properties into small ownership can be expected to lead to some increase in agricultural production, as a result of higher inputs of labour due to its higher marginal productivity, and also to higher inputs of capital in certain conditions. However, the possibility of a decline in production in exceptionally large and chaotic reforms can not be ruled out.

79. As to employment, effects are too varied for generalization. It is true that peasant farmers will attempt to provide employment for their families in order to maximize farm income, and that the volume and conditions of employment will improve if the change in scale can be accompanied by conversion to a type of farming with more regular labor requirements.

B2. Framing Land Reform Processes in CEE and CIS

80. Land reform can be analysed from various viewpoints. For this literature review an approach was chosen that on the one hand provides enough room for studying individual cases and on the other hand would allow us to consider the general patterns and to draw conclusions on both.

81. Before and during the land reform process the following questions inevitably arise about the land reform process:

- Who is the beneficiary of land reform?
- What type(s) of right to land will be created?
- What farm types are envisaged?
- What about the (farm) assets?
- How to secure newly vested rights in land?

Who is the beneficiary of land reform and what type(s) of right to land will be created?

82. A sharp distinction between Latin America and transitional countries in respect of beneficiaries is obvious. In Latin-America it is the have-nots that are designated as beneficiaries. It is the group of landless and/or land-poor peasants who are going to share in a (small) part of the holding of the owners of large haciendas. As Thiesenhusen (1995) states it: Like the homeless in the US cities, the rural landless in Latin America are people whom society chooses to ignore. Only peripheral vision noticed them now and then.

83. This is strikingly different in post soviet countries where all people are more or less 'land-less' before the start of the land reform. This is not to say that the farm management often came away with the best land during the land reform and that sometimes weaker individuals in society were provided with the worst quality land. Differently from what was the case in Central Asia, policymakers in Latin-America were faced with the problem of depriving a small group of large land holders – often closely related to the ruling politicians – of a part of their property. It requires political

courage but foremost a strong motivation to carry out land reforms under such circumstances. It is no surprise that results vary widely. Where political motivation is strong and widely supported by the politicians land reform can achieve long lasting results, where motivation is weak the reform efforts peter out and projects do not accomplish much leaving the peasantry again without sufficient access to land or in the worst scenario counter forces – mostly in Latin America the military – take over the government.

What farm types are envisaged?

84. The types of farms envisaged for the beneficiaries in Latin America's land reform projects were mainly small family owned and operated farms. In some countries also cooperative farming by a limited number of families was encouraged, but the land reform concentrated on the establishment of relatively small private individual family or cooperative farming enterprises while next to that the large haciendas remained largely intact. By manipulating the process most of the large hacienda owners succeeded in holding on to the best land while most of the new small farms were established on marginal lands. The effect was that several of the small holders could not survive on their farms without supplying their income by providing labor on the large farms, making the small farms a business of the family members. No wonder that after some years a number of the smaller farms had to be put up for sale again or simply were incorporated back into the hacienda. Using their political influence many of the hacienda owners developed ways to secure the most of the agricultural assistance by the government for their own operations while also taking advantage of their influence in securing the infrastructure supporting farming.

What about the (farm) assets?

85. Contradictory to the situation in Central Asia, where existing large farms were dismantled, the haciendas in Latin America stayed largely intact of the many hectares owned only a limited amount was expropriated. The hacienda owners only had to give up some of the land – mostly the most marginal lands of the farm which was be distributed among small holders. Consequently farm assets were not part of the distribution process in Latin America, neither were farm debts there an issue.

86. The dismantling of farms in CIS countries provided a variety of possibilities and different methods were applied with respect to the distribution of farm assets as well as the debts of the collective farms at the time of privatization, and these are described elsewhere more in detail in this draft final report. Another difference is that the Latin American smallholders were individual farmers before the land reform while in the countries in transition many new farmers had no experience with individual farming and farm management. As employees on large state farms or co-owners of the large cooperative farms all operational decisions were made by the management in accordance with the instructions and quota requirements of the government.

How to secure newly vested rights in land?

87. Several of the Latin American countries did not do much to improve land registration although some of the Latin-American land registries are rather limited in

providing land tenure security. The land registration projects that were carried out in Latin-America were often initiated by foreign donors in the hope to support the grass-roots movements in the various beneficiary countries. All transitional countries put in place new legislation and initiated also programs for land registration -often on instigation of the donors as an additional support for success of donor funded land reform projects - to secure the newly vested rights to land. Unfortunately, in most of the countries in transition, there is a mismatch in synchronization between the start of the land reform projects and the start of the land registration projects. Generally the land registration system is able to store – apart from hard copies almost everywhere also in electronic format nowadays – any land data long after the first land certificates have been handed over to the new right holders causing extra efforts to realize a complete and reliable land registry. In several of the Latin American countries a mechanism to store the data directly in a registration system was possible but since many of the land reforms in Latin America took place before the era of computerization, several of the countries have been working on conversion systems to computerize the national land registration system.

88. The smaller transitional countries (Armenia, Bulgaria, Kyrgyzstan, Latvia and Moldova) have been successful in establishing a sound institutional framework for cadastre and registration. Armenia, Kyrgyzstan and Moldova combined existing BTI, Land Management and Cartographic institutions into one new organization. In Bulgaria much attention was given to the existing notary offices that still operated during communist rule. After independence these notary offices were successfully integrated in the re-adjudication process by often providing useful documentation facilitating the search for former owners and their heirs of whom many had moved from the ancestral land. All five countries showed determination in land reform. They had strong and effective leadership and progressed at a much faster pace than many other countries could manage. There were little or no problems with duplication of information and the offices are recognized by the public and other government agencies as the sole repository of cadastre and legal information. The most difficult point was the mismatch in synchronization in (donor) funding of the land reform and land registration projects causing duplication of registration activities. The land registration was not yet organized at the moment new owners got their documents and some unregistered land sales or land exchanges and in heritages took place before the registration was operational. Latvia decided to opt for a separate cadastre and registration system, largely based on their historical experience from before 1940, Latvia was fortunate to have sufficient funds, and a small enough country, to automate the cadastre and land book offices and create an automatic link between them. Each agency in each of the four countries has decentralized their offices allowing simple and easy access to the public. The need for land registration in order to increase land tenure security was not an urgent issue since all land remained in ownership by the government. However, Uzbekistan has in December 2003 created one organization – Goskomzemgeodescadatre – by Presidential decree with will be the sole responsible institutions for land registration in Uzbekistan.

89. Currently most of the registration/cadastre agencies are self-funding, apart from the assistance they got from the World Bank, the EU, the ADB and other donors. Moldova had to be self-funding from 'day 1' and also have to ensure they earn enough to pay back a World Bank loan. In Latvia the situation is slightly different as they have two

agencies. The Land Book office receives the budget via the Ministry of Justice, but earn far more in fees than they receive to run the office. The cadastre in Latvia may collect fees but gets 40% of it's funding from the State budget. This Latvian institutional arrangement uses separate agencies and requires two sets of staff and administration plus an efficient linkage (which is expensive to install and maintain) between the agencies. The Uzbek Goskomzemgeodescadastre organization has only recently started its operations with international donor support, but focuses on self supportiveness in the future.

Government facilitating of agricultural production

90. For the more detailed questions concerning the government facilitating of agricultural production the focus will be first and foremost on the CIS countries; Armenia, Kazakhstan, Tajikistan, and Uzbekistan. In this chapter the following questions are relevant:

- Subsidies and/or tax breaks?
- Extension services?
- Institutional arrangements?
- Internal trade policy?
- International trade policy?
- Infrastructure improvements?
- Provision of agricultural loans?

91. Also the questions about a government policy in general about centrally planned agricultural production, incremental changes toward a controlled market economy and the move toward a free market mechanism with stimuli for an evolving capitalist society are being addressed briefly

What about the price controls, subsidies and/or tax breaks, extension services and institutional arrangements?

92. In Armenia already in the middle of the 1990 the market liberalization was in an advanced stage. Agricultural producer and consumer prices were deregulated in 1992, the state quota system for grain was eliminated in 1995 and subsidies for agricultural production were decreased, only for irrigation water they were hardly changed. The profit and marketing control of food processing industries was removed. Plans were made to phase-out the water subsidies and to subsidize low income consumers. The 20% VAT was not applicable for farms and larger farms will be fully incorporated into the business tax system. An agricultural extension system has been created but is not covering the whole country. A new Ministry of Agriculture and Food has been created in Armenia.

93. Although significant liberalization of agricultural markets has been pursued by the Kazakh government it is still not complete. Government price controls ended in 1994-1995. Subsidies for agricultural have been significantly reduced and the government aims to use domestic market prices for the purchase of agricultural products. Land tax is

paid on all farming land depending on the quality of the land and individual private farms pay personal income tax from 1998. The VAT on agricultural goods hampers the exports to other CIS countries (VAT is only refunded for exports to non-CIS countries).

94. In Tajikistan the government has liberalized prices of fruits, vegetables and livestock in 1996 but still partially controls cotton and wheat prices. Irrigation water is still heavily subsidized. There are a number of taxes in the applicable agricultural sector like production tax, land tax, irrigation tax, transport tax and the interpretation is applied in a 'flexible' way. All entities engaged in marketing agricultural products must be registered. The government of Tajikistan remains the major owner of agro-enterprises. The Ministry of Agriculture continues to operate in the Soviet style and agricultural research, extension and education systems are not yet adjusted to emerging market developments.

95. The state quota system for the important staples wheat and cotton is still in place during the 1990 in Uzbekistan although there are plans to phase it out. Central price controls are de facto covering still all agricultural commodities. The policy is to gradually eliminate taxation on primary agricultural products. The progress of transforming collective farm lands into private use or holding rights to land is slow, the government wants to encourage voluntary grouping of 'shareholders' for managing privatized farmland in 'blocks'. The government of Uzbekistan wants to encourage the private sector to provide support services to farmers.

Internal trade policy, international trade policy, infrastructure improvements and provision of agricultural loans?

96. The Armenian government has adjusted the domestic grain price to border prices and plans to discontinue the preferential sales of grain and flour to state owned grain milling and baking enterprises in the mid 1990s. The export ban on grain is removed and food exports do not need licenses anymore. Elimination of fiscal means to sustain enterprises critical for food security is planned as well as promotion of insurance services for agriculture. It is the explicit intention of the Armenian government to create a distortion free marketing and incentive system for agricultural production.

97. The formal privatization of state enterprises is completed in Kazakhstan in the 1990s, and domestic prices largely follow world market prices with a few distortions due to underdeveloped local markets. The purchase price set for government purchases is often used as reference price. Bureaucratic and informal impediments constrain foreign trade although it is formally liberalized. Implementation of bankruptcy provisions for the agricultural sector is considered. There are no export tariffs on agricultural commodities and WTO membership is being negotiated in the mid 1990s by the Kazakh government. The plan is to introduce a WTO trading regime and removal of VAT for trading inside the CIS and to create viable financial institutions efficiently serving the food and agricultural sector.

98. The licensing requirements for import and export of agricultural products except cotton, tobacco and silk have been abolished in Tajikistan in the mid 1990s. Foreign participation in marketing and agro-processing is minimal, most farms and processing industries are in serious liquidity crisis, lending in agricultural is difficult due to high

interest rates. Micro-credit schemes are implemented by NGO's. An agricultural mortgage bank is under consideration. There is no information system available to support market oriented agricultural production. A lot is planned but budgetary difficulties still dominate limited implementation in 1998. Tajikistan aims at removal of all export licensing quotas in 2000 and creation of viable market oriented financial institutions to serve the agricultural sector

99. Uzbek commodity associations exercise strong influence over most marketed products in agriculture markets. There is little trade outside FSU countries and traditional markets are mostly maintained. A reorganization process in 1998 creates one Ministry of Agriculture and Water Management. The objective is to create an efficient and internationally competitive agricultural sector by incremental steps with a priority on liberalization of the production of agricultural commodities. For the time being the government remains the sole owner of land (with a few exceptions for example for foreign Embassies and mosques).

100. All in all there are obviously no significant differences in the agricultural policies of the selected countries. The approach towards agricultural changes is different and the starting points are sometimes different (for Tajikistan for example due to the civil war in the early 1990s), but all strive to become market oriented economies. Uzbekistan is clearly the most conservative reformer and this is also clear from the following statistical data provided by 'Freedom House' (Wikipedia):

Table 1. Ranking

Country	Personal freedom	Economic freedom
Armenia	1 (7)	1 (3)
Kazakhstan	3 (10)	4 (10)
Kyrgyzstan	2 (8)	2 (6)
Tajikistan	4 (9)	3 (12)
Uzbekistan	5 (14)	5 (13)

Source: Wikipedia (2007). Note: The number indicates the ranking among the five states the number in brackets is the ranking among all fifteen post-soviet states (Turkmenistan is performing worst among the states).

Considerations

101. A review of land reform projects and studying the impact of land reform does not show spectacular achievements of which it is unambiguously clear that they would have been impossible to achieve without land reform. One of the reasons is that of the lesser developed countries very few did not go through one or more land reform programs. Lesser developed countries where no official land reform program has been carried out are scarce. North-Korea may be an example but it is so isolated and closed that any data are hard to use as comparison. A shock therapy as practiced in Zimbabwe is not really comparable with land reform projects, and this makes it hard to draw conclusions. Cambodia and Lao PDR may be used.

102. The Lao People's Democratic Republic (PDR) could be a good example of a country without substantial donor funded land reform projects. In the Lao PDR a newly

established 'Leading Committee for Rural Development' introduced in 1994 a so-called rural focal site strategy to assist villages and areas in particular difficulty. Under this program (mainly executed on initiatives of the government and without foreign interventions and funding), villages were selected to become focal sites based on their size, economic, social and cultural infrastructure. Between 1996 and 2000, 61 focal sites were established in 60 districts, covering 970 villages, 62,959 households and 367,345 inhabitants. These districts and villages benefited from many improvements in their day-to-day living environment, such as the introduction of irrigation systems, improved roads, electricity and water supply, the construction of schools, hospitals, health care centers and markets. The focal site strategy has been closely linked to the Government's commitment to reducing shifting cultivation. Because of the focal site strategy, many families have been able to improve their livelihoods by benefiting from permanent settlement and targeted socio-economic development. During the first five years of the focal site strategy, the Government dispersed a total of 184.17 billion kip to provide assistance in 1,454 projects at the village and district levels.

103. The focal site strategy has had many successes in assisting local level communities to reach a new stage in their development, however, the organization and implementation of the strategy was not always as effective as it could have been. With the abolishment of the Leading Committee in 2002, responsibility for the focal site strategy has become the strategic task of the Ministry of Agriculture and

104. Forestry (MAF) and implementation has been placed under the responsibility of district and provincial authorities, in line with local budgets and development capacity. The plans for the 61 identified focal sites will be an important input into a National Poverty Eradication Program (NPEP).

105. Some statistical data on the latter two countries and those of Mexico are given with those of the selected countries:

Country/ Year	Arable and Permanent cropland in ha per 1 mln capita 2002	Index of agricultural production 1996-1998 in % of 1989-1991	Time to start a business in days total 2006
Armenia	560	76	24
Bulgaria	4636	66	32
Kazakhstan	21,671	56	20
Kyrgyzstan	1,435	93	21
Latvia	1,874	46	16
Moldova	-	55	30
Tajikistan	860	57	67
Uzbekistan	4,85	94	29
Cambodia	3,807	131	86
Laos PDR	958	122	163
Zimbabwe	275,471	112	96
Mexico	257,055	119	58

Source: www.nationmaster.com (based on World Bank Statistics)

106. The results of the research in literature and the comparisons made by statistical data reveal at least that land reform is a complex issue and it seems to cause a serious backdrop in agricultural production. The first impression is that whatever the way land

reform is carried out and whatever the approach has been it does not seem to make much difference. Only Kyrgyzstan and Uzbekistan although following very different approaches have done apparently well. The relative slow development in Tajikistan and the enormous dip in production there can be attributed to the civil war and the political instability. The data on Bulgaria are colored by the political problems in the mid 1990s etc. The fact that Uzbekistan has maintained most of the collectivization course has not caused a major difference in agricultural production when compared with the production in Kyrgyzstan and Kazakhstan.

107. A first impression is that the factors that seem to have the greatest impact on the development of a nation on the insecurity of land tenure, the persistence of rural poverty and economic growth are not the result of land reform projects. The differences among the various countries can perhaps better be explained by differences in cultural heritage, the social environment and the re-occurrence of rural customs, family traditions and the re-adherence to previous social norms and values and not in the least the occurrence of natural resources in minerals like oil and gas reserves (like for example in Uzbekistan).

108. This review of several land reform practices, could well question whether Land Reform is still relevant. Should new land reform programs be pursued? There are certainly grounds for a no answer. More reasons to express doubt about a positive attitude towards land reform are; capital and technology are now more important than land. The youth of most of the rural regions feel that anything is better than working on a small farm with all its uncertainties like disappointing harvests, pests, credit debts, droughts etc. Large capitalized farms are stronger than ever, both large farms and large cooperatives can engage much more political support. So some researchers expect that as the agriculture sector shrinks, land reform might become less important as a policy tool.

Land Market Activity

109. Land markets have traditionally received a lot of attention from researchers not just in countries that were characterised by highly unequal land distributions such as in Zimbabwe, but also in the transition economies of China, Vietnam and the former Eastern Bloc. It is generally assumed that the privatisation of land and the stimulation of land markets have positive effects on agricultural growth and poverty reduction given that a) land sales transfers transfer full rights to the new user, b) they increase access to credit as owned land can be used for collateral purposes and c) they provide optimal incentives for investment by providing permanent security of rights (Binswanger et al. 1995). However, while ownership rights open up the opportunity for the development of viable land markets, the relationship between land privatisation and the development of viable land markets might not be that clear cut after all. The question of how land markets develop in an environment with large uncertainties and high transaction costs where credit markets and insurance markets are imperfect spurred much attention and increasingly new insights (Swinnen/Vranken 2003; Deininger 2003, de Janvry et al. 2001). It is the specific market imperfections that are typical for transition economies which make us focus on comparisons between the transition countries of Eastern Europe

and the FSU countries when looking at the possible effects of land markets with regard to agricultural growth, poverty and environment.

110. Reliable and accessible systems of land registration are a *sine qua non* for the development of efficient land markets. They enable land rights holders to verify the status of their interests and to contest overlapping and conflicting allocations. Experience has shown that land holders are more willing to invest in land improvements and share crop, rent or lease their land if the newly established system can ensure their rights to land. With an efficient system of land administration, including arrangements for land dispute resolution, more land is bought and sold, transaction costs are reduced, less land lies idle and the land market grows (DFID 2004). This - if we follow theory - leads in turn to an overall increase in productivity, but not automatically also to increases in equity.

111. How strongly the development of land markets is dependent on the specific environment in which they have to function, can be seen best from the variety of land markets and the land renting activity that have developed in Eastern Europe and the CIS countries. Besides the fact that agricultural land sales were forbidden in most Eastern European and CIS countries during the 1990s, the lack of functioning credit markets which represents a major constraint for farmers to borrow against future profits has in many countries hindered the development of viable land sales market. The problem is aggravated by the fact that as Swinnen et al. (2003) point out financial institutions often refused – especially during the first decade of transition – to accept land as a collateral due to insufficiently defined property rights, generally thin land markets or social pressure. This has left small farmers with the only option of renting in or out land which in turn made land rental markets the dominant feature in of the land markets in the transition economies of the former Eastern Bloc. As contributing factor to their development it must be understood that the farmer's low preparedness for selling land represents a security strategy in a situation where rural poverty levels are high land is the only available asset against social and food insecurity or financial bankruptcy. Leasing land gives the landowner the option of deriving a cash income for the temporary disposal of property without having to part with it permanently. The impact of the possible social status or political influence should not be underestimated as a driving force behind non-sales decision of farmers (Deiniger and Feder 2002).

112. It is therefore not surprising that land sales tend to be distress sales and land rental markets have become the most common feature of land markets in these transition countries. However, there are large differences in the land retaining activities between the countries. While renting in land is one of the dominant features of countries such as Czech Republic (90%), Slovakia (90%) and Russia, countries such as Albania (10%), Azerbaijan (35%) or Kyrgyzstan experience very little renting activity.

Table 2. Agricultural Land Ownership and Exchange.

	Owning land		Cultivating		Renting in		Renting out		Selling*		Purchasing*	
	% of surveyed households	Area, hectares	% of surveyed households	Area, hectares	% of surveyed households	Area, hectares	% of surveyed households	Area, hectares	% of surveyed households	Area, hectares	% of surveyed households	Area, hectares
Albania (1999)	94.32	0.97	89.12	1.72	2.11	0.65	1.95	1	1.7	0.43	n	n
Azerbaijan (2004) RFF	84.62	14.13	100	139.53	93.85	136.86	0	0	0	0	7.69	2.44
Azerbaijan (2004) UFF	100	2.21	98.15	2.64	4.27	17.37	9.53	1.94	0.28	4.63	0.28	5.5
Bulgaria (1997)	84.98	2.27	93.77	2.77	8.25	6.16	27.1	3.06	0.92	3.33	n	n
Bulgaria (1997) RFF	100	7	100	14.93	39.13	20.61	13.04	1.67	0	0	30.43	8.04
Bulgaria (1997) UFF	79.43	2.06	64.72	0.9	3.51	3.7	40.47	2.64	3.51	1.33	1	3.33
Czech Rep (1999) RFF	96	17.02	97	54.96	54	71.47	13.5	9.74	2.75	1.53	n.a.	n.a.
Czech Rep (1999) UFF	98.48	6.54	96.97	1.57	7.07	1.6	61.11	9.18	5.05	3.52	n.a.	n.a.
Hungary (1997)	93.24	4.5	89.96	4.84	7.58	17.68	16.07	4.59	n.a.	n.a.	16.88	11.75
Kazakhstan (2004) RFF	96.63	555.21	100	558.36	14.61	257.87	1.12	160	0	0	0	0
Kazakhstan (2004) UFF	100	22.54	100	1.72	10.5	2.29	6	19.96	1	4.58	0.67	6.52
Moldova (2004) RFF	100	3.81	99.43	5.52	23.26	7.74	4.02	1.56	1.72	1.09	22.73	3.25
Moldova (2004) UFF	94.72	2.49	99.8	1.51	4.2	1.36	38	2.77	1.81	0.89	5.01	1.04
Poland (1999)	60.28	8.5	53.44	10.4	17	12	8	3.4	4.8	2.6	n.a.	n.a.
Romania (1996)	100	3.18	91.88	2.28	1.58	0.99	13.76	2.52	0.18	0.77	n.a.	n.a.
Romania (1998)	98.15	3	96.78	2.73	7.88	2.43	20.05	2.58	0.66	0.97	n.a.	n.a.
Slovakia (1999) RFF	84.95	16.5	92.72	46.45	42.72	84.93	23.54	10.9	0.73	0.52	n.a.	n.a.
Tajikistan (1999)	96.02	0.59	93.82	0.84	17.38	1	0.41	0.38	n.a.	n.a.	n.a.	n.a.

Source: Swinnen/Vranken 2007, Table 2; RFF = Registered Family Farm; UFF = "unregistered" Family Farm

113. When trying to explain the variations in land markets in the transition economies, Swinnen et al. (2007) found that land sales markets are generally thin and almost everywhere less developed than land rental markets. It is an interesting fact though that corporate farms with their tendency to rent in land, seem to be the most important factor on the direction and activity in which land markets develop. Worldbank data clearly shows that land rental markets are strongest, where there is a dominant presence of corporate farms. Checking for the impact of the type of land reform (restitution vs. shares vs. plots), transaction costs, and land/labour ratios, Swinnen et al. came to the conclusion that there are three patterns (plus some hybrid versions) which can explain the differences in land rental market developments in the transition countries of the former Eastern bloc:

Table 3. Development of land rental markets by type of agriculture and land redistribution.

Type of agriculture	Country	Rental Market Activity
Labour intensive agricultural economy where land was distributed in kind to rural households and where small scale family farms dominate	Azerbaijan Kyrgyzstan Romania	Little land renting activity due to constraints in other markets such as the credit and input markets, product markets (output marketing) and labour market constraints (partly resolved through migration)
Capital intensive agricultural economies where land was restituted to former owners and where large scale corporate farms dominate	Slovakia Czech Republic Hungary	Extensive renting activity, mostly from households to large scale corporate farms, often based on formal contracts
Land intensive agricultural economies with distribution through shares and large scale farm domination	North Kazakhstan Russia pre-2000 Ukraine	Corporate farms either rent large amounts of land from households, often under the form of shares, or rent very little as they have been able to acquire ownership of vast areas of land. Dominant corporate farm renting due to poor identification and weak enforcement of ownership rights plus major problems in accessing output and input markets for smaller farms.

Source: based on Swinnen et al. 2006

114. Thus, while it is difficult to compare land reforms in the various countries, some basic findings are that:

- Land restitution typically led to the consolidation of large scale farming structures which rely almost entirely on rented land for cultivation.
- Distribution of land in specific plots resulted in a large shift of land to family farms who largely rely on owned land for cultivation.
- Distribution of land shares created much weaker property rights and resulted in a much stronger concentration of land ownership, constraining the shift of land use to family farms.

115. It is also clear that the initial resource endowment (agricultural technology) importantly affected the farm restructuring process and thereby the development of the land markets.

116. Among the interesting findings on land rental markets are the conclusions that can be drawn from the type of contractual arrangements and forms of payment for rental agreements. While there is a general tendency in all countries to register contracts concluded by farms, households still conclude rental agreements mainly through informal agreements. Despite the registration of contracts, the modes of payments agreed can lead to substantial losses for those renting out their land. Especially where rental contracts are concluded with corporate farms who in many countries pay only in kind, the agreements are often yield-based and thus difficult to control for the land

owners. In-kind payments to household are also problematic with regard to the fact that households often receive in-kind payments while they have to pay cash themselves⁶.

117. Despite the strong differences in land rental market activity, studies (Swinnen et al. 2003, Swinnen et al 2007) have found strong signs that land rental markets in many transition countries fulfil the same purpose as land sales markets and have a potential to contribute to agricultural entrepreneurship by allowing farmers to reach the optimal farm size. In fact, they allow many households with higher farm management capacities to access more land in a situation where financial means are limited and land seen as a security asset. Swinnen et al. found in their study of land rental markets in Hungary (2003) that it is in fact younger and better educated who have a tendency to rent in land and to use this land for agricultural production. The study also found indications that land rental agreements are typical for regions where sales prices of land, corrected for land quality, are higher. The study of the Hungarian context also suggests that rural labour markets have a significant effect on land rental markets. As soon as more off-farm employment is available in a region, less labour will be allocated to the farm which generally has a negative impact on land rental markets with households renting in less land.

Relationship between Land Reform and Poverty

118. If there is one agreement in the vast literature on poverty and poverty reduction strategies, then it is that poverty is a multi-faceted as well as multi-factoral phenomenon for which no single solutions can be found. It is the combination of factors that can lead individuals or groups in society into poverty as well as prevent them from escaping it.

119. Land reform has therefore been hailed by many as an effective means for reducing poverty as land reform enriches the asset portfolio of poor families and carries with it the potential for agricultural production and entrepreneurship. De Janvry et al. (2001) therefore note: 'While not the only pathway out of poverty, ample evidence suggests that access to land is effective in helping rural households generate higher incomes. (...) Access to land helps give value to assets held by a household with zero or low opportunity cost outside the land. These assets typically include captive family labor such as children, elderly people, and women in reproductive phases of their life cycles, adults during weekends, and unemployed people. They also include draft animals, labor supervision capacity, and managerial skills. For the household that gains access, there are both social efficiency gains through mobilization of otherwise idle resources and individual welfare gains. In this respect it has to be born in mind that families in lesser-developed countries tend to be large with many children and that those children spend little time in school'.

120. Studies have continuously found strong links between inequality of asset distribution and poor macroeconomic performance. This is also true for many of the transition economies. Given the sheer amount of land being transferred – according to Dudwick (2005) 145 million hectares of land were transferred between 1990 and 2000 alone - Land reform in these countries can therefore be seen as one of the strongest determinants in the establishment of the asset portfolios of individual families. This is

⁶ For a more extensive discussion of the contract and payment related issues around land rental agreements see Swinnen et al. (2006).

especially true with regard to the fact that most of the transition economies in Eastern Europe and the CIS are characterized by a large percentage of the population still living in rural areas and working in agriculture. Some countries such as the Central Asian countries even experience a growth in rural populations.

121. But the relationship between land reform, agricultural growth and poverty is not as clear cut as one might assume on first sight. In fact, agricultural growth and poverty reduction depend significantly on increasing agricultural productivity and thus the investments that families and farmers make into their lands. It needs to be understood that poverty is not just dependent on access to land. Poverty has to be understood in the specific surrounding in which it appears. Poverty is determined by knowledge, physical and social infrastructure, education, health, income and income sources, access to information, money and agricultural inputs, the available infrastructure, markets etc. This point is also highlighted by De Janvry et al. (2001) when he writes :

122. “Access to land is, however not sufficient to secure higher household incomes. This is the case when the policy context is adverse to farm profits, competitiveness is undermined by a lack of supportive institutions, assets transferred are not valorized by complementary public goods (e.g. access to roads), and investment is deterred by insecurity regarding the conditions for access”.

123. The ability of land reform to achieve pro-poor outcomes therefore strongly depends on the environment in which it takes place. A DFID discussion paper (2004) on land reform and poverty reduction therefore notes that “for land reform to have a significant impact on poverty reduction, it must be part of a broader process of political, social and economic change, rather than a narrow intervention simply to redistribute land. The pace of and reform cannot reasonably run ahead of advances in other related functions, especially the provision of infrastructure and technical support services to small-scale farmers (credit, input supply, marketing, extension and adaptive research). Nor can it run ahead of the capacity of governments to coordinate these functions in an evenhanded, transparent and efficient manner.”

124. When studying the effects on land reform and poverty – including issues of equity and social welfare – it is therefore crucial to widen the view towards the environment as well as the changes in the enabling environment for rural livelihoods. Only then it is possible to understand the choices families and farmers made with regard to their newly gained land.

125. It is interesting in this regard that despite the strong interest in poverty differences between rural and urban areas, there is little and mostly anecdotal information or country-specific analyses with regard to transitions countries (Swinnen 2007). In his study on rural poverty in transition countries, Swinnen comes to the conclusion that there are major differences in rural poverty across transition countries with poverty being higher in Central Asia, and the Trans-Caucasus. In almost all countries rural poverty is higher, but has moved largely into the same direction as urban poverty since 1998. Nonetheless, rural poverty is not catching up and therefore grows in relative importance.

126. Looking at the history of land reform and its effects on poverty, it quickly becomes clear that few countries get it right first time and initial approaches and modalities have had to be revised in later operations (DFID 2004). It is important for countries to be clear about whether land redistribution is about equity and social justice (especially redressing past dispossession) or whether it is about driving agricultural production. These twin goals are not automatically complementary.

127. Keeping these points in mind, it needs to be understood that while land reform in the CEE as well as the Baltic countries was strongly driven by eliminating historical injustices through restitution of land rights to previous owners, land reform in the CIS countries was mainly driven by the hope that land reform would lead to higher agricultural production. Despite some efforts to take a pro-poor approach to land reform, it was generally assumed that people would take their land shares and plots and start small scale farming activities. But in fact, land reform found already from the beginning little support in most of the CIS countries.

128. One of the key aspects for understanding the poverty related consequences of land reform is that in opposition to many land reforms in developing countries, land reform in the transition economies entailed for rural populations a complete change in their social structures. During socialist times, large scale farms were much more than just legal forms of agricultural production. Kolkhozes as well as Sovkhozes represented all-encompassing institutions for the organization of rural life, including the provision of social services and cultural life. The way in which their rural residents lives were regulated by the *planned economies turned farm workers in to modern type workers* whose social and economic lives were transformed, in which spheres of production and social life were separated and in which economic decision-making in the household were disjoint. The importance of the family was clearly devalued and the village the provider of social services (Keyder et al. 2001). The lack of support for becoming independent farmers who have to rely on individual skills, family structures and divisions of labour and on social capital appropriate for the production of peasant commodities is therefore not surprising. In fact, peasant or small holder farms count on self-exploiting farmers who dedicate their own as well as the lives of their – if necessary extended - families to their agricultural production. In some cases such as in Kazakhstan, it is even only the lack of alternative non-farm employment e.g. when large-scale farms face bankruptcy that makes people revert to small-scale farming as their only option for income. In this regard, land reform assumed very different social preconditions compared to what was the situation in many of these rural regions and ultimately entailed severe changes in the lifestyles of their inhabitants.

129. Given the original focus of land reform for raising agricultural production through small holder based agricultural, much attention was paid in the beginning to legal aspects of the transfer of ownership, but much less on the social consequences that these transfers would entail. Studies (Dudwick et al. 2005) seem to suggest that the lack of focus on complementary support to the restructuring of public, financial and social service provision led partly to adverse effects. They show that not just the lack of active extension programmes, reshaped food safety regulations, rural farmer early retirement schemes, rural development programmes etc. had severe effects on the abilities of new farmers to benefit from land reform or to actually put their land to entrepreneurial use.

Agricultural policies directed at large scale agricultural enterprises as the most visible once made it hard for small scale farmers to get started in an environment with little access to credits or know-how. In some cases it also led to adverse effects which can be clearly see from the fact that many farm workers and especially pensioners with land shares decided to actually stay in the old farm structures, because their welfare benefits were connected to these farms or they would not be able to work on their land themselves. The adverse effects can also be seen from the drop in food production and consumption that was partly caused by the rising poverty levels which made it impossible for considerable segments of society to stick to the level of consumption they had before (Liefert 2002).

130. There are a number of studies which have analysed the effects of land reform with regard to potential pro-poor growth that was expected to result from land reform. Analysis seems to suggest that the actual distribution of land has lead in many cases to better outcomes for rural poor. Swinnen (2007) finds that plot-based land reform was typical for many of the poorer transition countries which depended on labor-intensive agriculture as the main income source. If plots were obtained, these could immediately be put to use and unclarities about ownership could mostly be avoided. This is confirmed by the relatively small differences in rural and urban poverty headcounts (Swinnen 2007).

Privatisation and farm restructuring had two opposing effects on farm productivity. They innitally caused production disruptions and in some cases reinforced output declines and income falls, but the reforms were also instrumental for long-term efficiency increases and afterwards became sources of growth. The importance of these two offsetting effects is hence related to the timing of the reforms and the stage of transition. They further depend on the labor-intensity of the agricultural production, which differed drastically across countries. Where agricultural production was labor-intensive, efficiency gains were strongest for small-scale family farms, as labor monitoring costs make large-scale operations less competitive. We expect this to have translated directly into rural poverty reduction. Vice versa, in countries that had already more capital-intensive technologies, larger-scale farms often maintained a competitive advantage because of better access to credit, input and output markets. In those more capital-intensive countries the impacts of household farming on rural poverty were therefore likely to be more muted. Moreover, where large-scale farm organizations continued to operate, they needed to lay off surplus labor in response to hardened budget constraints. Where large-scale organizations were effectively restructured, such as in Central Europe, efficiency gains contributed simultaneously to higher rural unemployment as well as higher incomes of those workers that remained employed on the farms. These differential effects of farm restructuring and privatization are consistent with rural poverty reduction in the poorer, labor-intensive economies, such as in parts of Central Asia and the Trans-Caucasus, but opposite developments in countries with a more mechanized agricultural production system.

Source: Swinnen 2007

131. As Swinnen et al. (2006) rightly point out these findings are not without implications for the effects on efficiency and equity. Evidence seems to suggest that the distribution of land through specific plots has led to the creation of stronger property rights while the owners of newly created land shares were often faced with uncertain property rights and high transaction costs. The consequence can be clearly seen from the fact that countries with physical plot-based distribution have a higher number of family farms where access to land was easier for the new owners while the growth of large

scale farming organisations became a dominant feature of countries with share-based distribution. Uzun (2000) highlights that many workers in these countries were everything but clear about their choices. This allowed farm managers to use land owned by citizens freely and without controls. In other cases, shares are exchanges without being linked to specific plots. Many workers lost their land due to farm bankruptcies after they had transferred their shares to the farms. It can therefore be said that land distribution in plots and restitution have resulted in the most egalitarian land ownership distributions.

132. A share-based distribution of land, however, could easily create ownership without right. Especially in situations where the development of the required institutional frameworks was lagging behind land reform activities, share owners were faced with difficulties to claim their rights and had a serious potential to raise poverty levels (Swinnen 2006). A lack of knowledge on the side of the farmers or weaknesses in the institutional support functions that would allow for easy registration of lease agreements as well as often yield based and thus not easily controllable payment agreements can also contribute to poverty potentials of individual households. Similarly, tenure insecurity can lead to a lack of incentives for investment into the newly obtained land which can have serious impacts on production (DFID 2004).

133. But also the plot-based land reform is not without flaws. While people might have still taken up their land plots, they might not have got land plots to which they have actually access due to insufficient infrastructures and could thus use – a problem which is especially a concern for older people – or have received land plots of a quality that makes it unlikely that they would put it to entrepreneurial use. Non-existing or weak land markets do little to change this situation, even though it was assumed that land markets would make sure that land plots would find this way the best owners. In this regard it is also of interest that some studies suggest that land plots in many cases were too small to actually serve as a sustainable source of income and where only increases in farm land would result in the expected commercialization of individual farmers. Levi (2007), who analysed a number of studies on the commercialization potentials in various CIS countries found that farmers realize the advantages of operating bigger farms and reveal a clear pattern of willingness to increase farm sizes.

134. Despite the fact that care was taken for equal distribution of land, it resulted in some cases to *discrimination along ethnic lines*. Roma and Turks and Bulgaria, for example, did not receive land shares despite having worked on farms during socialist times. In some cases, such as in Tajikistan, some occupational groups were excluded from access to land. Other countries decided that workers employed in social services – such as schools, hospitals, kindergartens and so on – were not eligible to receive land certificates or only received partial shares without property shares. These workers therefore did not just lose their jobs, but also access to income opportunities from landholdings. In Kazakhstan, employees of social services received land shares, but not property shares (Keyser 2001). Similarly important is to notice that in some cases access to irrigation systems can be inequitable along ethnic lines thus seriously hampering tenants ability to use their land. This is the case for example in the Ferghana Valley in Kyrgyzstan.

135. In most of the CIS and CEE countries, land *reform laws were gender neutral* thus allowing for equal access to land. However, their implementation has and still keeps being discriminatory. Keyser (2001) points out that while land shares in Russia can be registered by women, it is the head of the household that will be registered for peasant farms despite joint ownership. In other countries, women did not enjoy equal rights under the law which can make women loose their land due to marriage and parentage upon divorce or widowhood. Women also seem to have less access to extension services and are less likely to receive the necessary training especially in male-headed agribusinesses.

136. But even where women can enjoy their land rights, Dudwick et al. (2005) shows that female headed households are more likely to rent out land and have a tendency to use less land. Despite unclarity about the exact reasons, interviews seem to suggest that women still have less access to information and legal resources than man. They might also be in a less well-positioned situation to use land beyond their household plots for a combination of reasons: “less labor-power, less access to heavy equipment, and heavier household responsibilities. The deterioration of rural public services also seems to increase domestic work load making it harder for women to enter the labor market.

137. It is important in this regard to understand that *Kolkhozes* and *Sovkhozes* did not purely function as the agents of agricultural production as they were seen from an economical point of view. Both forms of organisation had a much wider function through their community organizing capacity. One of their key functions was the provision of rural public services. In most countries and especially in those where the newly created states did not manage to jump in and take over these public services. In most cases, land reforms therefore entailed a very visible *deterioration of public services*. Through their deterioration as well as the breakdown of large-scale farms many options for non-farm employment also disappeared. “While rural areas might have had less access to services even before 1990, service quality and availability often decreased during transition as high quality service providers migrated from the rural areas to the citites or abroad. Overall the lack of good services infrastructures, and access to markets, might strongly condition returns to household assests in both agricultural and non-agricultural activities” (Swinnen 2007). The quality of services, starts with basic infrastructures already, such as roads, electricity, water and sanitation. There are still considerable numbers of people, often in the poorest areas of the countries, who are strongly affected by the lack of respective infrastructures.

Table 4. Access to improved drinking water and sanitation.

	Population with sustainable access to improved drinking water in %		sanitation in %	
	urban	rural	urban	rural
Albania	99	94	99	84
BIH	99	96	99	92
Bulgaria	100	97	100	96
Romania	91	16	89	34
Serbia	99	86	97	77
Armenia	99	80	96	61
Azerbaijan	95	59	73	36
Belarus	100	100	93	61
Georgia	96	67	96	91
Kazakhstan	97	73	87	52
Kyrgyz Rep.	98	66	75	51
Moldova	97	88	86	52
Russia	100	88	93	70
Tajikistan	92	48	70	45
Turkmenistan	93	54	77	50
Ukraine	99	91	98	93
Uzbekistan	95	75	78	61

Source: World Development Indicators

138. Their restoration or renovation continues to depend critically on the establishment of financially viable and capable local governments. That people are aware of this can most strongly be seen from the fact that – as a study from Azerbaijan (Dudwick et al. 2005) suggests – households assess their well-being by considering more than pure income. Dudwick et al. (2005) therefore remind us that “no country has solved the problem of public funding for local government. In general although the experience of both developed and transition countries that local rural services cannot be supported by local taxes, no country has been able to develop the political will within the government to make rural development and maintenance of rural services a high priority.”

139. Studies from all transition countries point to the fact that the real key to raising rural incomes are non-farm employment opportunities and rural pensions as these provide additional income to rural farming households and tend to reduce agricultural employment. It is interesting in this regard that the presence of pensioners in rural families can be an important contributor to the household incomes in e.g. some of the Eastern European countries where a focus on high pensions and welfare benefits was a strategy for mitigating large scale lay-offs that were the result of efficiency increasing measures for large scale farms (Swinnen 2007). This is less the case in poor countries that generally have lower pensions.

140. Increasingly, transfers and remittances have become an important part of rural household's income portfolios. In their attempts for income diversification, it is mostly young adult males who migrate for work either on a permanent or temporary basis. Nonetheless, studies show that returns from the for rural areas typical seasonal migration for agricultural or construction work are considerably lower than the returns of longer-term migration from urban areas (Swinnen 2007).

141. These complementary reforms do not only refer to reforms that would restructure government and public institutions to serve the needs of private agriculture.
142. Generally, it seems that land reform in countries that decided on the distribution of actual land plots managed to be more pro-poor than those countries that implemented land reform through land shares or vouchers with often still undefined borders.

III. An Overview of Developments in the Agricultural Sector

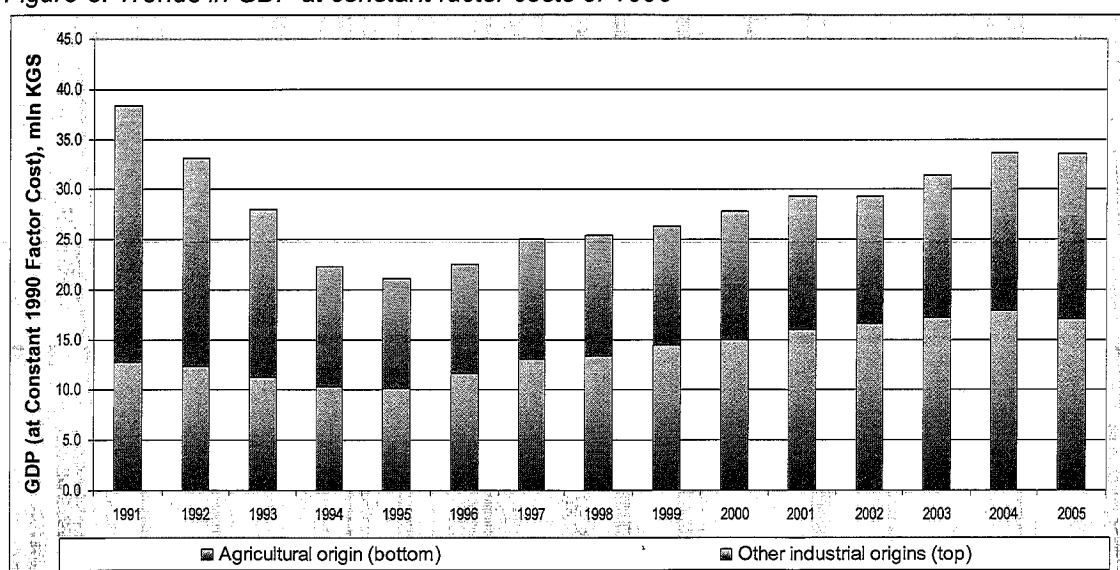
A. Agriculture

The focus of this chapter is on the changes that occurred in agriculture between 1991 and 2005. The emergence of the different farm types is described and their contribution to the economy. Changes in productivity are analysed.

A1. Agriculture performance: 1991 – 2005

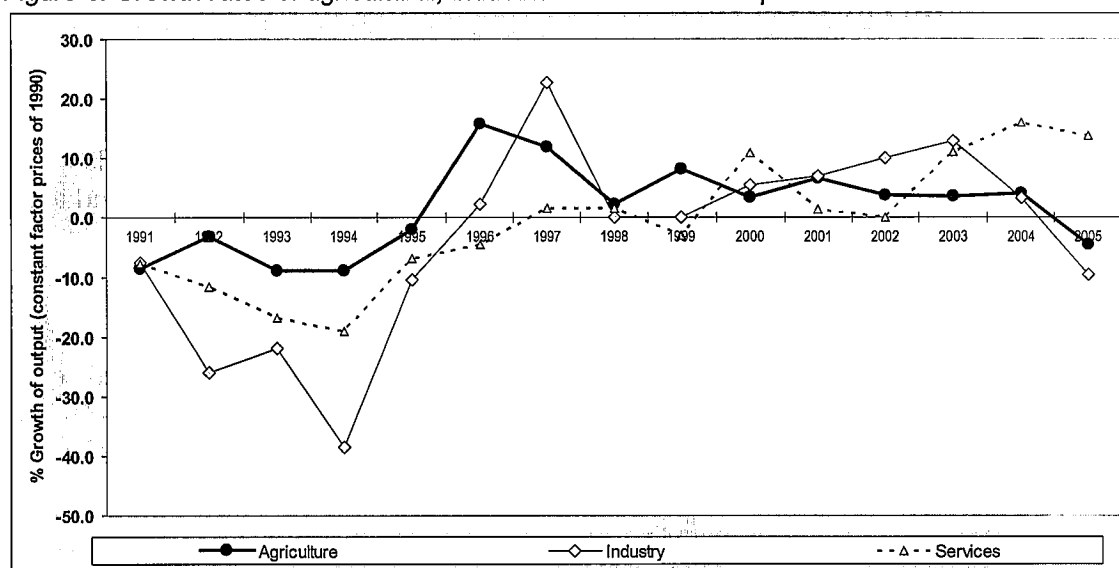
143. **Agricultural GDP** in the years from 1991 to 2005 has fluctuated so drastically that it can be divided into two periods: one of steep decline (1991-1995) and one of economic rebound (1995-2005). Figure 5 shows agricultural GDP in constant factor prices of 1990, and its proportion to the total GDP. The agriculture sector in 2005 contributed approximately one third of the Republic's GDP, in current prices. When including the associated agricultural processing and agricultural service and trade industries, the share of the agro-food sector accounted for more than 40% of GDP.

Figure 5. Trends in GDP at constant factor costs of 1990



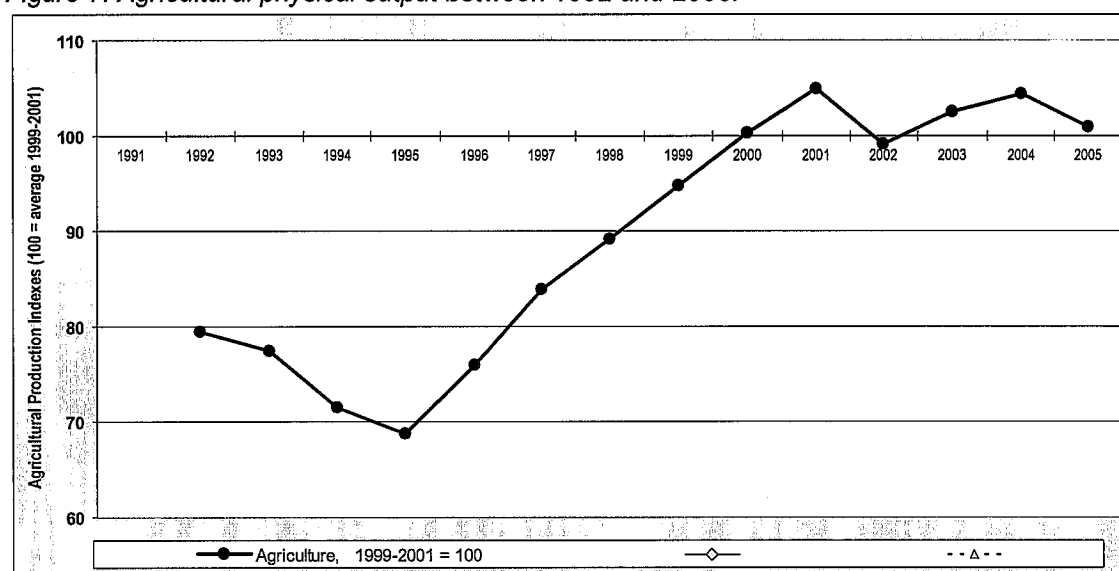
Source: Asian Development Bank (ADB) - Key Indicators 2007 (www.adb.org/statistics)

Figure 6. Growth rates of agricultural, industrial and services output between 1991 and 2005

Source: Asian Development Bank (ADB) - Key Indicators 2007 (www.adb.org/statistics)

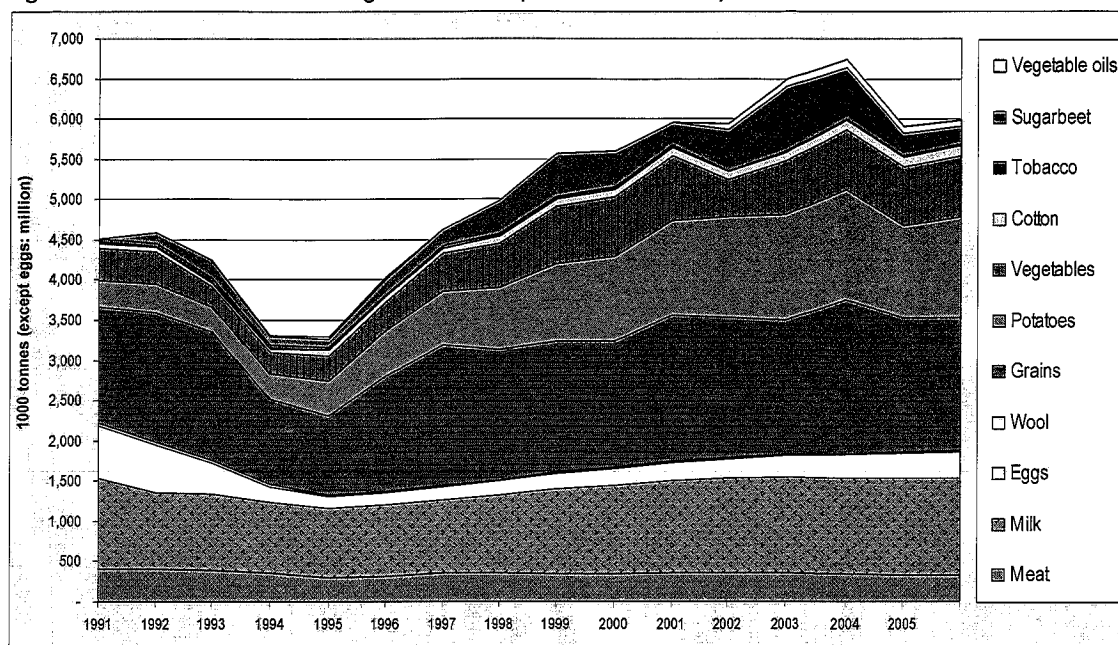
144. The **economic rebound** that occurred in the mid-1990s was supported by strong agricultural growth (Figure 6 and Figure 7). By 1996, value added in agriculture remained at 75% of the 1990 levels. This growth was largely the result of the expansion of subsistence agriculture and the inflow of labour to agriculture that occurred as a result of shrinkage of other sectors of the economy. The long-term (1991 to 2005) average rate of growth of the sector has been close to 2%.

Figure 7. Agricultural physical output between 1992 and 2005.

Source: Asian Development Bank (ADB) - Key Indicators 2007 (www.adb.org/statistics)

145. **Total agricultural output, composition.** In 2004, crop production accounted for 54.8% of the total value of agricultural production, and livestock production 43.4%. Between 1991 and 2004 the average contribution to the agricultural GDP of the crop production was 51.3% while livestock production averaged 46.9 per cent. Since 1991, the shift towards increased crops production has resulted in a corresponding increase in the contribution of crops production to agricultural GDP.

Figure 8. Production of main agricultural crops and livestock products.

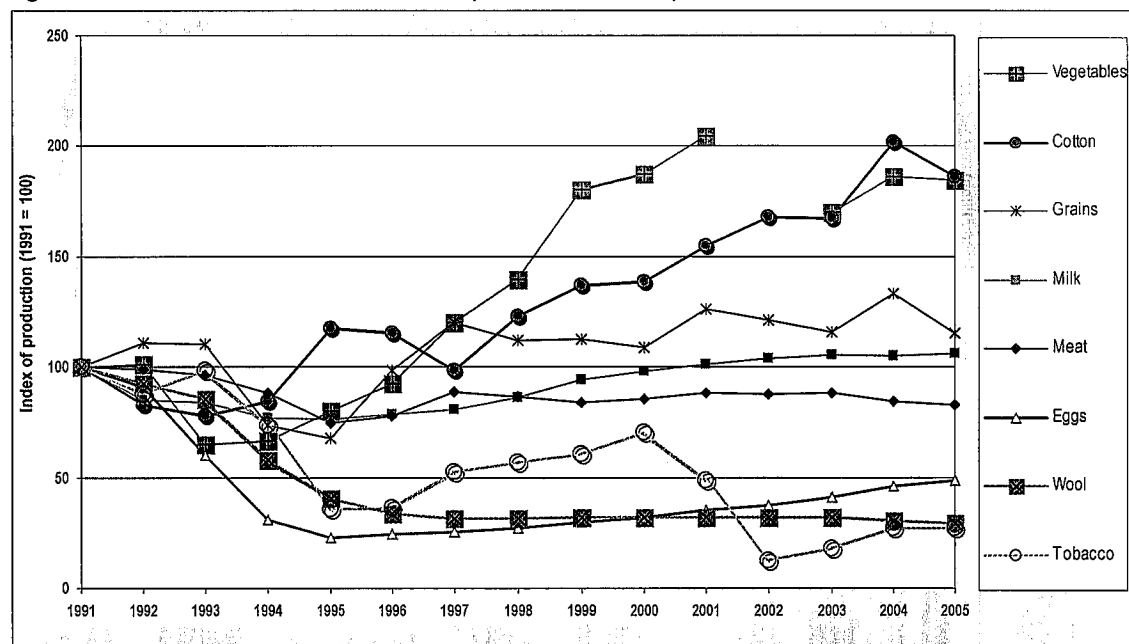


Source: National Statistical Committee, 2007 (www.stat.kg)

146. Wheat cultivation occupies the highest proportion of the harvested area, volume of output and value of production in the Republic. Other important crops include cotton, sugar beet, and tobacco. Cotton and sugar beet production have exhibited marked increases since the mid-1990s, while tobacco output has dropped sharply and has only started to recover in 2002. Sugar beet production is much more volatile in comparison with cotton and tobacco. The production of most crops fell to a minimum in the mid-1990s, but has steadily increased since.

147. Total milk and beef production has remained relatively stable. The production of wool has recorded a steady decline. The recorded production of eggs is only slowly recovering from a drastic reduction in the early nineties (Figure 8 and Figure 9). For more information about livestock production please refer to the next chapter.

Figure 9. Production indices of main crops and livestock products.

Source: National Statistical Committee, 2007 (www.stat.kg)

148. The National Statistical Committee does not aggregate data on value added by types of products; therefore a detailed analysis in terms of commodity value added cannot be presented⁷. As a weak proxy however, the composition of the agricultural output and the share of each product in agricultural output has been analysed and is presented.

Table 5. Agricultural output by product types in 2004.

	min KGS	Per.cent
Total Agriculture	58,320	
Crops	32,031	54.8%
Cereals	10,662	18.3%
Potatoes	4,234	7.3%
Vegetables	4,316	7.4%
Cotton	2,238	3.8%
Tobacco	241	0.4%
Sugar beet	672	1.2%
Melons	430	0.7%
Fruits&Berries	2,480	4.3%
Grapes	75	0.1%
Other	6,685	11.5%
Livestock	25,396	43.4%
Meat	15,563	26.7%
Raw milk	8,064	13.8%
Eggs	802	1.4%
Wool	255	0.4%
Other	712	1.2%

Source: National Statistical Committee

⁷ The national accounts produced by NatStatCom do not compute value added by product, only value added by sector. Therefore, value added by agriculture product component is not available.

149. **Agricultural GDP per capita.** Agricultural value added per capita (current prices) have recorded a radical increase, rising from KGS 7.3 in 1991 to KGS 5,832 in 2003, constituting an 800 times increase. In real terms however, the increase was from KGS 7.3 to KGS 1,246 which is an increase in agricultural value added per capita of 164 times. (Figure 4 Agricultural GDP per capita for selected years). The increase in the agricultural GDP per capita is a result of (i) more extensive use of available agricultural resources and (ii) increased efficiency of resource utilization

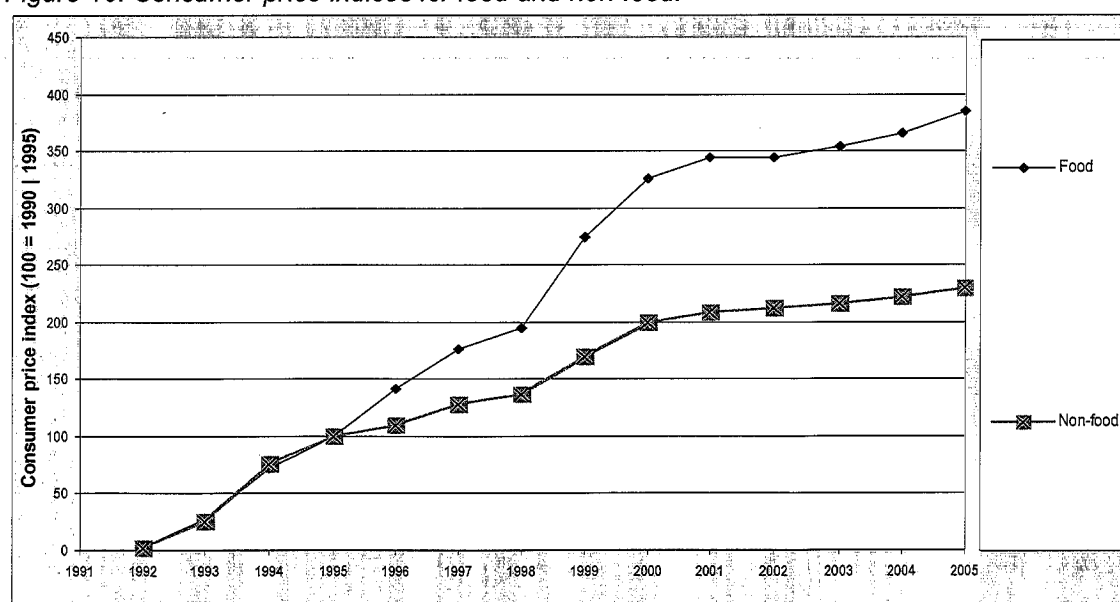
Table 6. Agricultural GDP per capita for selected years.

Agricultural GDP per capita	1991	1994	1998	2001	2005
nomial, KGS	7.4	1,031.6	2,584.8	5,179.6	5,617.4
real, KGS of 1990	2.9	2.3	2.8	3.2	3.3

Source: Asian Development Bank (ADB) - Key Indicators 2007 (www.adb.org/statistics)

150. The **prices** of food products have increased more than the prices of non-food products. This trend became especially marked after 1998 (Figure 10). The increase of prices of the main crops and livestock products was rather even: the terms of trade between meat and grain has fluctuated between 5 and 8 with an average of 7 and no significant trend. The price of wool has fluctuated strongly after 1999, the peaking of the wool price between 2000 and 2002 bears no clear relationship with world market prices.

Figure 10. Consumer price indices for food and non-food.



Source: Asian Development Bank (ADB) - Key Indicators 2007 (www.adb.org/statistics)

A2. Yields and resources

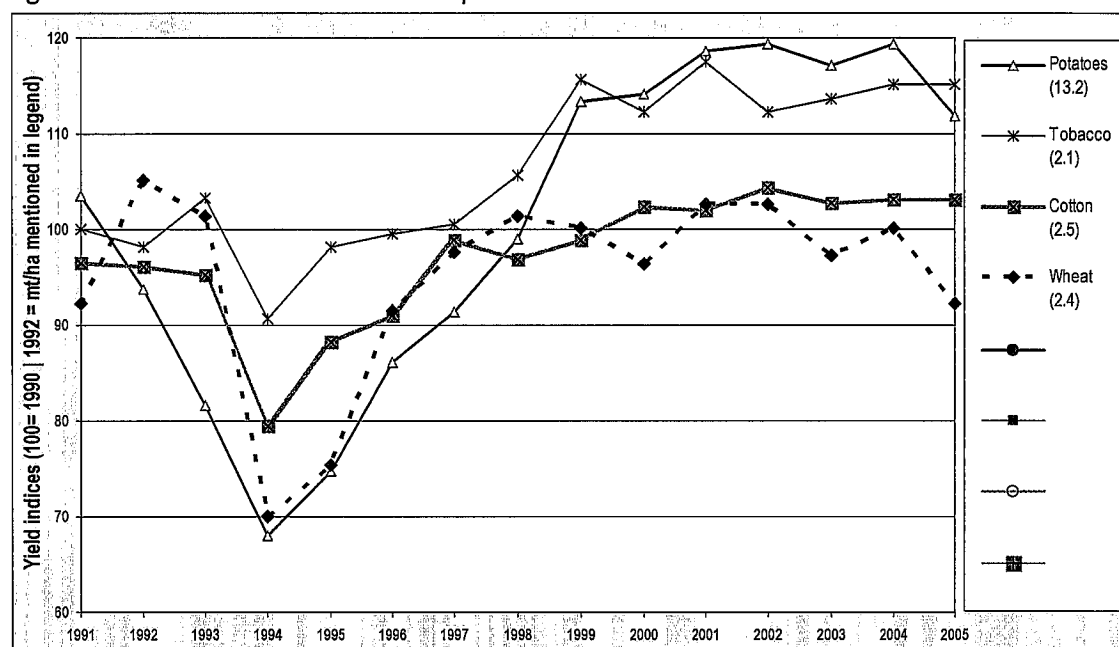
Table 7. Yields of the main crops (in 100 kg/ha)

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Grains	24.7	26.9	24.2	17.0	18.1	22.7	24.2	26.0	26.2	26.4	28.3	27.9	27.3	28.2	26.3
Wheat	22.4	25.5	24.6	17.0	18.3	22.2	23.7	24.6	24.3	23.4	24.9	24.9	23.6	24.3	22.4
Corn	58.5	51.3	45.2	35.3	37.4	43.2	45.9	49.2	53.0	55.8	59.9	57.3	59.2	60.4	59.4
Rice	14.2	14.7	9.6	13.0	15.5	17.5	19.3	22.0	24.5	26.3	27.3	27.3	28.0	29.2	28.8
Cotton	24.5	24.4	24.2	20.2	22.4	23.1	25.1	24.6	25.1	26.0	25.9	26.5	26.1	26.2	26.2
Sugarbeet	155.7	213.3	188.2	116.2	123.1	152.1	180.7	199.7	203.3	191.4	164.1	203.9	260.3	242.8	199.8
Tobacco	21.2	20.8	21.9	19.2	20.8	21.1	21.3	22.4	24.5	23.8	24.9	23.8	24.1	24.4	24.4
Potatoes	137.0	124.0	108.0	90.0	99.0	114.0	121.0	131.0	150.0	151.0	157.0	158.0	155.0	158.0	148.0
Vegetables	189.0	154.0	140.0	115.0	103.0	113.0	132.0	143.0	152.0	157.0	165.0	175.0	178.0	182.0	174.0
Melons	103.0	78.0	66.0	72.0	65.0	83.0	21.0	23.0	150.0	164.0	162.0	183.0	192.0	193.0	190.0
Fruits and berries	25.9	35.2	14.2	20.1	20.9	24.1	27.1	25.4	23.9	37.8	37.3	37.4	34.7	43.1	35.6
Grapes	45.3	50.6	15.9	25.6	29.6	22.4	31.3	23.0	24.1	36.5	37.0	23.0	17.9	22.5	17.4

Source: National Statistical Committee

151. Figure 11 illustrates the changes in relative yields of a sample of crops and clearly shows the downward trend in the early nineties, followed by a slow recovery. In this chapter factors are reviewed which had an influence on yield. These include soil degradation, the poor genetic potential of seeds and the low mechanization level. Fertilizer is often only available through illegal sources (smuggling). Most farmers have inadequate knowledge regarding the legal system and there is an inadequate farm management and marketing skills. A lack of storage and processing facilities and insufficient rural infrastructure operate as further constraints on the marketing of agricultural outputs and thus on agricultural production.

Figure 11. Yield indices of selected crops.



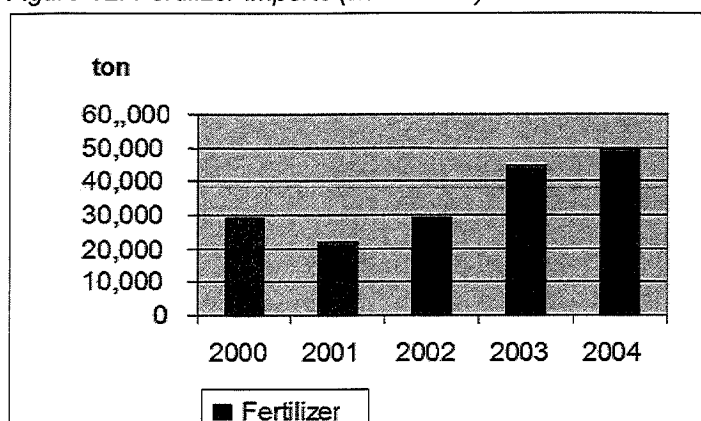
Source: National Statistical Committee, 2007 (www.stat.kg)

152. After 1991 and even today, the availability of key resources for farming in Kyrgyzstan is limited and continues to act as a constraint on productivity. This section reviews the other key factors such as (i) fertilizers, (ii) seeds, (iii) machinery, (iv) finance, and (v) advisory services.

Fertilizers

153. Imports of fertilizer have grown since 2000 by about 68% (see Figure 12). However, current imports are about 40 kgs of fertilizer per ha of agricultural land. This is around 40% of what could be considered a basic application of fertilizer to achieve average yields. On irrigated land, this would be even less than satisfactory, and might represent no more than 25% of a minimum application.

Figure 12. Fertilizer imports (2000-2004).



Source: NatStatCom.

154. The SILR survey respondents reveal that only 14% of households use organic fertilizers, only 21% use inorganic fertiliserz and 22% use pesticides and chemicals. The main reason for the lack of use of fertilizers was reported as lack of liquidity (77 per cent) and the remainder the high price.

Seeds

155. Currently, many varieties produced on state farms are already 40-50 years old and genetically very poor. Only a third of total seed production is actually sold. Testing of new varieties, especially foreign ones, is heavily regulated and is taken up only slowly. While legal protection of new varieties and a state commission for variety testing, certification and quality control are in place, the collection of royalties, which is important to recover costs of breeding research and testing, does not work.

156. There is no hard data on this. However, the survey of farms indicates that they are cautious on using new varieties unless they have seen them in practice. New varieties of seed and breeds are more expensive than the regular ones. Therefore, in the conditions of limited liquidity the peasant prefers to use traditional seeds and breeds. Also, 39% of the sample surveyed use seeds from their own production due to lack of cash.

"Private entrepreneurship will play important role in improvement of medical and prophylactic measures in cattle breeding. Private veterinary specialists must be supported and provided with licences. Further improvement of material and technical base of veterinary laboratories and their provision with necessary equipment on the account of annual State subsidies are needed."

Source: S.M. Tynaev, Deputy Minister for Agriculture and Water Economy

Livestock related services

157. The genetic quality of milking cows has deteriorated significantly in the years after independence. Milk performance recording

stopped on most farms, except on very few of the remaining collective cattle farms. Old stocks of deep frozen semen were used for years to produce offspring, including bulls off unselected bull mothers. Bulls in villages were rarely replaced with selected breeding bulls. Only in the late nineties private veterinarians and the Central Asian Breeding Station started to support livestock owners by providing artificial insemination services, at cost and using semen of selected bulls. At around 2001 young bulls were being produced on a one of the collective dairy farms from selection of bullmothers, and sold to eager farmers.

158. In the case of sheep the availability of merino rams, necessary to upgrade wool quality, was restricted to a few flocks. As explained earlier, wool processing facilities deteriorated and so did the market for wool. The interest for fat tail breeds, such as the Hisar, however increased.

Machinery

159. Most of the work on the smaller private farms is done manually, simply because machinery is not readily available for hire when it is needed, or too expensive. The state owned enterprise (Ailtechservice) for machinery is not efficient enough to meet the demands of the farmers.. Many of the tractors and combines acquired since 1997 have been financed with interest free credit from Japanese Grant Funds. The last of these machines were acquired with a loan of 56 million Som (US\$ 1.1 million), borrowed in 2001 and repaid in 2003.

All the developed countries, including the USA, organize annual trade fairs for farmers and peasants to be able to improve efficiency of their work and become entrepreneurs. These trade fairs make it possible for farmers to exchange their experience, demonstrate their achievements and win prizes for their achievements, for example, for the best cattle, poultry, etc. At such trade fairs farmers were acquainted with new agricultural machinery, equipment, fertilizers, etc., and entered into contracts for supply of all these goods. Unfortunately, in Kyrgyzstan such fairs and other agrarian arrangements of such kind - providing good effect and results - are held very rarely.

Source: T.E. Omuraliev, President of the Congress of Local Communities

Seasonal Finance

Despite the importance of the agriculture sector in the economy, only about 5% of total lending by commercial banks goes for agriculture, agro-processing and storage activities. An exception here is the Kyrgyz Agricultural Finance Corporation (KAFC), a non-bank financial institution with an outstanding loan portfolio of US\$28.8 million (end-2003), mostly in loans to primary agricultural producers (91% of the total portfolio). The average loan size is relatively small, about US\$1,450 equivalent. Eight percent of KAFC's portfolio is in agro-processing, and has been increasing only gradually.

160. Estimates of the demand for agricultural credit have been made by different experts, the Government and international institutions. They indicate that the potential demand for agricultural credit is between 15 and 20 bln. som. The current level of lending covers not more than 10% to 15% of that potential demand. Currently, about 100,000 households out of a total of 1.1 million, have obtained credit

161. The limited importance of commercial banks in agricultural finance reflects the fact that the banks do not serve the rural poor and low-income households due to the perceived high risk and high unit costs involved in small transactions, the low relative profitability and the inability of the poor to provide collateral. Also, the commercial banks have inadequate skills to appraise medium-term and long-term agricultural loans, or assess agricultural lending risks. They maintain a very limited branch network in rural areas. The key reasons for the limited lending to agriculture and the rural sector are systemic, i.e., they exist in the whole banking sector:

162. *Inadequate Skills of Commercial banks to appraise long-term agricultural loans:*

While the banks are fairly experienced in providing working capital loans, they lack skills when it comes to appraisal of long-term investment projects. The inadequate skills are a major contributor to the lack of investment lending in agriculture. As of end-2003, there were no loans for either production or processing with maturity of over one year in the loan portfolios of commercial banks.

"The monitoring shows that rural producers may finance, at best, 60% of their annual production costs, the remaining 40% of the costs are to be covered on the account of credit resources. This makes approximately 5.8 billion Som. Lack of credit resources for the agrarian sector makes around 3.5 billion Som. In 2005 all the crediting agencies and banks issued approximately 2.1 billion Som of credits to rural producers, processing enterprises and purchase and sale enterprises working with agricultural products. This amount of credits covers only 35% of their needs."

Source: S.M. Tynaev, Deputy Minister of Agriculture and Water Economy

163. *Lack of acceptable collateral in rural areas or lack of institutions for its registration:* Most commercial banks prefer real estate in larger urban areas, which most of the borrowers in agriculture-related businesses may not have. KAFC is an exception, as they work with a wide range of assets in rural

areas, and this experience can be shared with the commercial banks. In the last three years, amendments adopted by Parliament have improved the laws on collateral. Collateral registration procedures are now more-or-less acceptable for citizens. The rural population, however, still has difficulty with collateral registration. The main difficulty is that no State Register or Collateral Register offices exists at the village level and the collateral registration process is complicated and expensive for rural people. Also, it is not possible to complete the registration of movable and immovable property even at the rayon level. These rules exclude farmers from quick and simple access to medium and long-term credits. A possible solution to the problem is shifting the authority of collateral registration to the village government. It is also necessary to amend the Law "Land management" to clarify the issue of using land as a collateral.

164. The survey also indicated that land is the only assets of the farmers and 30% of the sample surveyed did not want to apply for a loan for fear of losing their only asset.

"People have to plan their life, budget and income and only then it is possible to overcome poverty."

Source: Workshop Participant

165. *Agricultural lending risks:* Lending to agriculture in general is perceived as very risky. Besides production risk, which is a major concern, the

commercial banks mentioned poor readiness of the borrowers to take loans, especially poor management capacity.

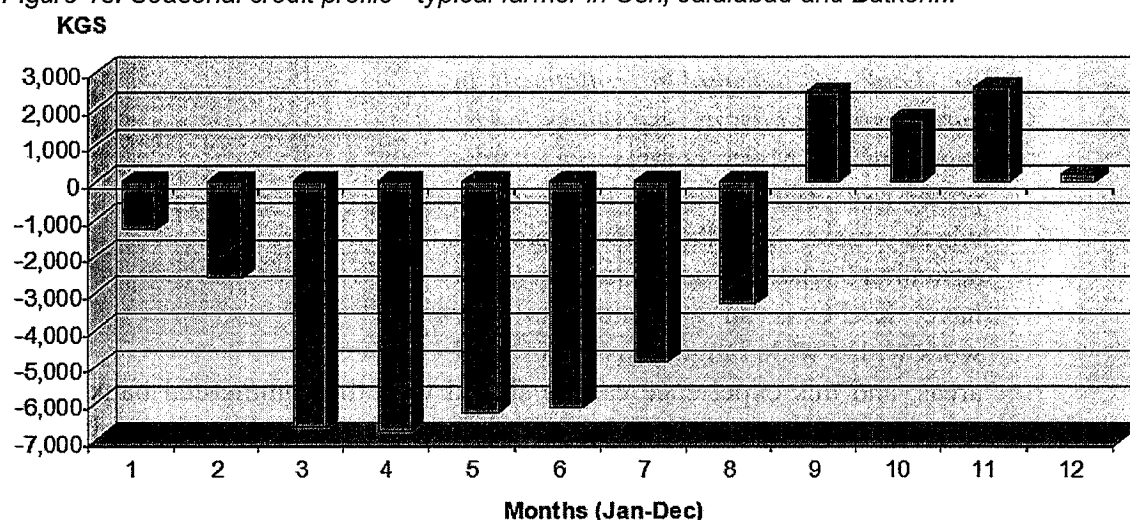
166. The major provider of commercial credit to the agriculture sector in recent years has been the Kyrgyz Agriculture Finance Corporation (KAFC). Assuming that 60% of KAFC portfolio has been applied to the provision of seasonal finance to farmers, and that almost all of this would be borrowed by private farmers. The existing seasonal finance requirements of a typical arable farmer in the south of Kyrgyzstan, with 0.6 ha of irrigated arable land and 0.3 ha of rainfed land is shown in Figure 13.

"First of all, conditions have to be established for farmers on lending long-term credits with low interest rates. We only speak of the establishment of rural banks. Annually agriculture need 10-12 billion som. Currently the problem is solved by migrants in Russia. Their money is used for cultivation of land and purchasing of livestock."

Source: S. Jeenbekov, Head of the Committee on Agroindustrial Complex and Ecology of Jogorku Kenesh of the Kyrgyz Republic

167. The SILR survey found that around 75% of farmer investment is funded from the farmer's own resources, further supporting the case that credit availability is still a major constraint for farmers (about 10% of investments are funded from credit sources).

Figure 13. Seasonal credit profile - typical farmer in Osh, Jalalabad and Batken...

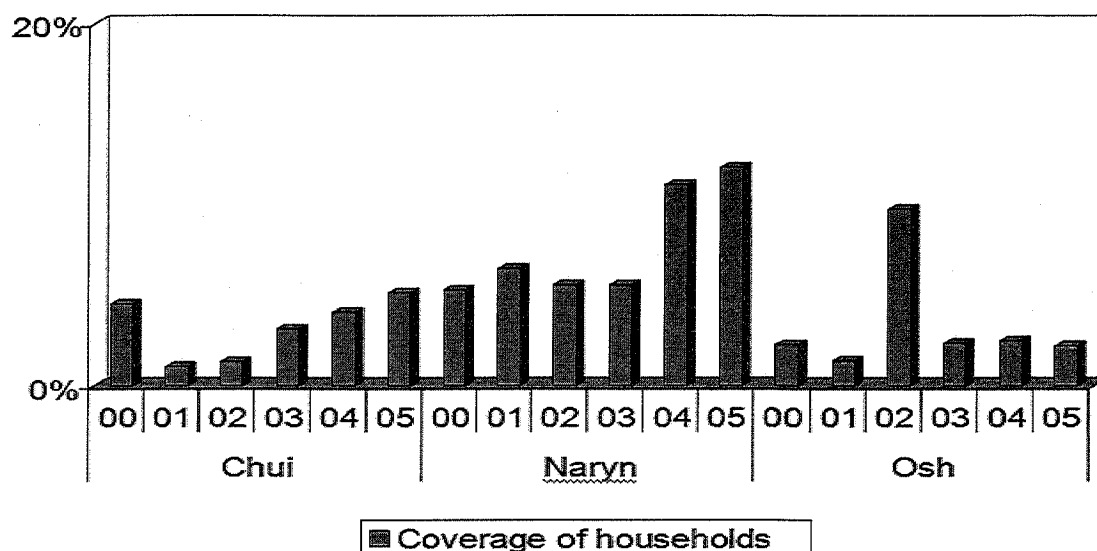


Source: ADB SAADP PPTA 2006.

Advisory Services

168. Figure 14 shows the level of technical support delivery to farmers in Kyrgyzstan is still in a developmental stage. Less than 10% of farm households has been in direct contact with advisory services (RAS) more than once in a year

Figure 14. Coverage of RAS Extension Services by household (2000-2005).
Sum of Coverage



Source: NatStatCom.

A3. Farm types contributing to growth

169. Farm reorganization was one of the first steps in the reform process. The various farm types that evolved are described in Chapter IV. The number of farms in each of these categories, as registered by GosRegister, is provided in Table 8. In this chapter only three categories of agricultural producers are considered, as explained below, to review their contribution to agricultural growth. These farm types are: (i) household plots, (ii) private, individual farms and (iii) larger enterprises (or collective farms).

Table 8. The number of farms in different categories.

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
State farms	323	258	193	128	49	38	35	53	58	61	59	94	68	68	111
Collective farms, of which:	195	349	451	459	953	987	667	652	600	569	721	726	971	1,111	1,124
Kolhozes	195	179	212	119	37	16	8	4	3	-	-	-	-	-	-
Farm Cooperatives	-	125	160	152	608	631	318	336	282	292	463	624	772	832	926
Collective - country facilities farms	-	-	-	-	-	148	138	123	150	227	174	63	124	200	147
Associations of Farmers	-	45	79	116	227	125	154	138	114	2	38	-	-	-	-
Joint-stock companies	-	-	-	72	74	61	41	45	45	44	39	75	79	51	-
Agro-firm	-	-	-	-	7	6	8	6	6	3	2	-	-	-	-
Peasant farms	4,567	8,695	18,269	21,264	23,180	31,078	38,724	49,277	60,111	71,163	84,692	251,526	255,882	259,701	300,162

Source: GosRegister

170. **Household plots.** These are traditionally allocated by the state to all rural and to some urban households for the construction of dwellings and as a supplementary source of food production. Household plots produce approximately half of the total value of livestock products and over a quarter of the crop output value. Traditionally, household plots are major producers of vegetables with a modest share in the production of grains and fodder. Household plots occupy a relatively uniform land distribution across all oblasts. Households are not enumerated in Table 8.

171. **Private, individual farms.** The private, individual farms are based on family labour cultivating owned or leased land. Since 2002, they have been the leading producer and seller of both food and non-food crops. In Table 8 these farms are referred to as Peasant Farms. Jointly with households, the private and individual farms own most of the national livestock. Their size distribution varies greatly, with most being concentrated in the lower range (0.5 - 5 ha);

172. **Larger enterprises (or collective farms).** Larger enterprises are dominantly based on the state or collective ownership of assets including land. The category includes state enterprises, collective and subsidiary farms and other organizations. Most of these enterprises are located in the North. They are mainly engaged in the production of low value agriculture outputs, i.e. production of grains and fodder crops with considerably large areas under non-food crops.

Table 9. Main characteristics of farm types in 2002.

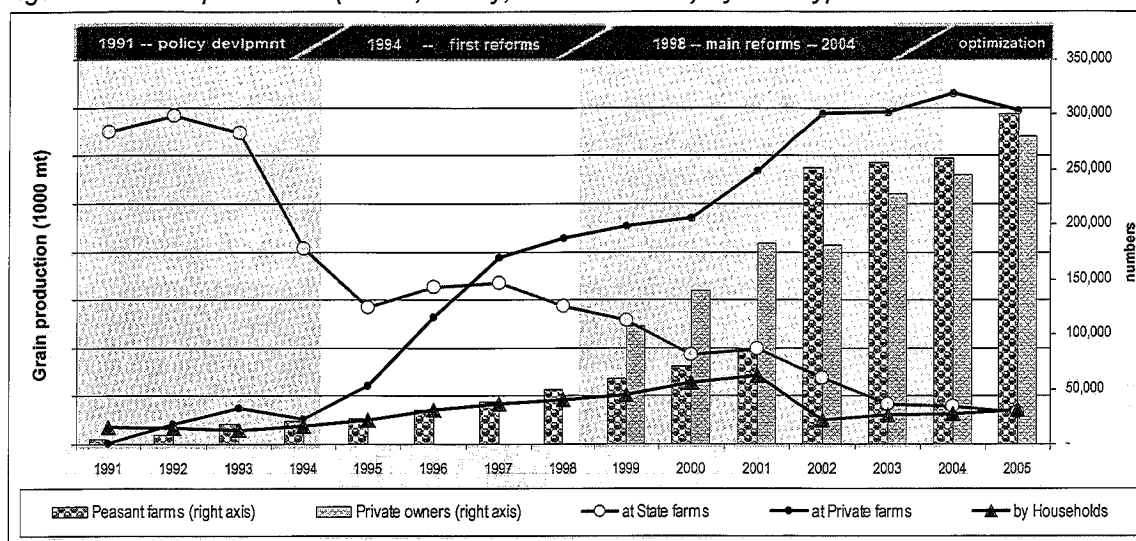
	Household plots	Private farmers	Agricultural enterprises
Number	881,713	251,526	1,326
Average holding of arable land (ha)	0.1	3.8	222
Share of total arable land	5%	71%	13%
Share of ag. Employment	35%	52%	13%
Share in ag. value added	0.38	0.59	0.03
Ag. Value added (KGS/ha)	119,028	17,201	2,923
Ag. Value added (KGS/worker)	40,434	28,523	5,146

Source: National Statistical Committee, 2003

173. In terms of the contribution to agricultural GDP growth, for the period 1996-2002, the individual private farms represented the main growth engine. They increased by 20% per annum – three times the rate of the overall growth of sector during the same period. By contrast, the household plot contribution to GDP has been declining. The larger enterprises (mostly state owned) contribution to agricultural GDP also declined over the period, and they were contributing only 3% of agricultural value added in 2002 (National Statistical Committee).

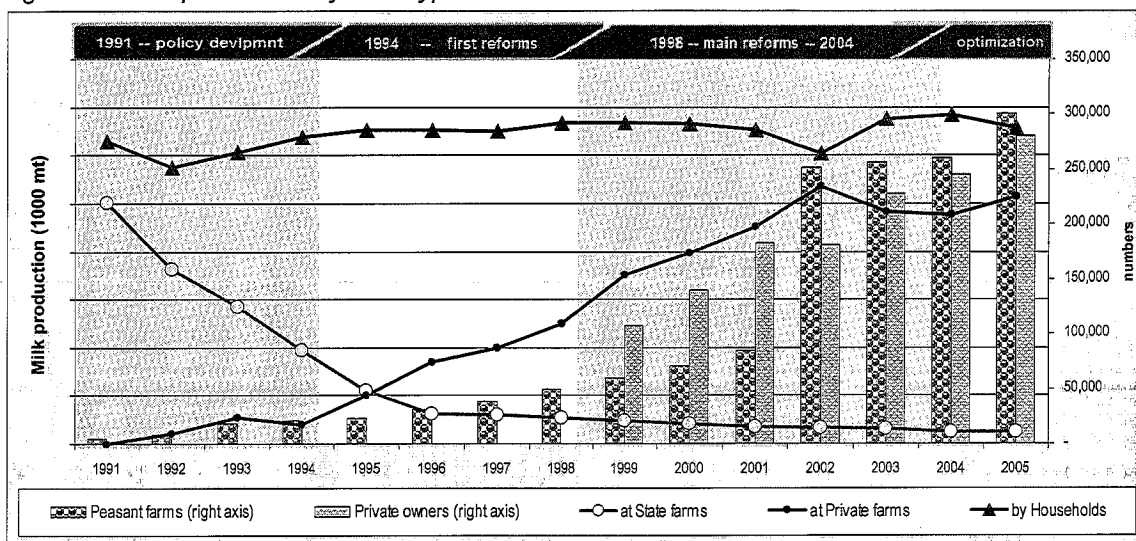
174. The level of contribution of individual households to overall production depended on the product, as Figure 15, Figure 16 and Figure 17 illustrate. Where grain is concerned, individual households remained to contribute only a small share. Milk, on the other hand, is produced mainly by households. A substantial increase of vegetables has been achieved by both private farms and by households.

Figure 15. Grain production (wheat, barley, maize and rice) by farm type.



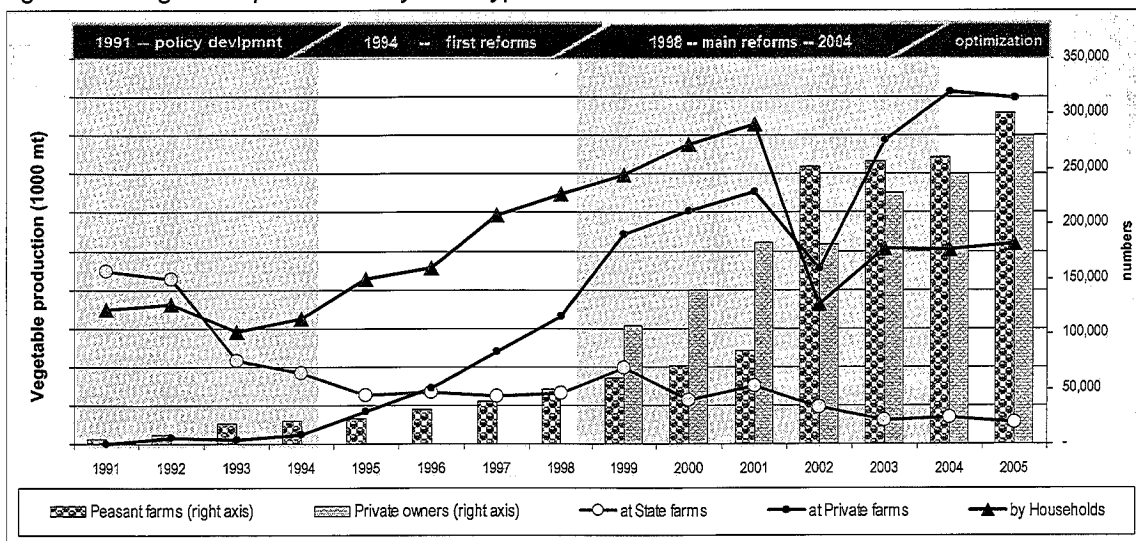
Source: National Statistical Committee and GosRegister, 2006

Figure 16. Milk production by farm type.



Source: National Statistical Committee and GosRegister, 2006

Figure 17. Vegetable production by farm type.



Source: National Statistical Committee and GosRegister, 2006

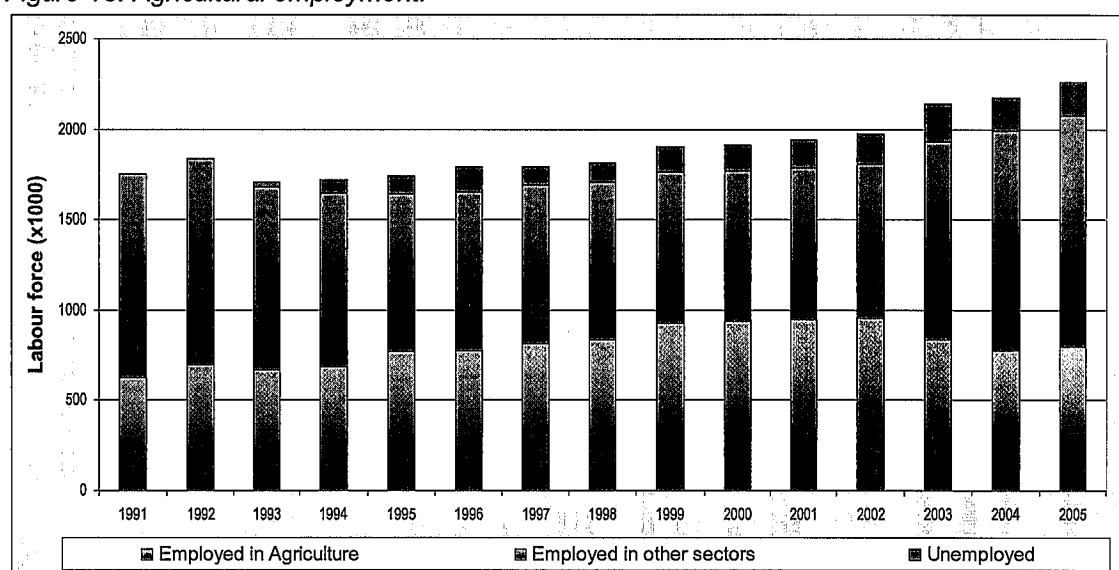
175. This shift in the composition of value added by private farms is partially a result of the land reform and agrarian reforms. By 2002, 71% of all arable agricultural land was operated by private farms. Currently, leased land accounts for about 20% of the land holdings of private farmers – mostly through the LRF⁸.

176. These output proportions also demonstrate the significant level of fragmentation of the agricultural sector farm and the dominant role played by individual households and small farms in the sector.

A4. Agriculture Sector Employment

177. The agriculture sector employs half of the total labour force of the economy (Figure 18). Average agricultural employment from 1991 to 2002 constitutes 45.2% of total employment in the Republic. Of the agriculture sector employment, 65% is in private farming, with 20% of those employed working on individual plots. Thirty five% of the labour force is in agricultural enterprises or collective farms.

Figure 18. Agricultural employment.



Source: National Statistical Committee, 2007 (www.stat.kg)

A5. Agricultural Exports

Agricultural exports accounted for between 15 to 18% of total exports from 2001 to 2004 (data from NatStatCom). The structure of agricultural exports, (as of 2004) indicates that the main agriculture export items are fruits and vegetables, sugar, cotton and dairy products. The structure of agricultural exports is provided in the Table 5, below⁹.

⁸ Source: GosRegister

⁹ The net Export items include Vegetables and Fruits, Dairy Products, Sugar, Tobacco, and Cattle and Sheep Skins. According to the 2002 export data, the destination of the export items is as follows: 50 per cent of Dairy Products are exported to Kazakstan, 10 per cent of Vegetables and Fruits are exported to Russia, 25 per cent of Vegetables and

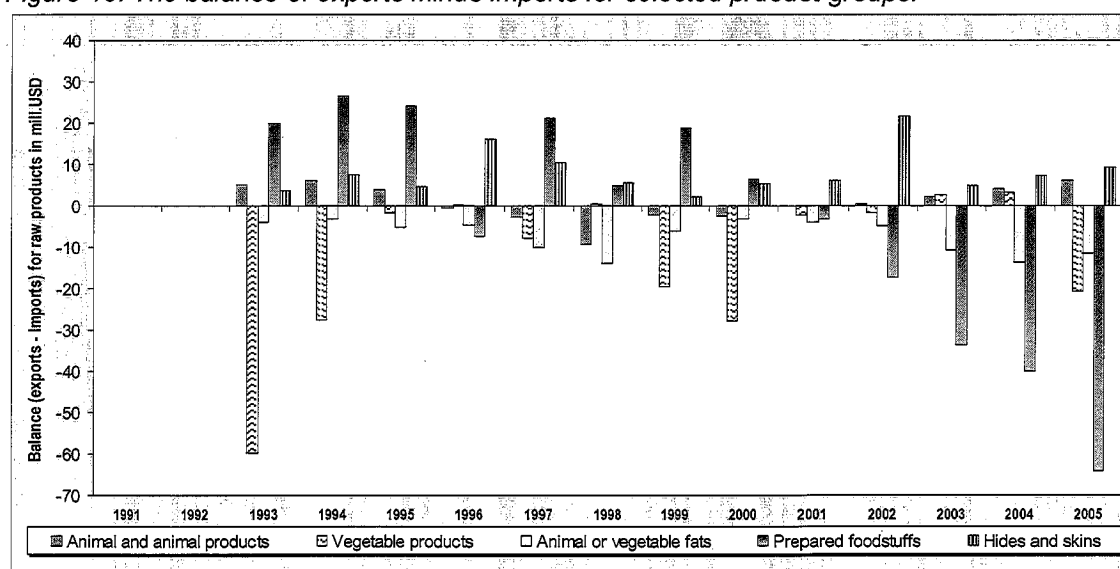
Table 10. *Export items as a % of total agricultural exports, 2003-2004*

Export items as a % of total agricultural exports	2003	2004
Wheat	0.5	0.2
Flour	0.6	0.1
Dairy Products	8.8	8.0
Vegetables and fruits	13.7	16.4
Sugar	6.3	16.5
Wool	1.8	1.9
Cotton	40.6	32.1
Tobacco	12.0	8.7
Cattle and sheep skins	7.5	4.5
Mineral and other non-alcoholic drinks	0.6	3.2

Source: National Statistical Committee

178. Various export constraints, combined with inefficient commodity supply chains, have resulted in a decline in Kyrgyz agricultural food and non-food exports since the mid-1990's. In 1995, the value of agricultural food, non-food and beverage exports was \$120 million. By 2003 it had fallen to half that level. The bulk of the decline was recorded in food and beverage exports which dropped by 70 per cent.

179. Most fruits and vegetables are exported to Russia and Kazakhstan, cotton to Latvia, Belarus, Korea, Switzerland, etc. Cattle and sheep skins are exported mainly to China.

Figure 19. *The balance of exports minus imports for selected product groups.*Source: Asian Development Bank (ADB) - Key Indicators 2007 (www.adb.org/statistics)

A6. Total Factor Productivity in Agriculture

180. **Factor productivity** differs from factor return in that it measures the increase in output that results, not from the increase in factors of production (land, labour, capital) but from technological innovation. Therefore, the total factor productivity in the agriculture sector is defined as “the growth in agriculture output minus the growth in the

Fruits are exported to Turkey, Tobacco is mainly exported to Russia, while the majority of Cattle and Sheep Skins are exported to China.

weighted sum of all inputs”. After extracting growth that results from increases in labour, capital and land inputs, the remaining growth is a residual factor that measures technological innovation. It is therefore a measure of productivity growth. It may be restated thus, “agriculture sector productivity is the excess value of agriculture output over that produced by increases in inputs”.

181. Measuring agricultural technological change (productivity) therefore requires the wide range of detailed agricultural data on quantitative increases in the values of agricultural output and detailed data on the increases in factor inputs of land, labour and capital. Such data is not currently available to derive the rigorous estimates. However, land reform in the Republic constitutes the **most marked innovation** in the sector since independence. The resulting shift to small scale agricultural operations represents, correspondingly, the most market innovation in the sector. While land reform has initiated a new system of agricultural production in the Republic in the form of small scale farming replacing the sovhoz/kolhoz system of production the realization of potential productivity increases is dependent upon complementary small scale farming technologies in the areas of mechanization and modern management technique.

A7. Agricultural Sector and Non-Farm Activities in Rural Economy

182. The structural changes that occurred in the Republic’s economy after 1991 led to a shift in employment from industry to the agricultural sector. This shift had major impacts in rural areas. As of 2004, almost 84% of the rural population was employed in the agricultural sector. Currently, development of the rural non-farm economy lags behind agriculture. Rural wages are low due to the still embryonic non-farm economy; most of the existing non-farm entities have emerged only recently. Public sector employment remains dominant in the rural labour markets. Wage earning households are principally engaged in public administration and social services, which provide for about 38% of all non-agricultural labour employment, and 53% of all wage income. Individual entrepreneurial activities account for 25% of total non-farm employment. In addition, the average monthly income from entrepreneurial activities is about 20% lower than the average monthly income provided by wage employment (source: NatStatCom).

183. At the same time, the demand-side prospects of agriculture-led growth in the rural non-farm economy are promising. Increased agricultural productivity will generate demand for additional inputs and services. Likewise, increased household incomes will boost the demand for consumer goods and non-farm services. The small size of the rural non-farm economy reflects its incipient stage of development. Agricultural demand for non-farm goods and services has undoubtedly increased during the post-recovery period, which is associated with greater agricultural cash receipts. Therefore, measures to sustain agricultural growth and its increasing commercial orientation will also promote the growth in the rural non-farm economy through linkages between household income and non-food demand.

184. Most rural demand for consumer goods is expected to be met through the imports from neighboring countries (China, Russia and Kazakhstan). Thus, consumer good imports represent “demand leakages” from the perspective of domestic manufacturing. The present picture of rural entrepreneurship is consistent with this argument. In 2002,

86% of all sampled micro-enterprises were involved in the services sector and only 4% involved in manufacturing. At the same time, given Kyrgyzstan's open trade regime, low cost imports of consumer goods, in addition to stimulating the domestic service industry, will maintain the purchasing power of rural incomes, and some of the incremental income will be spent on services or non-tradable commodities.

A8. Agricultural Sector and Equality and Poverty

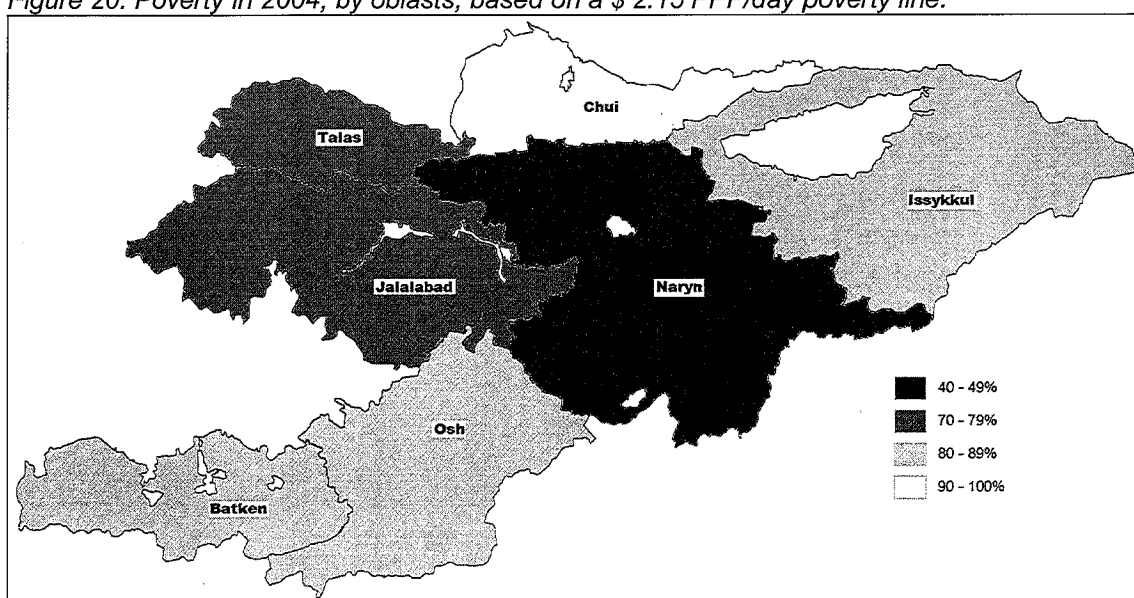
185. In 2004 45% of the population of Kyrgyzstan were at the poverty level. Most of the poor reside in the rural areas. In turn rural areas are heavily dependant on the agricultural sector which is the dominant activity. The 15 years of economic transition show that the most successful economic regions are those with urban agglomerations, and especially capital cities. Poverty rates in rural regions are significantly higher, for example Bishkek city records 17.6% of the residents at poverty level while the Batken poverty level is 71%.

Table 11. Poverty by Oblast, 2004, by expenditure.

Oblast	Urban	Rural	Total
Bishkek	17.6%		17.6%
Issy-Kul	15.1%	62.6%	49.0%
Jalal-Abad	46.8%	49.2%	48.6%
Naryn	43.6%	54.3%	52.4%
Batken	62.4%	74.0%	71.0%
Osh	43.3%	54.7%	51.9%
Talas	52.4%	50.4%	50.7%
Chui	10.5%	25.3%	22.2%
Total	20.0%	50.5%	42.9%

Source: National Statistical Committee

Figure 20. Poverty in 2004, by oblasts, based on a \$ 2.15 PPP/day poverty line.



Source: UNDP estimates

186. The root causes of the high rural poverty are a result of the liquidation of the large-scale collective and state farms that dominated socio-economic life in rural areas during the Soviet period. In addition to agriculture and food products, these farms provided

social services amenities such as schools, health services and housing. Following independence, many of these farms collapsed or underwent dramatic restructuring. Their social responsibilities were often transferred to local governments that did not have the financial or human resources to discharge them.

187. In terms of the inequality in income distribution the Gini Coefficient has varied from 0.287 in 1989 to 0.35 in 2000 and back to 0.28 in 2003 (source: UNDP Human Development Reports). The rural population have limited employment opportunities in non-farming economy. Farm incomes approximate only half the national average wage and remain significantly lower than incomes in industrial activities mainly domiciled in urban areas.

188. Agricultural sector productivity is low thus resulting in lower incomes from farming activities. In turn, this leads to greater poverty levels in the rural areas as 84% of rural population is employed in the agricultural sector. The disparity between rural and urban poverty levels may further increase leading to greater inequality as economic growth in urban areas continues at a faster pace.

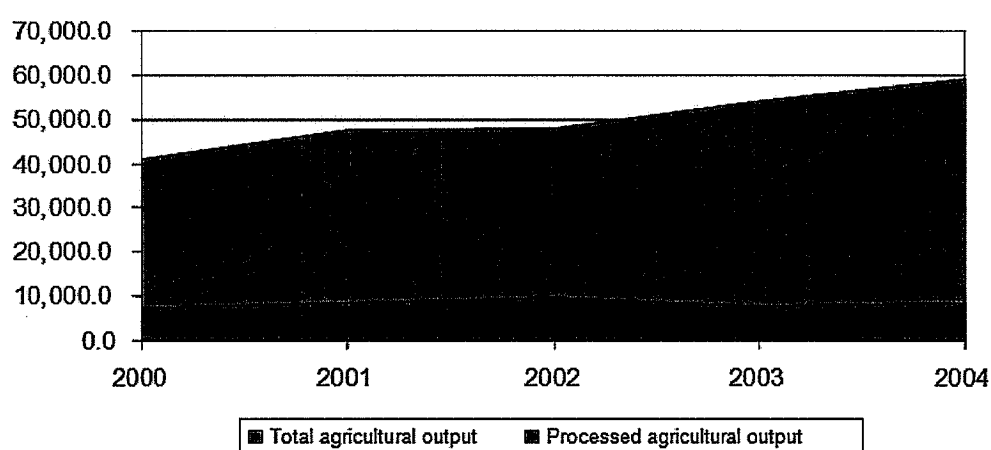
A9. Market for Agricultural Land

189. The main problems constraining the emergence of efficient land markets include (i) lack of market information on land prices or rents, (ii) the inability to use agricultural land as collateral and (iii) the imperfect cadastral system.

A10. Market demand for Agricultural Output

190. Figure 21 shows the increasing gap between gross output value and the total value of processed output of agricultural products. Between 2000 and 2004, the unprocessed share of gross agricultural output value increased by 56% from around 32 million KGS to around 50 million KGS. Assuming that processed output value is an indicator of increasing demand, and hence prices for farm output, then the lag in processing capacity is likely to be depressing demand, and hence prices for agricultural products.

Figure 21. Gross output versus processed agricultural output (million KGS).



Source: National Statistical Committee

191. The reasons for the limited development of agro-processing are numerous. They include excessive regulation, government involvement in the farm input and output markets, tax policies, high interest rates, and the limited availability of long term capital which constrains investment. The lack of management skills and management support systems are also important constraining factors.

192. Constraints on production and marketing in the domestic market include the lack of finance to invest in marketing functions from farm gate through to the retail level. Investments are required in transport, storage, processing, grading, packaging and consumer research. In addition, better access to available finance in the marketing chain will ultimately result in improved farm gate prices and price stability as a result of improved storage, especially for perishable crops.

193. An important constraint on market development is the inadequacy of infrastructure - both hard and soft. Hard infrastructure includes roads, bridges, water, electricity and telecommunications. The lack of these infrastructure components is frequently cited as constraints on marketing investments such as cold storage. Soft infrastructure includes: (i) a supportive legal framework for farmers and all operations along the marketing chain; (ii) workable grades and standards that meet consumer demands; (iii) standardized commodity contracts; (iv) consistent and timely enforcement of contract breaches; and (v) timely market intelligence.

194. The growth and development of agro-processing has been weak compared to the progress in primary production. New small and medium scale enterprises have been slow to emerge. Currently, businesses fall into 2 broad groups – either micro-enterprise, which lack capital, expertise and economies of scale, or large state owned or recently privatized companies which suffer from over-capacity and poor management. In most countries, small and medium scale businesses are the backbone of manufacturing and processing. It is this gap that severely weakens the process of ensuring potential consumer demand is effectively and quickly transmitted to farmers, hence the loss of potential economic growth opportunities.

B. Livestock Population and Rangeland Productivity

195. The focus of this chapter is the current status of Kyrgyzstan's rangeland and on the methodology of assessing it's health, rather than on the changes that occur and can be related to land privatization.

B1. Livestock Population

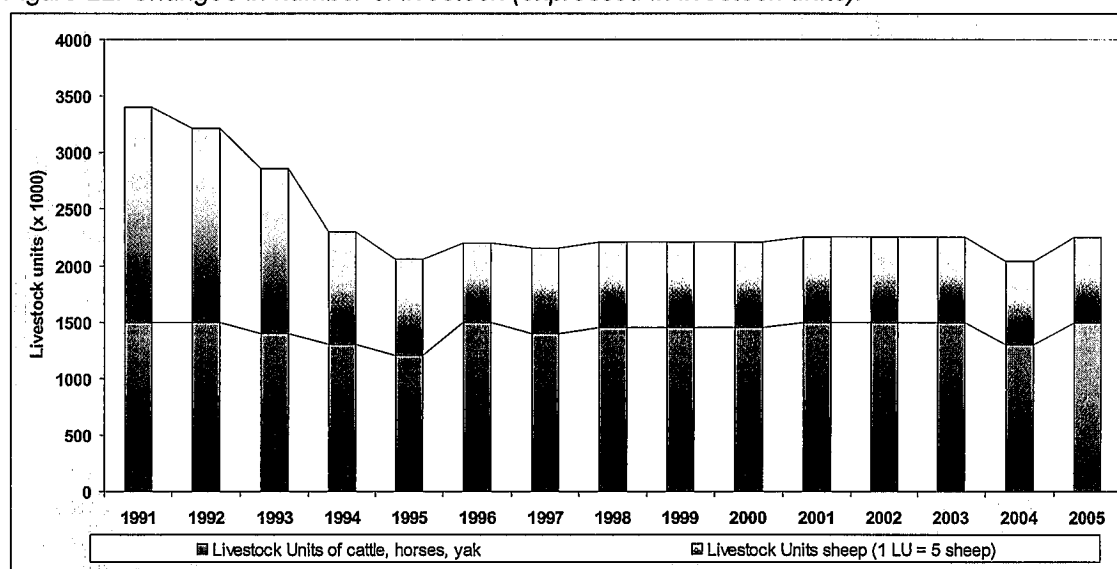
196. Immediately after 1991, the Republic's **sheep population** declined steeply from about 9 million heads to approximately 4 million (Figure 22 shows the number of Livestock Units nation-wide,

"With disruption of inter-republican links the All-Union fund stopped providing the livestock farming with hundreds of thousands of tons of mixed fodder, machinery, fuel and lubricants, fertilizers and chemicals at low prices. As a whole Kyrgyzstan was deprived of assistance worth two billion roubles. It should be noted that at the time the rouble purchasing power in respect of this circulating capital was by far higher than that of the dollar. From year to year the agricultural production volumes as well as means of production curtailed. Beginning the year 1991 the annual reduction of agri-product production constituted 14 to 17%."

Source: E. Aliev, retired Head of the Ex-Centre for Land and Agrarian Land Reform

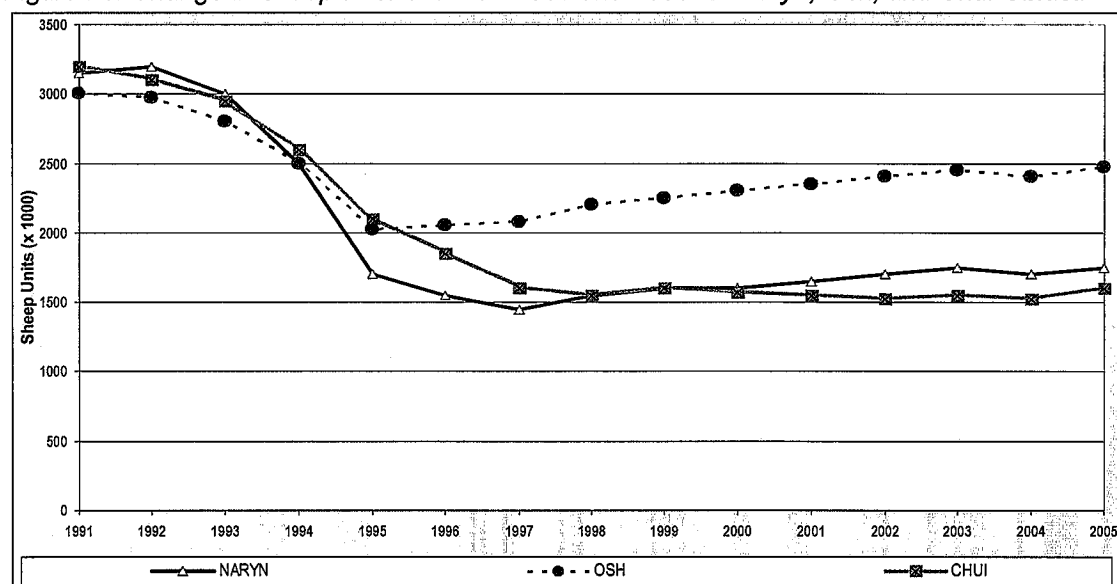
and Figure 23 shows Sheep Units¹⁰ in Osh, Naryn and Chui oblasts). Differences between oblasts were not large, though the decline was most dramatic in Naryn where the sheep population declined by 75.5% from 1991 to 1997. The decline has been associated with various factors: (i) sheep were distributed early and were easily sold or slaughtered, to generate income or food when the household needed either; (ii) the export of wool fell sharply and wool processing capacity declined; (iii) the organization and infrastructure that facilitated grazing at summer pastures deteriorated, and (iv) the import of grains used for supplementary feeding diminished sharply. Since the mid to late 1990s each oblast has shown improved livestock numbers with the earliest rise in sheep units occurring in Osh, where there has been an average increase in sheep units of 2.17% per year since 1995.

Figure 22. Changes in number of livestock (expressed in livestock units).



Source: Converted data of Giprozem, 2006. The numbers are higher than those reported by the FAO in Fitzherbert (2000).

Figure 23. Change in sheep units between 1991 and 2005 for Naryn, Osh, and Chui Oblast.



Source: Giprozem, 2005.

¹⁰ A sheep unit is a standard unit to place animals on a standard forage use basis: 1 cow or yak = 5 SU; 1 horse = 6 SU; and for this analysis sheep and goats were combined and each is 1 SU. One Livestock Units thus is one Sheep Unit.

197. The decline of the **cattle population** has not been as dramatic. Cattle owning households constituted 62% of all households in January 1997 or an estimated 80% of rural households. At least two thirds of milk and meat produced in the mid-nineties was consumed by the households owning cattle themselves¹¹. One reason for the low level of commercialization of fresh milk was the lack of infrastructure for marketing of surplus milk, as existing dairies virtually stopped functioning¹² and a milk collection grid (beyond large collective farms) had not developed. The small average number of 1.2 cows per household furthermore left only a small balance of surplus milk per household, making milk collection a costly affair. The present, mainly privately-owned milk processing industry started to develop in the late 1990s.

198. The SILR survey shows livestock changes on a household basis in the course of reconstruction (Table 12). The survey shows that families received relatively small numbers of livestock with a few exceptions (maximum numbers). The mean number of sheep and goats provided during reconstruction was 29 and 15 respectively but as shown by Oblast and national livestock numbers sheep/goat numbers significantly decreased. The relatively low numbers of current livestock shown by the survey was attributed to livestock losses from disease, theft of animals, and necessity of selling animals for buying necessities. In individual interviews herders and administrators predicted only small increases in animal numbers.

Table 12. Change in livestock numbers in the course of restructuring (heads per farm).

Livestock type	Before Restructuring			Received in Restructuring			Current Livestock Number		
	Mean	Median	Maximum	Mean	Median	Maximum	Mean	Median	Maximum
Cows	1.9	1.0	11.0	1.9	1.0	10.0	2.8	2.0	30.0
Horses	1.8	1.0	20.0	1.4	1.0	10.0	2.2	1.0	15.0
Sheep	14.0	10.0	180.0	29.0	18.0	450.0	15.6	10.0	200.0
Goats	5.4	5.0	20.0	15.2	5.0	54.0	5.8	5.0	25.0
Donkeys	1.0	1.0	1.0	0.0	0.0	0.0	1.1	1.0	2.0

Source: SILR survey

199. The change in sheep numbers has also been associated with a change in type of sheep, from fine wool types to meat sheep. The increase in meat breeds is associated with decreased wool markets, growing demand for meat, and the greater adaptability of meat breeds to the "new management system" (less fodder fed and less veterinary care).

200. According to the SILR survey difficulty of access to good pastureland is a factor for sheep unit reduction (reported by 18% of households surveyed) and 19% stated pasture access was not a problem. Most of the interviewees considered that pasture quality had decreased since land distribution. Fitzherbert (2000) suggests the rapid decline in sheep numbers in the Kyrgyz Republic was associated with (i) the loss of the guaranteed Soviet wool market and (ii) difficulty for families to feed animals through the winter as there was a shortage of good winter pastures near to the settlements (Fitzherbert, 2000). Also, herding small numbers of sheep is costly and inefficient and as most of the summer pastures are far from settlements comparatively few families were prepared to transport animals to remote pastures.

201. The SILR survey shows that 29% of the respondents considered the remote pastures too far. It is likely that the poorer livestock owners and/or those with few animals are

¹¹ A comprehensive review of cattle production between 1991 and 1997 is in MoAWR, 1997

¹² Only 10% of the capacity of existing dairies in 1997 was used.

unlikely to afford the moving livestock to distant pastures unless they use shepherds that manage animals from several people. This was a common practice for the remote pastures (discussed in the section on pasture use).

202. Annual livestock numbers for different types of livestock expressed as sheep units are important to illustrate changes in grazing pressure. Statistics before 1990 are believed to be accurate but livestock numbers between 1991 and 2005, provided by oblast administrations, are suspected to be **underreported**. During interviews in this study, rayon and ayyl okmotu officials often stated that current livestock numbers may be 25% greater than reported and data from a UNDP project showed significant underreporting (Table 13). On a sheep unit basis the underreporting was 28%. With the knowledge that there are inherent problems in livestock statistical data, the official¹³ livestock numbers are still used to examine trends and to determine differences between oblasts.

Table 13. Reported versus actual livestock number in the "Community Managing Pastures Project", Temir Village, Issyl Kul, Oblast.

	Reported	Counted
Sheep/Goats	5,358	8,337
Cattle	1,865	2,051
Horses	647	861
Yak	14	27
Total Livestock	7,884	11,276
Sheep Units	18,635	23,893

Source: Gizprozem, 2005

B2. Feed Resources

203. The levels of livestock numbers that were maintained in Soviet times are generally considered to be beyond the carrying capacity of natural pastures. Under the Soviet system, local feeds were supplemented with concentrated feeds from other parts of the Soviet Union¹⁴, in return, large proportions of the domestic dairy production was exported. In border areas, animals moved from Kyrgyzstan to Kazakhstan for winter grazing. Thus, the Kyrgyzstan livestock system was part of a larger, integrated system. With the collapse of the Soviet system, most of the cross-border movements of feed, animals and products stopped. The challenge of the period since has been to continue the transition towards a sustainable livestock farming system that calibrates the capacity of pastures and arable lands to provide the necessary levels of fodder in the long term, and one that is more or less self-contained at the Ayil Okmutu level.

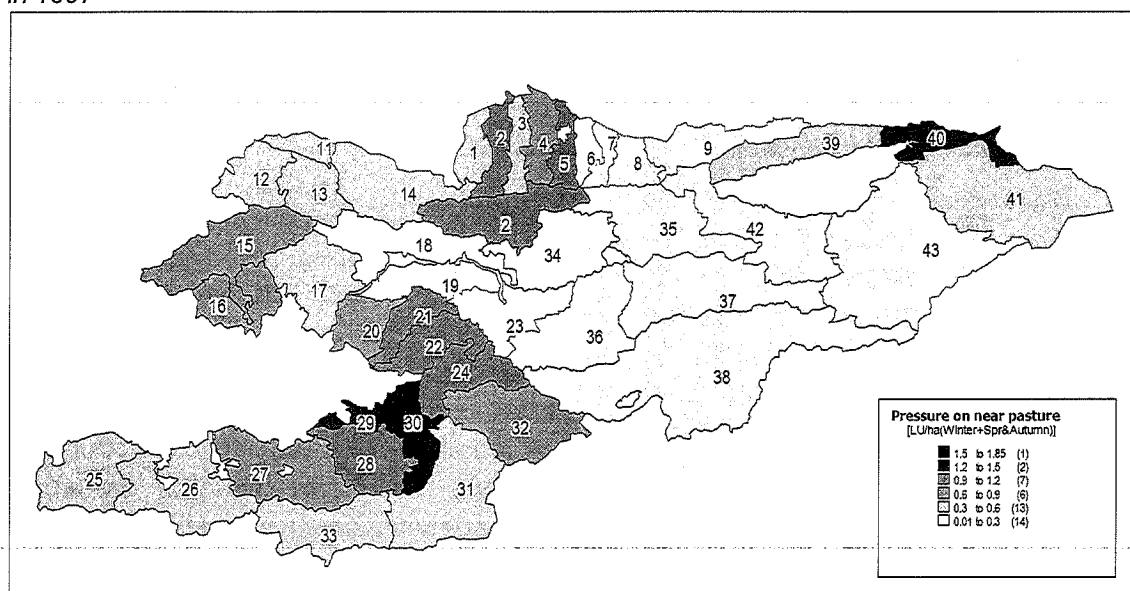
204. A study of 1997 (when the livestock population had more or less stabilized) estimated that 61% of the total roughage dry matter suitable and available for animal feeding was contributed by pastures. Another 18% was of grown fodder (mainly esparcet and lucerne), 17% of straws and stubble grazing and no more than 2% of other grown feeds such as beets, melons and pumkins. The same study showed, based on available livestock and pasture statistics, in which rayons the number of animals per

¹³ The livestock numbers were provided by Giprozem Institute. There was a difference in these livestock numbers and those reported by FAO in Fitzherbert (2000) where national numbers were lower but trends between years would remain the same.

¹⁴ According to MoAWR (1997) nearly 60% of all available cereals in 1988 (90% of the domestic production grown on up to 70% of the arable land) was used as feed. By 1994 in absolute quantities the use of feed cereals was 40% of 1988.

hectare of pasture near villages (all pastures except summer pastures) was highest - and therefore the dependence on summer pastures and other feed resources was most pronounced (Figure 24). This figure shows, for instance, that in Aravan rayon (#29 on the map) the number of grazing livestock per available "near-village-pasture" is twice that of Kochkor rayon (#35 in the figure; both rayons are included in our survey). Obviously, livestock kept in these rayons in 1997 depended on stubble grazing, straws, cotton seed cakes and other crop residues as well as grown fodders more than in other rayons.

Figure 24. The number of livestock units per available area of winter and spring/autumn pasture in 1997



Source: MoAWR, 1997

205. This regional variation in importance of pastures in comparison to other feeds sources is still valid in the rayons surveyed in 2005: farmers of Aravan, Uzgen and Sokuluk depend more than others on feed purchased from neighbours or the market (see Table 14). Most of the livestock farmers interviewed stated they grew their own winter fodder on their land share. Much of the traditional wintering grounds are no longer available for traditional systems and it will be necessary to integrate crop and animal agriculture to improve livestock production.

Table 14. Sources of fodder for livestock (% of farms interviewed) in Chui, Osh, and Naryn Oblasts.

Rayon, Oblast	Grow their own	Purchase from Neighbors	Other (bazaar)
Kemin, Chui	91	9	0
Sokuluk, Chui	52	23	26
Aravan, Osh	49	46	5
Uzgen, Osh	32	62	6
At-Bashy, Naryn	92	6	2
Kochkor, Naryn	70	30	0
Mean	63	31	7

Source: SILR survey

B3. Pasture lands of the Kyrgyz Republic

206. Kyrgyzstan pastures are **predominately rangelands**¹⁵ and comprise approximately 86% of agricultural land of the Kyrgyz Republic (Table 15). According to the 1999 Land Code, pastures of the Kyrgyz Republic are to remain state property with two exceptions. Those pastures located near the state borders and pastures located within arable land and lands for perennials. However, there were only 2,700 ha of private pasturelands around the country as of January 1, 2004¹⁶.

207. The primary legislation governing the institutional framework and procedures for management of pastures are the 'Regulations on the Procedure for Providing Pastures for Lease and Use' confirmed by Government Resolution # 360 on 4 June 2002, and subsequently amended on 27 September 2004. Legislation is reviewed in the next chapter. Prior to this set of regulations, there was a government resolution with a similar name and provisions in effect (Undeland, 2005).

208. The pastures vary in **productivity and species composition** associated with differences in elevation, climate, topographic setting, soils, and past uses. In general, vegetation types of pastures vary from semi-desert at lower elevations to steppe and mountain steppe, to alpine meadows at higher elevations, but also consist of some plowed and planted areas (cultural or "artificial" pastures). Ephemerals may become common in lower elevation pastures. In alpine meadows plants in the Cyperaceae family (especially *Kobresia*) often dominate as forage species. For the majority of pasture lands the environment would likely be classified as an "equilibrium" environment, especially in the steppe and mountain steppe and meadow environments¹⁷.

209. Pastureland has also been designated according to **season of use** (winter, spring, autumn, and summer¹⁸) and according to **location** for management/legal purposes (*Nearby Pasture*, *Intensive Pastures*, and *Remote Pasture*)¹⁹. Seasonal pastures for Kyrgyz Republic and for Chui, Naryn, and Osh Oblasts are shown in Table 16.

210. In addition to designated state pastures there are additional grazing lands that are classified as part of the "Forest Fund." The total amount of this Fund is 32,000 km², of which 21,300 km² have no actual forest cover and are used as grazing lands (Undeland, 2005).

¹⁵ Rangelands include natural grasslands, savannas, shrub lands, deserts, tundra, alpine communities, and wet meadows that provide a grazing resource and where routine management of the vegetation is accomplished mainly through the manipulation of grazing animals (rangeland does not receive periodic cultivation).

¹⁶ Land Fund of the Kyrgyz Republic as of January 1, 2004. State Agency for Registration of Rights to Immovable Property, Giprozem.

¹⁷ Rangelands can be classified into "non-equilibrium" and "equilibrium" environments according to variability in environmental factors such as annual rainfall. Equilibrium systems are such where plant community attributes are significantly impacted by animal density-dependent feedback controls.

¹⁸ Seasonal pastures are not based on altitude alone (Fitzherbert, 2000) as other factors influence where and when livestock were traditionally grazed.

¹⁹ Under the Land Code, management of pasture is based around the division of all pasture into three zones: the near pasture (*pricelniye*) under management of the ayl okmotu, a middle zone called intensive pasture (*intensivniye*) under management of the rayon administration, and distant pasture (*otgonii*) under management of the oblast administration. Not all livestock owners have all three types of pastures.

Table 15. Agricultural land in the Kyrgyz Republic.

Land Use	Area (ha)
Arable land	12,386,000
Perennials	37,400
Fallow land	21,400
Hay land	169,600
Pastures	9,187,600
Land of State Forestry Fund	2,651,200
Land of Specially Protected Areas	432,500
Kyrgyz Republic Total Land Area	19,995,100

Source: Resolution # 744 of the Government of the Kyrgyz Republic on Distribution of Land Fund according to the Agricultural Land Categories as of January 1, 2004. 2004. October 7, 2004

211. In general, summer pastures are between 2,500 and 3,500 m and grazed between June and September. Summer pastures comprised 62% , 59% , and 51% of pasture area in Chui, Osh, and Naryn Oblasts, respectively (Table 16). This is slightly higher than the national average of 45% for summer pastures. Summer pastures are mainly grasslands on mountain slopes or meadows, including alpine meadows at higher elevations. It is commonly believed that summer pastures were excessively stocked in Soviet times. Particularly in the 1970s and 1980s, but also since the early 1990s these pastures have been under-stocked²⁰.

Table 16. Pasture resources of Chui, Osh, and Naryn Oblasts and for the Kyrgyz Republic.

	Chui Oblast	Osh Oblast	Naryn Oblast	Kyrgyz Republic
Summer pastures - (2500 to 3500 m)	533,200	810,200	1,357,300	4,129,000
Spring-Autumn pastures - (1500 to 2500 m)	231,700	497,400	663,800	2,955,000
Winter pastures	94,000	62,900	578,000	2,063,000
All year			55,000	
Total Pastures	858,900	1,370,500	2,654,100	9,147,000

Source: Gizprozem, 2006

212. **Spring/autumn** pastures are generally found on foothills between 1,500 and 2,500m. Typically these areas have a more open cover of fescues (*Festuca* spp) and *Artemisia* and are less productive than the summer pastures. Herbaceous legumes can be locally common and can make an important contribution to the quality of the grazing (Fitzherbert, 2000 and from site inspections). Spring/autumn pastures comprised 27% , 36% , and 25% of pasture area in Chui, Osh, and Naryn Oblasts, respectively (Table 16). The national average is 32% so study oblasts were in the range of the national average.

213. **Winter** pastures often do not correspond to altitude, landscape features or vegetation type, but are close to permanent settlements or in areas of light snow fall where stock can be easily housed, at least at night. In Osh and Chui oblasts winter pastures are generally below 1,100 m. and are generally a semi-arid steppe with *Artemisia* and *Stipa* spp. predominating, but ephemerals common. Throughout winter, livestock graze on natural pastures, stubble on crop and hay lands, and other sites near settlements. Winter pastures comprised 11% , 5% , and 22% of pasture area in Chui,

²⁰ The amount of summer pastures that have remained under-stocked is unknown. From limited inspections of summer pastures there were obviously some sites that showed signs of light use (heavy litter accumulations and old flower stalks), but many others that were being grazed up to the snowline (late June) and had been heavily grazed with no or little litter or old flower stalks (see photos in Chapter VI-C).

Osh, and Naryn Oblasts, respectively (Table 16). The national average is 23% so both Chui and Osh Oblasts are significantly below the national average for winter pastures.

B4. Carrying capacity and grazing pressure on seasonal pastures

214. Grazing capacity estimates for Naryn, Chui, and Osh Oblasts are provided in this section. Carrying capacity or grazing capacity are common terms used when discussing stocking rates²¹. These terms are generally considered synonymous and have been defined by ecologists in a number of ways²². Rangeland ecologists have argued over the applicability of the carrying capacity concept for some time, especially when considering pastoral systems using 'non-equilibrium' environments. A "fixed" carrying capacity should be introduced as a guide for resource planning by the Kyrgyz Government. However, defining a carrying capacity is often difficult because of annual and seasonal variations in forage production as well as management factors (water distribution, movement of animals, etc.) which can influence the stocking rate of an area.

Carrying Capacity Estimates

215. Carrying capacity estimates of seasonal pastures and total for oblasts and for the Kyrgyz Republic are shown in Table 17. These estimates consider only average production from pastures and no fodder (feeds) or crop aftermath or grazing of crop areas. The estimate of carrying capacity from our methodology for pastures in sheep units is 1.065 million, 0.865 million, 0.749 million and 4.59 million sheep units for Naryn, Osh, Chui, and Kyrgyz Republic, respectively. Fitzherbert (2000) estimated the maximum carrying capacity of Kyrgyzstan's grazing-land at 7,000,000 sheep equivalents. A recent WB study (World Bank, 2006) estimated a carrying capacity of 6.26 million sheep units for KR with 3.5 million sheep units from pasture land²³. In their study they estimated non-pasture feeds supplied 2.76 million sheep units. Using this figure the estimate of total carrying capacity is 7.35 million sheep for the Kyrgyz Republic which is considerably below current stocking levels.

²¹ Stocking rate is defined as the amount of land allocated to each animal unit for the grazable period of the year such as sheep units/ha.

²² Holechek and others (1996) defined carrying capacity as the maximum stocking rate possible year after year without causing damage to vegetation or related resources. For a discussion about the accuracy of estimating carrying capacity please refer to Annex 12.

²³ In the WB document a sheep unit basis was 543 kg/year or 1.14 times our figure of 474.5 kg/year. Using the same sheep unit basis our estimates of pasture carrying capacity are about 13% different.

Table 17. Carrying capacity estimates (sheep units) for Naryn, Chui, and Osh Oblasts for 2005

	Seasonal Pasture	Area	Usable Forage	Dry Available Biomass	Fodder Units	Seasonal and Annual Production in Sheep Units
Naryn	Summer	1,130,000	350	395,500,000	21,000,000	1,926,382
	Spring/Autumn	900,000	280	252,000,000	9,470,000	725,697
	Winter	765,000	190	145,350,000	7,120,000	568,460
	Total					1,065,498
Chui	Summer	448,000	810	362,880,000	18,870,000	1,612,732
	Spring/Autumn	292,000	690	201,480,000	11,430,000	559,964
	Winter	119,000	360	42,840,000	2,220,000	142,441
	Total					749,407
Osh	Summer	799,000	560	447,440,000	24,400,000	2,064,888
	Spring/Autumn	403,000	540	217,620,000	12,310,000	604,859
	Winter	81,000	250	20,250,000	1,040,000	67,500
	Total					865,745
Kyrgyz Republic	Summer	3,954,000	550	218,130,000	116,700,000	10,037,077
	Spring/Autumn	2,811,000	390	112,010,000	62,710,000	3,101,168
	Winter	1,990,000	170	41,640,000	23,810,000	1,192,724
	Total					4,595,584

Figures do not include hay or "non-pasture" feeds from stall feeding or crop and hay land aftermath.

1 Current production was determined as the product of the area and usable forage times a usable factor based on the fodder units/dry bulk weight from Giprozem which averaged approximately 50%.

2 In this table a sheep unit is determined on a average forage basis of 2% of body weight/sheep. An average sheep unit weight of 65 kg and a need of 1.3 kg/day/sheep unit or 474.5 kg/sheep unit/year were used in these calculations. Cattle/yak were converted to sheep units by multiplying by 5 and horses by 6.

Source: Giprozem, 2005 figures for livestock numbers and pasture areas.

216. Another measure of livestock pressure is determining use of a standard unit (sheep unit) on an area basis (SU/ha). Naryn oblast shows the greatest available area per sheep unit (1.62 ha/sheep unit); whereas, both Chui and Osh oblast have only an average of 0.543 ha/sheep unit (Table 18). This data is revealing in that it does show a relatively high level of stocking pressure for the productivity of these pasturelands. However, the same problems exist for this table (as for the carrying capacity table) in that it is not known how much time livestock are grazed on crop or hay lands or in areas between these land types.

217. Monitoring of pasturelands (discussed in the Monitoring section) appears to provide additional evidence that stocking levels are too high. There is strong evidence that key to improving the pasture management in KR is in improving animal productivity and not in increasing animal numbers. Improving animal productivity will require better nutrition and health management and very likely a decrease in total number of animals using spring/autumn and winter pasture lands for a period of time.

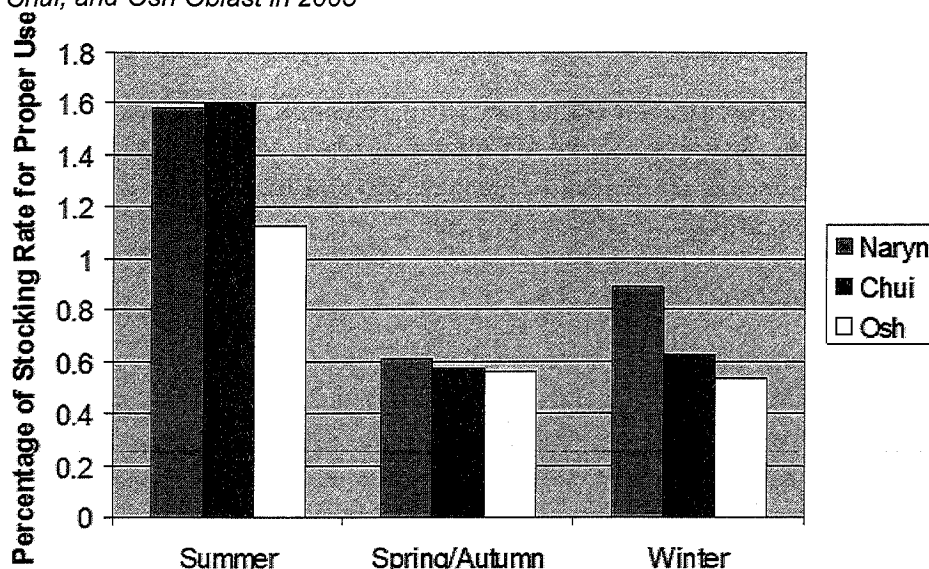
Table 18. Livestock pressure (sheep units) on a hectare basis for seasonal pasture in Naryn, Chui, and Osh Oblast and for the Kyrgyz Republic.

	Season of Use	Area (ha)	Sheep Units (January 2005)	Area (ha) per Sheep Unit
Naryn	Summer	1,130,000		0.656
	Spring/Autumn	900,000		0.523
	Winter	765,000		0.444
	Total	2,795,000	1,721,900	1.623
Chui	Summer	448,000		0.283
	Spring/Autumn	292,000		0.185
	Winter	119,000		0.075
	Total	859,000	1,582,200	0.543
Osh	Summer	799,000		0.324
	Spring/Autumn	403,000		0.163
	Winter	81,000		0.033
	Total	1,283,000	2,465,000	0.52
Kyrgyz Republic	Summer	3,954,000		0.359
	Spring/Autumn	2,811,000		0.256
	Winter	1,990,000		0.181
	Total	8,755,000	11,000,000	0.796

Source: Gizprozem

218. In general, summer pastures are under-stocked and winter and spring/autumn pastures are overstocked (Figure 25. An estimate of "overstocking" and "understocking" of seasonal pastures in Naryn, Chui, and Osh Oblast in 2005). This is a common situation where there is high seasonal variability in mountainous regions. During both the spring and autumn livestock are grazed in nearby pastures and in the intensive pastures when conditions and management allow. Therefore, these pastures receive the longest grazing period. There is no doubt that this will result in continued overuse of these areas without the rotation of pastures or improved pastures to improve production and quality of forage. Balancing of animal number with different pasture resources is often the most difficult management problem. A conservative stocking rate that ensures good natural pasture productivity and maintains animal productivity is *key* in managing pastures and livestock in these Kyrgyzstan pastures. Efficient integration of crop agriculture with the livestock production system could reduce pressure on pastures. Production of feeds such as wheat and barley straw, silages, planted forage crops (lucerne and sainfoin), and other crop and concentrate feeds such as cereal and oilseed meals and oil cakes should continue to be evaluated and improved in the evolving crop and livestock production systems of Kyrgyzstan.

Figure 25. An estimate of "overstocking" and "understocking" of seasonal pastures in Naryn, Chui, and Osh Oblast in 2005



Time periods for grazing used for the percentage estimations were 3 months, 5.2, and 2 months for the summer, spring/autumn and winter pastures, respectively. In this scenario livestock are fed completely on winter pastures for 2 months and not fed on other pastures. Obviously, altering time fed will change the Y axis. Source of data is Table 17

B5. Pasturelands monitoring methodology

219. Pasture monitoring is currently done by Giprozem Institute specialists²⁴ by documenting areas of weed infestations, shrub invasion, trampled areas, erosion and degraded areas, and provide for collection of dry weight of different categories of plants, and cover and site information. A monitoring form (with some modification) is attached in Annex 14. The information collected appears to be similar to methodology used in monitoring studies in the U.S. The methodology²⁵ seems appropriate for broad based community level monitoring. There is obvious subjectivity in the methodology as plant groups are clumped based on use. Apparently the entire pasture area is monitored and therefore samples do not exist for a measure of variation. In summary, the Giprozem monitoring methodology is a procedure that provides a relatively rapid determination of site characteristics.

220. Good monitoring can demonstrate the efficiency of pasture management. Past monitoring has shown many of the problems that are generally recognized (such as deteriorating winter and spring/autumn pasture conditions) associated with high stocking levels. The monitoring methodology has exhibited decreased productivity of pasturelands, increased levels of weeds and other grazing impacts. However, it seems that the results have not been used by policy makers to initiate programs to reduce problems²⁶.

²⁴ Government Resolution # 360 establishes basic policy guidelines for the management of pastures by Gosregister, including monitoring. Monitoring aspects included in Article 9 (with the requirement of comprehensive plans for the three types of pastures) is a calculation of feeding capacity and productivity by season of each parcel, a calculation of carrying capacity broken down by season, a monitoring plan to conserve pastures, a description of the in plant communities due to grazing, and maintenance measures.

²⁵ Data on plant community composition (species changes in cover or productivity) is not determined, but perhaps is estimated by grouping plant types. Plant composition changes or changes in plant functional groups are often considered a key site characteristic for monitoring plant community change and certainly should be documented in intensive monitoring. Other site factors such as an estimate of the hydrologic conditions of the area (infiltration, runoff, etc.) and soil conditions (compaction, rill erosion, etc.) should also be included.

²⁶ A missing aspect of the monitoring methodology is information regarding other resources (multiple-use values). There should also be concerted effort in the monitoring to make some judgment on changes in the hydrology and soils of the site. Streamside or riparian areas should also be monitored with different methodology to consider impacts of land use

B6. Overview of the current pasture use

221. A number of factors, including current regulations, must be examined to determine if pasture use is changing. In the following sections current regulations are reviewed, followed by a discussion of data on pasture use and lease rates. The sections end with survey results regarding other pasture uses.

Regulations governing pastures

222. Pasture use is mainly governed by Regulation #360. The regulation establishes a set of procedures for pasture allocation based on a written plan for “re-allocation, use and protection of pastures” to be elaborated jointly by, rayon and aiyl okmotu officials (article 9). According to Regulation #360, the plan is to specify an overall use and management plan of the pasture within the oblast, rayon or aiyl okmotu, based on a quantitative assessment of the pasture areas available, and their forage productivity.

223. Elements of pasture management carried out by the State Agency for Registration of Rights to Immovable Property (“Gosregister”) are also noted in this entity’s list of functional responsibilities, approved by Government resolution. A plan for pasture rotation and other information concerning water, road access and infrastructure must also to be developed. On the basis of these plans, competitive tenders are to be held for livestock holders who wish to rent pasture land (article 10).”

224. However, currently there is no plan for pasture rotation or for natural resource management. The development of pasture plans for rotation of stock and inventorying of other aspects (water, road access, infrastructure, etc.) must be developed. This seems an ambitious undertaking given the current staffing levels and financial support. However, the integrated natural resource plans could be developed relatively quickly with GIS technology using current maps and either high resolution satellite imagery or aerial photographs. Plans developed with livestock farmers could be used to develop user monitoring and resource objectives for improved management of pastures and livestock.

225. The “competitive” tender process for leasing pastures in regulation # 360 was not apparent and likely does not exist (leasing of pastures are reviewed below).

Pasture leasing practices

226. An increase in pasture leasing would prove that livestock farmers are accepting regulations and therefore need to secure rights on pastures (the discussion of leasing pasture is based predominately on data from Undeland (2005) as our survey data on pasture leasing was not insufficient).

227. Between 2003 and 2004, there is a strong positive trend in rented areas and fees collected, although, for all pastures the amount of pasture leased was very low (Table 19). This data does provide some evidence (perhaps weak since all of the nearby

on water quality, stream bank, fisheries, and other values. In areas where wildlife values are an important resource monitoring methodology should consider impact of pasture use on these resource (for example, if the area is a wintering area for wild ungulates a more conservative use rate should be applied to consider the needs of those species).

pastures and intensive pastures are used and have low lease rates) that use of remote pastures is increasing. There is also the question of how accurate lease rates are. Undeland (2005) states "the collection of rent payment is still very low on paper, but there is anecdotal evidence that it is much higher." Part of the problem is that according to the Regulation #360, all pasture rent agreements not registered in Gosregister are considered invalid. Undeland (2005) suggests that many think that if the rent term is less than for 5 years, it does not require registration, but that registrations are growing with individuals wanting to secure their leases. Between 2003 and 2004 total rent charged and fees collected increased in all oblasts. The amount of rent collected varied from 58% to 95 per cent, for the three study oblasts. Naryn remained the area with the lowest collection of fees on a percentage basis (Table 19).

Table 19. Seasonal pasture area (ha) rented and rent fees billed versus collected in 2003 and 2004.

	Chui		Osh		Naryn		Kyrgyz Republic	
	2003	2004	2003	2004	2003	2004	2003	2004
Total Area:	716,040	796,500	1,400,685	1,397,651	2,509,196	2,362,547	8,927,406	8,303,629
Nearby Pasture (ha)	282,637		366,966		721,008		2,338,434	
Intensive Pasture (ha)	259,347		55,226		763,215		2,920,254	
Remote Pasture (ha)	174,056		978,493		1,024,973		3,668,718	
Total Area Rented (ha):	61,309	88,152	45,986	na	252,246	283,606	625,903	1,818,057
Nearby Pasture Rented (ha)	24,113	31,924	15,335	39,011	9,946	13,196	98,324	317,903
Intensive Pasture Rented (ha)	36,692	55,724	17,268	39,996	117,906	122,550	288,048	406,154
Remote Pasture Rented (ha)	504	504	13,383	na	124,394	147,860	239,531	1,094,000
Rent Fees Expected (KGS)	793,000	1,215,000	1,708,500	1,461,900	697,000	1,293,400	6,330,200	11,261,300
Rent Fees Actual (KGS)	504,000	1,517,000	1,494,400	1,390,000	453,600	748,700	4,805,900	7,681,000
Fees Collected (%)	64	80	87	95	65	58	74	68

Source: Gosregister.

228. Leasing of intermediate and remote pastures was sometimes associated with historic use of those pastures by a family, but a major condition of leasing of these pastures was having the number of livestock for a specific area. Pastures near roads and water were sought after and apparently conflicts have arisen regarding the leasing of these choice areas. There have been concerns regarding transparency of the leasing of pastures. Is there allowance for rotation of pastures or do livestock farmers have the ability to rest/rotate pastures? Historically, livestock were grazed up one area or valley and down another and the use could be altered to allow for different seasonal use to conserve pastures. How pastures may be rotated and or rested under the current situation is apparently not being considered and should receive further study and consideration in natural resource planning projects.

Management of non-pasture resources for fodder

229. In most cases, nearby pastures are winter pastures, intensive or intermediate pastures are spring/autumn pastures, and remote pastures are summer pastures. The survey showed that family members were responsible for animals in nearby pastures, but shepherds were more important in the intensive and remote pastures (Table 20). Not all livestock owners use all three types of pastures and a concern has been that nearby pastures receive almost continual grazing. The relatively high percentage of respondents reported they used shepherds in the intensive and remote pastures for managing

livestock which should be regarded as positive since people must be pooling animals and moving to different pastures.

Table 20. Management of livestock within the nearby, intensive, and far pastures.

	Near pastures	Intensive pastures	Far pastures
Cattle			
Family members	77	49	14
Shepherd	21	41	82
Communal responsibility	2	8	2
Other	0	2	2
Horses			
Family members	89	31	21
Shepherd	11	63	79
Communal responsibility	0	4	0
Other	0	2	0
Sheep			
Family members	78	9	6
Shepherd	10	83	84
Communal responsibility	12	5	10
Other	0	3	0
Goats			
Family members	86	11	5
Shepherd	3	89	75
Communal responsibility	11	0	20
Other	0	0	0
Pasturing Fee (KGS)			
Median	120	800	525
Minimum	40	48	2
Maximum	2000	6200	7000

Source: SILR survey

230. A rate of 38% of SILR survey respondents did not use the remote pastures. The main reason was distance. Other factors include the absence of lease for remote pasture and poor roads to the remote pastures. Although the use of remote pasture is increasing, there is still an opportunity for improvement in use and certainly in management. The need for a general increase in use of remote pastures is not associated with the “bountiful and underutilized” condition of the remote pasture resource, but for reducing the pressure on nearby and intensive pastures. Unless there is concerted effort by the community of users to reduce the continual grazing pressure on many nearby pastures, it will not occur. There is evidence of this occurring in at least one area of Kyrgyzstan. At Temir Village²⁷, a community of users had agreed to move from the nearby pasture by a specific date and this was then decreed by the village council²⁸.

231. The survey showed little multiple-use of resources with 1 percent of households stating they gathered herbs and 99% stated they only used pastures as grazing lands. During field visits people often stated that they collected mushrooms, berries, and fuel, but for “home” use and not for sale. It is unknown if the respondents in the survey stated

²⁷ UNDP project area (CAMP), Community Based Pasture Project.

²⁸ However, when the nearby pasture of this village was visited many grazing sheep and horses were seen and therefore we assume there are still many significant problems in getting all people to accept the regulations. Livestock owners may be fined for out of season use and the only way to reduce use of out of season grazing of pastures is to provide for disincentives for use, including fines and or other community actions against those who continually graze those areas. Likewise, the community or regulators of pasture use could consider incentives for the poor to move livestock (for example, subsidized costs of shepherds).

that they did not collect other resources from pastures because perhaps they thought it was only for items that would be sold. Nevertheless, respondents of the survey thought access to common resources was decreasing (Table 21). Tourism is also an important activity in some areas (renting horses, renting yurts and supplying meals), but on a percentage basis it would not be significant. A general consensus from livestock farmers interviewed was that wildlife was decreasing, considered generally the result of wolves and foreign hunters.

Table 21. Change in access of common property sources

Types of resources	Improved Access	No change	Decreased Access
Animal grazing	8	50	42
Grasses/herbs	0	25	75
Firewood	4	16	80
Wild animals	0	7	93
Materials for construction	0	29	71
Fish	0	4	96
Berries	1	10	89
Nuts	0	3	97

Source: SILR survey

232. The land tenure survey showed common property sources of natural resources has decreased with significant differences in common property access by rayon (**Error! Reference source not found.**). Certainly access to hunting and fishing was considered to have dramatically decreased. Only in Kemin did a majority of people respond that they have access to common property, although, the common property access is also significant in Naryn oblast. In general, most of the livestock owners interviewed wanted their own leased lands and did not want to have community resource lands. It would be interesting to determine how people with different herd sizes would consider the use of communal lands. The general view of rayon and ayl okmotu officials interviewed was that farmers with few livestock are more likely to herd their own stock in nearby pastures. Those with larger number of stock will be more inclined to use different types of pastures. It was also common for livestock farmers to use shepherds and certainly this provides people with the opportunity to move animals away from nearby pastures and intensive pastures.

Table 22. Percentage of respondents with access to common properties by rayon.

Rayon, Oblast	Access to common property resources (%)
Kemin, Chui	97.0
Sokuluk, Chui	10.0
Aravan, Osh	0.0
Uzgen, Osh	7.0
At-Bashy, Naryn	21.0
Kochkor, Naryn	24.0
Total sample	24.0

Source: SILR survey

Changes in assimilation of low productive lands and the quality of crop land

233. A land classification system should show optimal types of land use and values of different land types. The lands that are officially classified as “unproductive” should be made productive by growing crops or other management options to improve productivity. No data showing rehabilitation of lands associated with degradation was found. Certainly, there are areas that have been cultivated and are now abandoned (and should not have been plowed) weedy, overgrazed and they need to be restored.

234. The survey did ask farmers about changes in fertility of soils, soil erosion and water quality. Across Rayons 38% thought soil fertility of croplands had decreased, 48% thought there had been no change and 9% reported improved soil fertility (Table 23). However, there were large differences in responses from the different Rayons (but not between oblasts when rayons were averaged) with those respondents of Kemin, Aravan and Kochkor reporting decreases in fertility and those of Sokuluk, Uzgen, and At-Bakhy reporting no change. Without further study it is difficult to determine why Rayons of the same oblast are different. For those respondents that thought soil fertility declined, the reason was lack of funds to purchase fertilizers and poor crop rotation or lack of rest. During field tours several rayon administrators stressed that the lack of crop rotations was initially a significant problem, but as people learned about the need for crop rotations the problem has been reduced. However, there was consensus that lack of fertilizers continues to be a problem. Survey results are similar for soil erosion and quality of irrigation water with most believing there has been no change, but with a significant number reporting declining conditions (Table 23).

Table 23. Change in soil fertility, soil erosion, and irrigation water quality following land distribution from respondents of the SILR survey.

Rayon, Oblast	Soil Fertility				Soil Erosion				Irrigation Water Quality			
	Improved	No change	Decreased	No response	Improved	No change	Decreased	No response	Improved	No change	Decreased	No response
Kemin, Chui	0	20	78	1	0	88	10	1	0	99	0	1
Sokuluk, Chui	12	54	8	26	9	57	8	26	2	49	23	26
Aravan, Osh	9	20	69	1	5	25	68	1	24	49	25	1
Uzgen, Osh	22	53	24	2	12	39	46	2	15	28	54	3
At-Bakhy, Naryn	1	91	8	0	2	61	36	1	5	84	10	1
Kochkor, Naryn	0	21	79	0	0	62	38	0	3	66	31	0
Total sample	9	48	38	5	6	54	36	5	9	61	24	5

Source: SILR survey

Pastureland Monitoring Information

235. Trends in pasture production associated with monitoring are discussed in this section. The purpose of monitoring pastureland is to document change in vegetation, soils, or other aspects as they relate to management and natural processes. Methods of monitoring will vary by vegetation type and by objective, but good monitoring, while initially expensive to implement, is eventually cost-effective because management problems can be detected at an early stage, when solutions may yet be relatively inexpensive.

236. Pasture monitoring to determine pasture conditions has been conducted since the late 1940s and in general has shown a decrease in pasture productivity (Table 24). As stocking levels were very high in the Kyrgyz Republic during the 1970s to 1990s²⁹ a decrease in production of forages is to be expected and shows to some degree monitoring was effective in showing trends³⁰.

Table 24. Mean pasture dry matter production (kg/ha) since 1948.

Observation Period	Mean Yield	Pasture Type		
		Spring/Autumn	Summer	Winter
1948 – 1955	285	270	335	170
1969 – 1978	260	225	330	160
1980 – 1985	215	195	285	115
1986 – 1994	220	210	275	135
1997 – 2004	210	170	275	85

Source: Giprozem, 2005.

237. Pasture monitoring has also been used to categorize areas according to problems regarding reduced productivity associated with degradation, erosion, weeds, and shrub invasion (Table 25). Degradation of spring/autumn and winter pastures has increased between 1985 and 2002, whereas the amount of degradation in summer pastures has decreased (Table 26). Degradation levels for Naryn, Chui, and Osh were reported to be 350,000, 295,000, and 312,000 ha, respectively (Table 26). The survey shows that most respondents believed there was no change in pasture quality of nearby, intensive or remote pastures since land distribution (Table 27). If nearby and intensive pastures have increased in degradation since land distribution, as most officials suggest, the lack of this realization by users is a concern. It is unknown if pasture users are (i) thinking about only recent changes (in the last few years where differences may be difficult to discern), (ii) if they are considering only current growth conditions (a few good years of rainfall and relatively good winter conditions may “mask” changes in species composition and degradation), or (iii) they did not want to be negative in regards to a resource in which government control could reduce their use.

Table 25. Pasture area (ha) classified by factors reducing productivity in Naryn, Chui, and Osh Oblasts and for the Kyrgyz Republic.

Categorization of Pasture	Naryn	Chui	Osh	Country Totals
Degraded	350	295	312	1,661
Eroded	60	29	98	416
Steep slopes ($\geq 40^\circ$)	101	25	49	372
Shrublands	200	50	326	1,554
Weeds and Poisonous Plants	300	30	274	1,154
Stony	600	70	171	1,500
Totals	1,611	499	1,230	6,657

Source: Gosregister, Giprozem

²⁹ We were not able to decipher how the observation periods were grouped to determine mean yields, nor if the data are statistically reliable.

³⁰ Fitzherbert (2000) also reported that pasture productivity had declined steadily since the 1960s and by 1993 was reported to be about 300 kg/ha of dry matter, due to overstocking and poor grazing management. He stated that the “productivity of the summer pastures declined from 640 kg/ha to 410 kg/ha and the spring and autumn pastures from 470 kg/ha to 270 kg/ha over the thirty years preceding 1993. The productivity of winter pastures decreased even more dramatically from 300 kg/ha to less than 100 kg/ha and encroachment of woody and unpalatable weeds affected about 50,000 km², over 5,400 km² had their value as grazing reduced to almost nothing.

Table 26. Seasonal and total pasture area (ha) and degradation (%) in 1985 and 2002 for the Kyrgyz Republic.

Pasture Type	Hectares	% of Total	1985(%)	2002 (%)
Summer pastures	4,129,000	45	35	29
Spring-Autumn pastures	2,955,000	32	16	26
Winter pastures	2,063,000	23	12	16
Total Pastures	9,147,000	100	24	25

Source: Gosregister, Giprozem

Table 27. Changes in pasture quality from respondents of the SILR survey.

Rayon, Oblast	Nearby Pasture				Intensive Pasture				Remote Pasture			
	Improved	No change	Deterioration	No Response	Improved	No change	Deterioration	No Response	Improved	No change	Deterioration	No Response
Kemin, Chui	0	54	45	1	0	45	54	1	1	68	29	1
Sokuluk, Chui	2	23	49	26	2	25	34	40	0	20	37	43
Aravan, Osh	9	73	7	11	5	80	4	11	4	81	4	11
Uzgen, Osh	7	67	18	8	6	70	14	9	11	61	19	9
At-Bashy, Naryn	7	89	4	0	20	76	4	0	31	65	4	0
Kochkor, Naryn	0	55	45	0	7	72	21	0	17	72	10	0
Mean	5	63	24	8	7	63	20	10	12	61	17	11

Source: SILR survey

C. Policy reforms and agriculture development

C1. The process of land reform

238. Kyrgyzstan was one of the first among post-soviet states to carry out the land reform. As a result the reform process was constrained by the prevailing conditions of lack of experience in the formation of public consensus on this issue, the lack of legislative basis and the absence of necessary information and consultations, especially at the initial stages of the land reform process³¹.

239. The land reform process started officially in the Republic after the enactment of a set of legislative instruments - the Law "On Land Reform" and the Land Code – on 19 April 1991. There were no provisions in those normative acts on the introduction of private ownership of land. The acts stated the main goals of the land reform to be (i) redistribution of land to form conditions for equal rights in development of various types of land management, (ii) formation of multi-structural economy, (iii) establishment of payment amounts for land use, (iv) the rational use and protection of land.³²

240. In an effort to avoid conflicts with the various branches of power, the Presidential Administration issued multiple Decrees during the period from 1991 to 1994 on the introduction of the land reform. The implementation of the Decrees however, progressed only slowly³³.

³¹ See interview with the Head of GosRegistr of Atbashiinsk rayon of Chu oblast

³² The Law "On Land Reform"

³³ The reformation of the former kolkhozes and sovkhoses was unreasonably delayed, especially in Chui oblast, and that led to conflicts and discontent of rural residents in the allocations of land and property shares. In Sokuluk rayon of

241. There appeared two polar approaches to the land reform. Supporters of public ownership to land and accordingly defenders of kolkhoz-sovkhoz system considered that to get out of the bad situation with food supply it would be enough to provide the existing agricultural enterprises with necessary machinery and regulate the mechanism of economic relations between urban and rural areas. They referred to experience of the USA where agricultural production is based on large-scale farms. Others (B.Talgarbekov and others) insisted on complete "farming" of the agrarian sphere similar to developed countries, since farmers are the basic breadwinners there³⁴.

242. At that time there was an absence of effective market pricing mechanism that made the production of agricultural outputs unprofitable. Documents certifying the right to possess land were issued in the reorganized agricultural collectives, but in most cases it was impossible to use the land, except to rent it to the agricultural cooperative society under less profitable conditions. This situation occurred in Chui and Naryn oblasts in the beginning of the land reforms.³⁵

243. There was also an absence of information and consultation services in the beginning of the land reform. Only in 1996 Rural Consulting Services (RCS) and Kyrgyz Agrarian Market Information System (KAMIS) were formed in certain regions. They played a limited role in providing farmers and peasants with necessary information. These consulting services were organized with the support of international organizations. However, these services remain to be fully developed, and the RCS only covers 6% of the territory of the Republic.

244. In the process of the land reform the business practice and real life regularly made their corrections.

C2. Analysis of the Current Situation

245. An overall objective of land reform, in terms of agricultural development, is *inter alia* the establishment of efficient market for agricultural land which ensures the optimal allocations in terms of land use for agricultural commodities production and thus the maximization of returns to the agricultural operatives in the sector.

246. In reviewing the policy measures, the land reform experience of the Republic shows that overall land reform can work and make a significant contribution to poverty reduction, inequality and in stemming the deterioration of the agricultural economy. It provides an essential basis for the sector's growth and development³⁶. Two main policy elements of the Kyrgyz style land reform were (i) the step by step approach of its land reform measures. First, farm reorganization, followed by limited land use reform and the current implementation of the policy objective of full land ownership reform. (ii) the strong political will devoted to the implementation of these policy measures. The

Chui oblast, the LR survey indicates, the factor of fairness in the course of distribution of land shares is the lowest (69%), while in Kemin rayon 96% of respondents answered that the land distribution was fair.

³⁴ B.Talgarbekov offered a model of land relations in Norway as acceptable. One of the main arguments in favor of experience of exactly of this country was its population which was approximately the same as in Kyrgyzstan. According to his studies 80 thousand farmers in Norway satisfied needs of the whole country in food products. He offered to use this number as an orientir for the required number of producers of food products in Kyrgyzstan for the nearest future, ("Slovo Kyrgyzstana", article by K.Mambetov)

³⁵ See interview with the Head of GosRegistr of Atbashinsk rayon of Chu oblast

³⁶ This summarization is based on overall findings presented in the DFR and observations provided by the ADB Project Manager, Mr. John Whittle.

benefits of the land reform may be considered substantial: (a) the poor obtained access to land reform measures as much as non-poor. Thus, the per capita benefit for the poor was higher than for non-poor. (b) in spite of their limited knowledge and information concerning the land reform measures, the poor, once given access to the land revealed market responsiveness; planting more diversified crops used land more intensively by exploiting their use of household labor and moving from subsistence to market-based production. (c) poverty levels appear to have been reduced and inequality less skewed. (d) land reform opened the opportunity for landless and entrepreneurial farmers to access more land through leasing; and (e) incomes rose as shown by variety of expenditures and may have contributed to rural non-farm development. In the process of land reform the Government, with by its limited resources, opted for full scale reform but with phased implementation. It is apparent that the budgetary constraint operated as the binding constraint.

D. Issues and agenda for action

247. The overall agenda for action is to address issues that are currently emerging from the implementation of land reform and the issues that affect the agricultural sector and rural non-farm economy in general. Some of the issues that are identified in DFR include (i) increasing the role and authority of local governments; (ii) stimulating the tempo of rural industrialization; (iii) the removal and amelioration of land market constraints and the introduction of land use zoning; (iv) land use versus land ownership; (v) instituting measures to address land fragmentation and the promotion of land consolidation; (vi) the facilitation of water access; and (vii) the promotion of foreign direct investment in supply chains. While the Government is instituting initiatives in each of these areas, the realization of the potential impacts of land reform can be achieved only when these issues are effectively addressed.

D1. Arable land

248. There is significant scope for productivity increases, resulting from of technology transfer and innovation. Advances in crop yields (both food and forage) have been significant. Food crop yields increased by almost 40 percent between 1995 and 2002 - but future innovations must be calibrated to current and projected factor endowments of land, labour and capital. Land and capital are scarce in the south, and capital is scarce in the north. Lessons learned from the Asian experience demonstrate that innovations in plant breeding, fertilizer use and smaller scale labor saving mechanical technologies result in productivity increases. These are areas in crop production for inclusion in an agenda for action in order to achieve the full benefits of land reform. Instituting these changes will require increasing the efficiency and the extension of agricultural outreach.

D2. Pasture land

249. Pastures are not well administered and the efficiency of administration is limited by the three levels of administration involved. This institutional hierarchy constrain access to pasture, thus preventing its optimized use. It fails to collect and utilize of grazing fees in pasture management. In summer, animals thrive, but from autumn to spring (typically 5 months), animals suffer significant weight loss due to under-feeding, with subsequent disease impacts. The agenda for action must include: (a) a review of pasture

administration arrangements (ensuring equity of access and the matching of demand with pasture outputs) and (b) the supplementation of basic pasture outputs with specialist forage crops³⁷. Introduction of specialist, high yielding annual forage varieties, replacing some arable crops in the cropping pattern with sainfoin, lucerne or some other high quality fodder crops, and improving the quality of stored feed by changing from hay to silage are all readily achievable strategies to improve winter feeding.

250. Failure to improve pasture lands management in the long term will result in serious economic losses as pasture productivity declines. The introduction of proper pasture management plans that match feed supply and animal demand and of specialist forage crops on rain-fed arable land should be included in an agenda for action thereby increasing the productivity of the livestock resource. This is an area of immediate importance to be addressed in the oblasts and rayons with pastoral based economies such as Naryn.

251. The numerous classifications of pastureland in Kyrgyz legislation was a source of confusion in regards to how different pasture types relate. A complete pasture analysis using GIS technology is necessary for classifying different pastures and for future natural resource planning. A GIS would also help determine areas where grazing should not be allocated because of topography, lack of water, stony surfaces and scree slopes and inaccessibility and where other resource values are great (for example, habitat for Marco Polo sheep) and where livestock grazing should be restricted.

D3. Land markets

252. Land prices (lease and purchase) are strongly correlated with crop profitability on good quality irrigated land. Continued demand will depend on the farmers' capacity to maintain productivity growth and profitability. Land reforms have been instrumental in achieving growth in the agriculture sector since the 1990s, and further reforms can underpin continued growth. The agenda for action must include (a) a review of the Land Redistribution Fund, (b) furthering the establishment of an efficient land market, (c) continuation of the distribution of collective farm land to private farmers, (especially in Chui oblast) (d) revision of the administration and management of pastoral lands and (e) measures to regulate access to agricultural land more efficiently.

D4. Irrigation of Agricultural Land

253. Irrigation development constitutes a capital transfer from donors and Government to farmers. While capital costs of new schemes is beyond the resources of farmers annual operating and maintenance costs should be the responsibility of farmers. As WUAs are being established, fees do not fully reflect total costs, and fee collection rates are inadequate. The balance is funded from the MAWRPI budget³⁸.

³⁷ If feed supplies and animal health issues can be effectively addressed, there is the potential to significantly increase marketable surpluses of livestock products and thereby increase pasture land productivity. Where animal feeding can be kept at a level to ensure body weights are maintained, production increases of a significant order can be assured.

³⁸ This constitutes a significant proportion of the Ministry's budget. Net transfers on water use in irrigation are estimated at about 200 million som (US\$5.0 million) (Source: Kyrgyz Republic: Agricultural Policy Update –Sustaining Pro-poor

254. The higher value of irrigated land highlights the fact that Government and donor funds are going into the rehabilitation of irrigated land, and this is basically making farmers of irrigated land wealthy - both in cash flow terms, and in asset value terms. But, when the full capital and operating costs of irrigation are factored into farmer water charges, the value of irrigated land may move to better reflect it's real profitability. But meantime, with the subsidies to irrigation costs, irrigation farmers in Kyrgyzstan are enjoying good profits with minimal risk.

255. The economic implications of re-structuring irrigation costs are significant. However, if the re-directed funds can be strategically applied in other parts of the agriculture sector, the aggregate gains are likely to be significantly higher. For example, further private sector agro-processing investments will result in increase demand (and hence higher prices) for quality farm products. It will also result in additional employment opportunities.

Rural Growth, World Bank, 2004). Given the relative income security and increase in the asset value of irrigation farmers, these revenues could be more equitably allocated to deserving sections of the rural community

IV. A Review and Assessment of Land Reform and Farm Restructuring Legislation

256. This Chapter examines the changes that occurred in land reform and legislation, it assesses whether the changes, process and legislation have been effective in contributing to sustainable land use. It considers the development of effectual institutions to support land reform. A bibliography of legislation is provided in Annex 1.

A. Evolution of the reforms process

257. The land and agrarian reform process in the Kyrgyz Republic can be divided into four steps and time periods distinguished by the content of the decrees of the President of the Kyrgyz Republic. The early reforms (1991-1994) principally focused on voluntary and ad-hoc *reorganization* of failing state and collective *farms* and voluntary, individual withdrawal from collective and state farms. This stage is referred to as the **policy development** phase.

258. The following reforms (1994-1998) encouraged all farms to wholly reorganize and gave all members of the former state and collective farms rights to *land use* which they could sell, lease, mortgage, and bequeath. This phase is referred to as one of **first reform elements**.

259. The third stage (1998-2004) focused on *full land ownership*. At the same time restrictions were placed on land transfers and some of these restrictions continue to be in force. This stage is referred to as the **main reforms**.

260. The last phase started in 2004. It focused on the wide-scale development of cooperatives, the further development of peasants' (farmers') farms and agrarian business enterprises, introduction and development of credit cooperatives, development of the mortgage system, development of food processing and exporting agricultural production, establishment of agricultural services, and improvement of water resources and pasture management. In this report it is dubbed the **optimization** phase.

1991-1994

261. Early reform laws focused on voluntary farm reorganization. The Law "On Peasant Farms" (February 2, 1991) provided that a peasant (collective or state farm worker) could leave the farm and receive either money or land. According to the law, the Local Council of People's Deputies had the right to provide peasant farms with assistance to pay off debt to keep the farm and also to cover losses in the event of crop failure.

262. Citizens of the Kyrgyz Republic could receive land in temporary possession for ten years. These lands were provided for market gardening, growing fodder and pasturing cattle.

263. The Law "On Land Reform", issued in April, 1991, became the first comprehensive law on agrarian and land reform in the Kyrgyz Republic. This law called for: (1) inventory of all republican lands of various categories; (2) voluntary reorganization of

“inefficiently operated” collective and state farms and other agricultural enterprises; and (3) creation of a special land fund, which was to contain unused and inefficiently used lands for redistribution to other land users. Land commissions were established at the local level to consider requests for distribution of land within the locality.

264. President Akayev then signed two Presidential Decrees³⁹ that mandated farm reorganization and privatization for those collective and state farms with less than 15 percent profitability. Individual members of non-reorganized state and collective farms were also allowed to withdraw a share of land and property (non-land assets) from the farm to start a private farm enterprise. In accordance with the decree 1.5 million ha. of “irrationally” used and unused land of collective and state farms were transferred to the special land fund. These lands were to be allocated 1) for creating peasant farms and agricultural industrial cooperatives and 2) for market gardening, growing fodder, pasturing cattle and mowing; for keeping individual subsidiary farms, collective gardening and increase of plots adjoining to house.

265. At the same time “not less than 50% of the arable land allocated for creating peasant farms was to be left untouched in order to support the development of national peasant enterprises with consideration of traditional forms of the economy and life of Kyrgyz peasants”; and the National Land Fund was established.

“Even worse, starting from 1993 there was an impression that some sort of competition in liquidation of kolkhozes and sovkhoses takes place in the Republic. Rayon akims [administrators] one after another submitted reports to the central bodies on completion of the reform in their regions. Many rural citizens did not know what they had to do with the received land shares and property shares, where they may obtain seeds, when they have to plough, to sow and what they have to sow, how they may use the received agricultural machinery and equipment, etc. [...] All that was accompanied by absence of any measures from the State to support the newly formed peasants’ and farmers’ enterprises. Only starting from 1996 the Government of the Kyrgyz Republic started to organize their support by allocation of budget funds, commodity credits in the form of seeds, fertilizers, chemicals and agricultural machinery.”

Source: S.M. Tynaev, Deputy Minister of Agriculture and Water Economy

266. A Presidential Decree⁴⁰ was adopted at the end of 1992, and recommended that collective and state farms divide their land into shares to insure that every worker or member had the right to a land plot or “land share.” An individual member or worker on the agricultural enterprise owns the use right attached to the land share. The land share system was created as a means to distribute land of the collective and state farms to individuals.

267. The decree also provided that lands of the National Land Fund were to be given to citizens for creating national peasant farms solely on a competitive basis.

268. The Constitution of the Kyrgyz Republic was adopted on May 5, 1993 and proclaimed that land is in the ownership of the State and cannot be privately owned, but that land plots may be given to citizens and their associations for use. The purchase and sale of land was not allowed under the Constitution. There were no clear rules about how to reorganize farms and distribute

³⁹ Presidential Decree No. VII-369 “On Urgent Measures to Secure the Realization of the Laws of the Kyrgyz Republic Regulating Land Relations and Other Relations in Agriculture” (November 10, 1991).

⁴⁰ The presidential decree No. UP-373 “On measures for further implementation of land and agrarian reform in the Republic of Kyrgyzstan” (December 10, 1992)

land during this period, and both were "recommended" by legislation rather than mandated. Private individuals had real rights to land use: the right to use and possess land during life and to pass this right to heirs.

1994-1998

269. By February 1994, a Presidential Decree guaranteed the right of members of collective and state farms to receive land share use rights. These land-use rights were for 49-years⁴¹. And the decree guaranteed the right of land share owners to sell, lease, exchange, bequeath or mortgage their right to use the land plot or land share⁴². A maximum size of land plot per family was established⁴³. In addition, the decree reduced the National Land Fund in half, to 25% of all arable land except pastures.⁴⁴

270. In August 1994, the Government promulgated the main regulations for the process of determining land share use rights⁴⁵. Such land shares were to be distributed free of charge to farm workers, pensioners, invalids, and specified social sphere workers.

271. Further, the regulations called for reorganization of agricultural enterprises⁴⁶ and provided that farms could be divided into peasant farms or transformed to joint stock companies.

272. In January 1995, the Ministry of Agriculture and Food published the "Program of Land and Agrarian Reform in the Kyrgyz Republic for 1995-1996." This program focused on whole farm break-up and called for the reorganization of all state and collective farms by 1996 into smaller management units created from land and property shares. Thus reorganization of farms became obligatory.

273. The National Land Fund was abolished, and its lands were transferred to the Land Redistribution Fund. The Land Redistribution Fund (LRF) was established within the Ministry of Agriculture and Food.

274. In November 1995, a presidential decree⁴⁷ extended 49-year use rights to land to 99 years. The decree abolished the maximum size of plots that one family may use, and reduced the minimum size of land plots to 5 hectares in all cultivation zones.

275. One year later (November 1996), Presidential Decree No. 327 called for (1) registration of land use rights transactions, (2) sale (tender and auctions) of use rights to

⁴¹ The presidential Decree # UP-"On measures for further implementation of land and agrarian reform in the Republic of Kyrgyzstan" (February 22, 1994.).

⁴² The decree allowed users of land plot and owners of land shares to sell own right of use of land plot or share to other members of the current or former farm, but it was prohibited to sell to non-members till January 1995.

⁴³ The maximum size of land that could be held was 20 hectares for intensive farming, 25 hectares for average intensive farming and 30 hectares for mountain-cattle breeding. This limit was abolished in November 1995 by Presidential Decree "On Measures for Further Development and State Support of Land and Agrarian Reform in the Kyrgyz Republic" (November 3, 1995).

⁴⁴ Most of the countries that redistributed agricultural land in Eastern Europe and the FSU held back a certain portion of land in reserve that continued to be owned by the State. In Azerbaijan, the State held back only 5% of the agricultural land but in Georgia, the State held back 40% and in Estonia, the State held back 75% of the agricultural land.

⁴⁵ Regulation "On the Procedure for Determining Citizens' Land Shares and for Issuance of Certificates Containing Land Share Use Right," adopted by the governmental regulation # 632 "On ratification of regulations of implementing land and agrarian reform" (August 22, 1994.).

⁴⁶ Regulation "On transformation (reorganization) of agricultural enterprises" dated February 22, 1994.

⁴⁷ Presidential Decree "On Measures for Further Development and State Support of Land and Agrarian Reform in the Kyrgyz Republic" (November 3, 1995).

50 percent of land of the Land Redistribution Fund, and (3) one-year lease agreements for the remaining land in the Land Redistribution Fund⁴⁸.

1998-2004

276. By 1998, the Kyrgyz Government was ready to allow agricultural land to be privately owned. A constitutional referendum was held in October 1998 and was passed by a large majority. The Land Code, Law on State Registration of Rights for Real Estate, Peasant Farm Law, Mortgage Law, Law on Cooperatives, and a law introducing land-related amendments to the Civil Code were passed by the Parliament and signed by the President in 1999. The Land Code of the Kyrgyz Republic was adopted on 2 June 1999, and the Code automatically transformed use rights to agricultural land to ownership rights to land but placed a moratorium on the sale of agricultural land. Owners of agricultural land could not sell their land within 5 years from acquisition of title to it. The moratorium was established to allow time for land owners to understand the value and meaning of ownership rights to land.

2004-2006

277. This period characterized a shift in the use of land from the LRF. Much land in the LRF was actively transferred from the category of “agricultural land” to the category of “inhabited settlement” land. Thus, from 2004 to August 2006, 49 governmental regulations were issued on the transfer of LRF lands to individuals for building of houses. Moreover, in February 2006 the government prepared a list of citizens who had a right to receive land shares but still had not, totalling 18056 people.

278. Throughout this period, changes to the VAT for agricultural production were introduced in the Tax Code. On February 2006, the Tax Code provided that sale of agricultural production by the producers themselves would not be subject to the value added tax⁴⁹.

“All these directions of development of the reform could be outlined already at the first stage of the reforms. Then, probably, we could have avoided the complex stage of survival of peasants being left alone, fragmentation of arable lands, degradation of arable lands and pastures, loss of farmlands.”

Source: A. Abdiev, Head of the Technical Department at the KyrgyzGisprozem

B. Evaluation of the reforms process

279. In most countries in the Former Soviet Union and Eastern Europe, land reform and farm reorganization were separate reforms. In Kyrgyzstan, the distribution of land and the break-up of farms were viewed as one process. Land reform legislation foresaw both distribution of land *and* the break-up of farms.

280. In the highly urbanized environments such as Bishkek and Osh, the land market is making steady progress in terms of buying and selling of land and property together with the registration of mortgages. However, in rural areas the buying and selling of land is limited, because of the limitations imposed on the rural land market by the National Government and because there are few off-farm employment options in rural

⁴⁸ Presidential Decree No. 327 “On Measures Aimed at Introduction of Market of Land Use Rights and on Establishment of the Market Credit System in Agriculture” (November 25, 1996).

⁴⁹ In accordance with the article 139 of the Tax Code delivery of own agricultural production by the agricultural producer and also delivery of own processed and grown production by agricultural commodity producers are VAT-free deliveries.

areas. Some International Aid Agencies and individuals have lobbied for the complete removal of the limitations to bring the rural land market into line with the urban land market and the land markets of the West. The Government so far has resisted these pressures and has maintained the limitations to keep rural populations on the land.

281. A researcher from Tajikistan, Tavakal Abdullaev, says that the potential of a private sector is not fully realized because of the shortage of investments and agricultural inputs including machinery, fertilizers and other necessities.

282. The Project used a method of approach to find out the opinion of direct players of land reform process. The participants of the process have written articles and have been interviewed in order to express their opinion on positive and negative sides of land reform implementation and political, economic and institutional changes during the reform implementation. For example, Saparbek M. Tynaev says in his article that after constitutional order on introduction of private ownership to land, more than 77% of arable land has been charge free allocated to rural citizens. During the period of land and agrarian reform nearly 2.8 million or 90% of rural residents have obtained land shares. He definitely says that they have become real owners of land and other production means and it was the incentive for rural population to start the sufficient independent agricultural production at the initial stage.

The Land Share System and Farm Reorganization

283. From 1991-1994, there were no regulations regarding distribution of land from state and collective farms to members of those farms. For this reason, farms that distributed land before 1994 did so without any legal guidance. In some cases families or clans requested land so that they could farm independently and were met with strong resistance, even violence, from the farm chairs. In other instances, such as in Naryn oblast, in many cases the process for distribution of land was decided by clan leaders who proceeded in an orderly and generally fair way to distribute land among clan lines.⁵⁰ Land was most often distributed to groups of families and entire contours of land were distributed without demarcating which land belonged to individual families.

284. The land share system was established at the end of 1992 when it was recommended by presidential decree that collective and state farms divide their land into shares to ensure that every member had a right to a land plot. Specific rules for the process of determining who had a right to a land share were not promulgated until August, 1994.

"In Chui oblast the first peasant farms were 'forged': they were established for reporting purposes only [...]. In 1991-1996 there was much opposition to privatization. Most [rural] people were afraid to separate from big enterprises. The elder generation, who remembered dispossession of kulaks, saw much danger. Young people did not have such warning experiences. At that time, in 1991-1992 I separated my brothers and sisters from the kolkhoz. Of course there were some difficulties at the beginning. The managers of the kolkhoz were against [personnel separating the kolkhoz]. There were fights, sometimes with weapons."

K. Kadyrkulov, RAS Coordinator

⁵⁰ Field interviews in Naryn Oblast, October 2005.

285. A The BASIS 2001 survey⁵¹ found that in Naryn oblast, 21 percent of families had received their land share before 1993. Our (SILR) survey also indicated that the land reform started earlier in Naryn oblast than in other oblasts with the median year of land distribution being 1992, two years before governmental regulations were promulgated. Other regions of the country started distribution of land only in 1995 and following years. Thus up to one-fifth of the families in Naryn oblast were distributed land without the benefit of legal rules.

286. The law required that every member who received a share of land and all of his family members would receive an equal share of land. However, this aspect of the law was inconsistently enforced. For example, many farms in Chui Oblast established a graded system for determining land share amounts. In some cases children received less land, in other cases non-agricultural workers received less land, etc. In Sokoluk, Chui oblast, qualitative interviews verified that on many farms, teachers and other non-farmers received less land than other collective or state farm members. An interview in Osh oblast indicated that there as well, on some farms, non-agricultural workers received less land than agricultural workers.

287. For many years (until the middle of 2006) the lack of legislative differentiation between the concepts of “land share” and “land plot” created problems, leading to a twofold interpretation and inconsistent application of the legal norms.⁵²

Farm Reorganization

288. It is impossible to separate the distribution of land from farm reorganization in Kyrgyzstan. All legislation that discussed private use rights to land also discussed farm reorganization, and in fact, this is one of the hallmarks of the Kyrgyz land reform. The authors of the land reform believed that if whole farm reorganization did not occur at the time of distribution of land, each family or group of families would be at the mercy of the authorities or farm bosses in terms of the right to withdraw. They believed that there was no way to avoid corruption if families withdrew over time. Each withdrawal and each choice of land would be an opportunity for officials to receive bribes.⁵³ In fact, this is what happened in parts of Chui Oblast where farm leaders resisted whole farm break-up. It is also a major issue now in Tajikistan.

“The reform opponents had every reason to impede it. As it became known, heads of cooperative leased out land parcels to Koreans at a rate of 4,000 soms/ha though formally the lease documents registered the price of 670 soms/ha. Thus, by leasing out 20,000 ha 50 heads of cooperatives and their associates earned one million soms each. Naturally they were against the land reform.”

Source: E. Aliev, retired Head of the Ex-Centre for Land and Agrarian Land Reform

289. The early reorganizations of bankrupt farms were imposed on farms. Farmers did not have information, there were no mandatory general meetings, and decisions were made by

⁵¹ See Chapter 1d for information about this survey.

⁵² On June 25, 2006 changes were introduced in the law “On management of agricultural lands” for solution of the given problem. Henceforth concepts “land share” and “land plot” are applied with the following meaning: “land share” concept is applied for the land received in the process of Land and Agrarian Reform, but “land plot” is common contour of land square in kind, having fixed boundary.

⁵³ Interview with Bekbolot Talgarbekov, former Minister of Agriculture and primary author of the land and agrarian reform.

the State Property Committee and local government heads. As a result, many of these bankrupt farms were stripped of all remaining assets and the workers were left with only land and no support. In addition, two farms reorganized on their own in 1991, with no government assistance, one in Kemin (Chui oblast) and one in Jumgal (Naryn oblast).

290. Starting in 1994 all agricultural enterprises⁵⁴ independent of profitability were subjected to reorganization. Reorganization of agricultural enterprises was carried out by a rural committee on implementing the land and agrarian reform. Later the reorganization was reviewed at the general committee of the collective and was approved by the head of the regional state administration. The main forms of reorganization were: division into peasant farms (possibly followed by voluntary uniting into associations and cooperatives), reorganization into an open joint-stock company, or bankruptcy and the sale by auction of the property to other producers.

291. In 1996, the categories of types of farms were: personal farms, peasant farms, collective-peasant farms, agricultural cooperatives, joint-stock companies, and state farms⁵⁵. All other farms were to be reorganized into a farm type listed in the regulation.

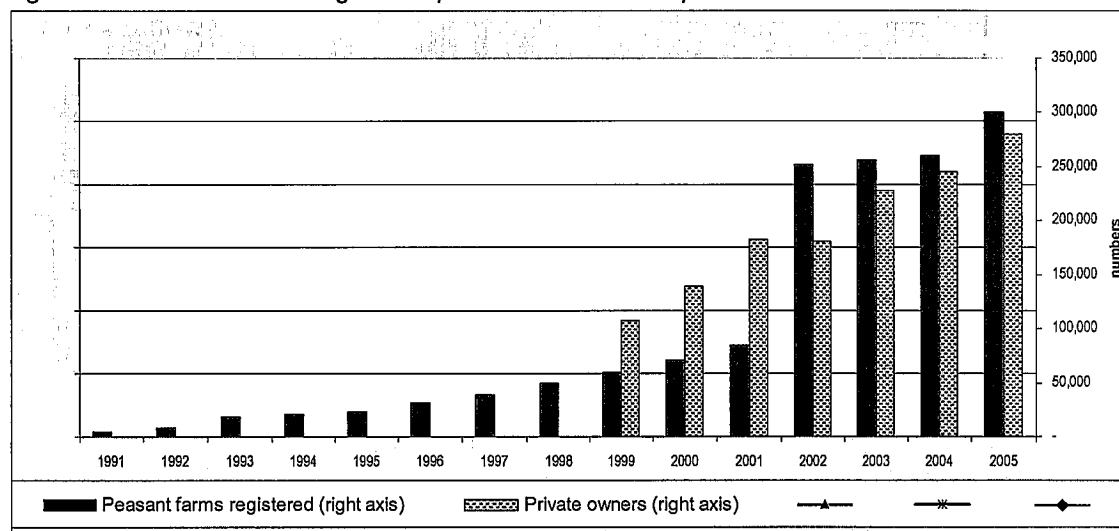
292. At that time, families did not have the option to farm individually, although there were none who requested to do so. The land was divided on a per capita basis, and all families received temporary certificates. Each person in the family received a per capita share of 28 sotkas. At the general meeting members were told to decide among themselves how to divide into groups to equal 10-30 hectares of land. The members decided to break into 60 groups. Most of the groups were based on kinship, but some groups were made up of all Russians, other groups of all Tartars, and some groups were groups of neighbours.

293. For the village where most of the members were divided into kin based groups (Tosor) the distribution of land was fairly uncomplicated. A commission was set-up to supervise the distribution made up of the leader of each group. Each group was offered a contour and certificate. If the group accepted, they received the map and certificate. If they did not, they were placed in the queue for another field. All land was allocated in 2-3 hours. The second village, Tamga, where kinship was not widespread, the village agreed to divide the land by lottery. This land too was distributed in 2-3 hours. The land distribution and farm break-up in Jety- Oguz became the model for the 1994 regulations that regulated the process of farm reorganization. Regulations allow each farm to make choices within general guidelines.

⁵⁴ Governmental regulation "On transformation (reorganization) of agricultural enterprises", dated August 22, 1994.

⁵⁵ Regulation on categories of agricultural subjects of the Kyrgyz Republic (Adopted by the governmental resolution of the Kyrgyz Republic dated April 12, 1996 # 158).

Figure 26. The number of registered private farms and of private land owners.



Source: GosRegister, 2006

Equity vs. Efficiency

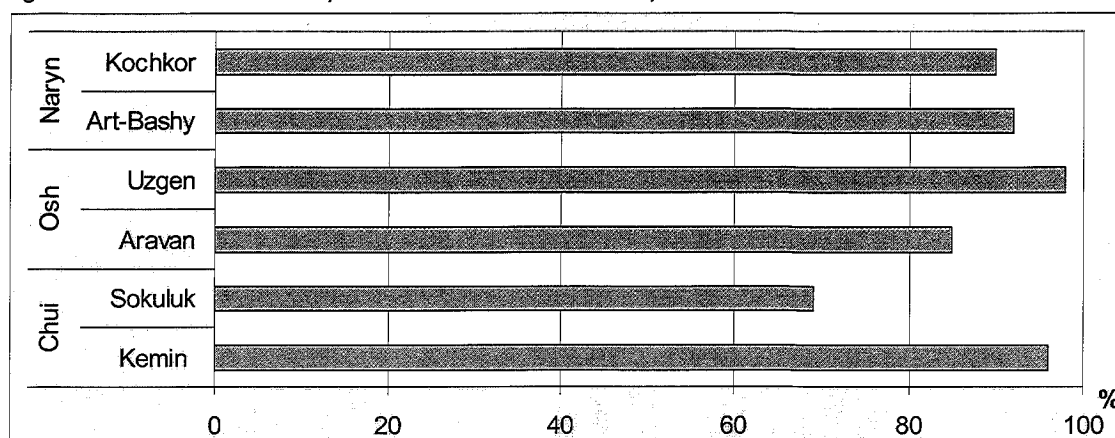
294. One of the major criticisms of Kyrgyzstan's land reform is that land was divided into very small units, which did not allow for efficient use and productive commercial farming. The two main authors of the land reform (excepting Former President Akaev) believe that in retrospect, even knowing all that they now know, there was no other way.⁵⁶ The key decisions that the reformers made early on were based on their prioritizing equity over efficiency in land distribution. The main decisions were:

- All workers should receive a share of land;
- Land should be distributed at the same time when the farm is reorganized;
- The distribution and reorganization needed to occur quickly to reduce the possibility of corruption and to allow people to make their own way once state subsidies and other assistance stopped;
- Land holders had to be able to freely choose how to farm (as part of a single family farm, as part of a multi-family farm, or as part of a collective style farm).

295. In the balance between equity and efficiency, the Kyrgyz reformers chose equity. Their hope was that "the market" would, over time, encourage people to consolidate their land. The speed of the reform, the requirement that farms reorganize into smaller units, and the distribution of land on a per capita basis were all designed to reduce corruption and to create a fairly level playing field. In fact, in 494 household survey 89 percent of all farmers interviewed considered the land distribution fair (see Figure 27).

⁵⁶ Interview with Kachkynbai Kadyrkulov and Bekbolot Talgarbekov, June 2006.

Figure 27. Evaluation of respondents of fairness of the process of land distribution



Source: SILR survey

296. Sokuluk in Chui oblast had the lowest number of satisfied respondents (69%), and Sokuluk was also the latest to distribute land shares - the median year was 1999, and some people received their land as late as 2005. A 400 household survey conducted by USAID in 2001 indicated that single family households in Chui Oblast had fewer hectares than households still in farm enterprises, indicating a lack of equitable land distribution in Chui oblast, where whole farm break-up generally did not occur (see Table 28 and Table 29).

Table 28. Size of land plots of individual farmers.

Hectares per household in individual farms	Chui	Osh	Jalal-Abad	Talas	Issyk-Kul	Naryn
Less than 1	17%	80%	50%		18%	9%
From 1 to 2	17%	17%	38%	29%	37%	37%
From 2 to 3	15%	2%	10%	24%	16%	11%
From 3 to 5	22%	1%	2%	29%	24%	29%
From 5 to 10	29%	1%	-	19%	5%	14%

Source: BASIS 2001 survey

Table 29. Size of land plots of peasant (farmers) farms

Hectares per household in farm enterprises	Chui	Osh	Jalal-Abad	Talas	Issyk-Kul	Naryn
Less than 1	-	81%	33%	-	-	-
From 1 to 2	-	13%	67%	38%	-	-
From 2 to 3	25%	-	-	38%	-	-
From 3 to 5	50%	-	-	25%	-	-
From 5 to 10	25%	6%	-	-	-	-

Source: BASIS 2001 survey

297. According to the early legislation, land plots had to be between 10 and 20 hectares. This was later decreased to 5 hectares and then eliminated. At that point, individual family farms that had been forced to unite their shares with other families started to

withdraw. By 2000-2001, 79 percent of people interviewed in a 400 person survey, described themselves as being a member of a single family farm.⁵⁷

298. The regulations guiding land share distribution (Regulation # 632, 1994) were aimed at goals of achieving fairness. For example, it required that people, who received land before approval of the regulation, pay compensation for extra land if their land exceeded the average size of a land share (in that raion). Thus, if they received more land than other members of the farm, they were required to pay for it or return the extra portion. Moreover, if the total area of the land plot could exceed the maximum size allowed for one family⁵⁸, the remaining land had to be returned to the rural committee on land and agrarian reform for redistribution.

299. In relation to issues of fairness, according to interviews carried out with farmers from the south, they are less likely to think the reform was fair because their land shares are smaller than those in the north of the country.

300. One of the interesting things about the Kyrgyz land reform is that “social factors” as well as legislation played a role in all aspects of the reform according to the household data in the 2006 survey. When asked whether social factors and/or legislative factors influenced land allocation decisions, 73% of people in Chui oblast, 56% of people in Osh oblast, and 67% of people in Naryn oblast thought social factors played a strong or partial role in the process. As to whether legislation affected the process, 89% in Chui oblast, 84% in Osh oblast, and 92% in Naryn oblast thought that legislation played a strong or partial role in land allocation. While legislation was seen as playing a more important role, social factors were also a major part of the process.

301. For land distribution, social factors appear to have had a stronger influence than legal factors in one rayon in all three oblasts: Kemin in Chui oblast; Aravan in Osh oblast; and Kochkor in Naryn oblast. In Kemin, 99 percent of people stated that social factors had some influence, while only 42 percent thought legislation had some influence. In Aravan the ratio was 90 percent to 82 percent, in Kochkor it was 62 percent to 48 percent. Conversely in Sokuluk, a majority of people thought social factors played no role and a quarter of people thought legislation played no role (see Table 30).

⁵⁷ The surveys were conducted in the frame of USAID project for on development of commercial law (ARD/Checchi) in summer and autumn of 2000 and 2001.

⁵⁸ Maximum size of land plot being used by one family should not exceed: 20 hectares in farms of intensive farming, 25 hectares in average intensive, 30 hectares in mountainous cattle breeding.

Table 30. Evaluation of impact of social factors and legislation on land distribution.

Oblast, rayon	Social factors...				Legal factors...			
	Strongly influence	Partially influence	No influence	Don't know	Strongly influence	partially influence	No influence	Don't know
Chui, total	25%	41%	28%	7%	28%	13%	23%	6%
Kemin	25%	74%	0%	1%	4%	16%	20%	1%
Sokuluk	25%	6%	57%	12%	54%	9%	26%	11%
Osh, total	11%	59%	20%	9%	16%	52%	11%	20%
Aravan	25%	65%	9%	0%	33%	49%	16%	1%
Uzgen	0%	55%	29%	16%	3%	55%	7%	35%
Naryn, total	23%	40%	35%	2%	49%	12%	12%	27%
At-Bashy	28%	36%	35%	1%	61%	4%	1%	34%
Kochkor	7%	55%	34%	3%	10%	38%	48%	3%
Total sample	19%	48%	27%	6%	30%	28%	15%	18%

Source: SILR survey

302. It should be noted that during the land distribution, there were people, who refused their land share because they lacked skills or understanding. For the last several years, these people have turned to village administrations and requested land. As a rule such people do receive land shares from the LRF.

Farm Debt

303. Former state and collective farms accrued massive debts owed to the state. This indebtedness was a significant issue in terms of formation of new farms. In 1995 field research, it was clear that debts created by state and collective farms were a crushing burden on newly created smaller farms. Initially in 1994 in accordance with the regulation on reorganization of agricultural enterprises,⁵⁹ those debts created by farms before October 1, 1994 had to be paid off with money or property of the farm. The remaining part of the debt was considered the debt of the reformed farm and could be paid over the course of 40 years, 0.75% per year starting on January 1, 2004.

304. Later on a series of governmental decisions reduced debts and spread payment for debt over 10 -15 years with no interest. Moreover, Government Decision⁶⁰ No. 42 reduced the debt of reorganizing state farms by 50 percent and reduced the debt of reorganizing collective farms by 25 percent. To some extent, the fact that many of the debts were written off, led to poor use of credit resources.

305. The treatment of debt before and after reorganization was not dealt with consistently. Many collective and state farms sold non-land property to pay off some or all of the debt before the farm reorganization. The rest of the property was then distributed in the form of property shares.

⁵⁹ Regulation "On transformation (reorganization) of agricultural enterprises", adopted by the governmental regulation # 632 (August 22, 1994) describing measures on debts, created by enterprises during determination of property share.

⁶⁰ Governmental regulation "On debts of transformable collective and state farms" dated February 16, 1995, # 42

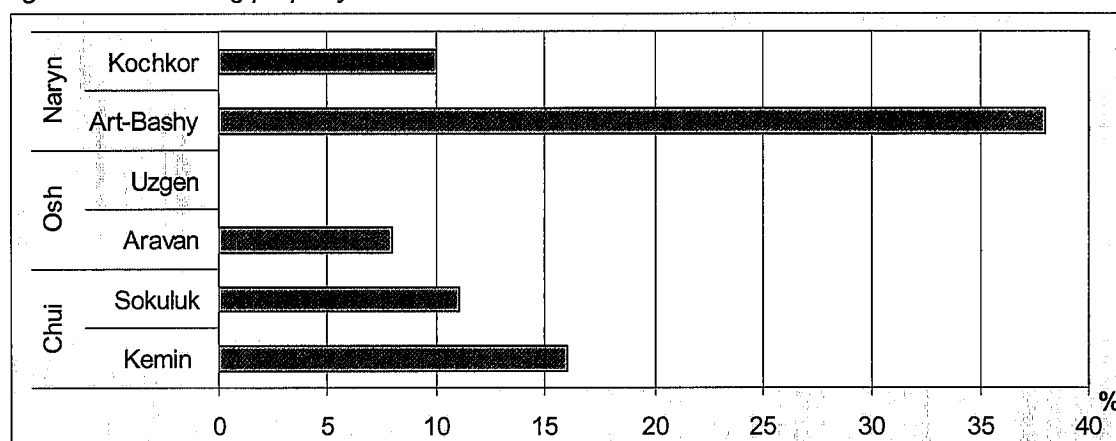
306. Although collective and state farms started as very different types of farms with different duties and equipment, by the end of the Soviet Union, these farms were generally not recognizably different. Nonetheless, members of state farms had to buy the property of the farm while members of collective farms were legally entitled to receive property shares (at no cost). Farms that sold off assets and livestock to pay debt started from a very poor position—with land but no other resources

Property shares

307. In the Kyrgyz Republic, workers and pensioners of the collective and state farms (but not their spouses and children if they were not members) had the right to a share of the non-land assets (property share) of the enterprise, such as buildings, machinery, fuel, and domestic livestock. According to government regulation # 632 the size of each recipient's property share was determined by the length and nature of his service on the farm, such that higher salaried and longer-working recipients receive larger shares. During field research conducted between 1995 and 2005, dividing property among the members of the farm was often cited as the most difficult aspect of farm break-up. Members of former collective farms had the right to withdraw their property shares in kind or in money.

308. In fact farm property, including livestock, was very frequently sold or not managed well in the process of reorganization. Surveys carried out during the Study indicated that a very low percentage of people received any property share (see Figure 28).

Figure 28. Receiving property share



Source: SILR survey

309. Village governments were given responsibility over objects of “production and technical purpose” (as well as social and cultural objects, repair shops, garages, gas storage, water supply, and common inputs) to render centralized services. These objects were to be owned by citizens based on common share ownership. Distribution of property was perhaps the most difficult aspect of farm reorganization. But, it should be noted that distribution of property shares went poorly in every Eastern European and Former Soviet Union Republic because of the difficulty of dividing “lumpy” inputs such as large scale tractors or machines.

Land Redistribution Fund

310. A National Land Fund was established by Presidential Decree on November 10, 1991. The intent of this Presidential Decree was to "restitute" land to ethnic Kyrgyz who had lost their traditional land during collectivization. However there were no clear rules as to distribution of this land, with the only criteria being that the person who requested land had to be ethnic Kyrgyz⁶¹.

311. In 1995, the National Land Fund was reduced to twenty-five percent of the arable land in the Kyrgyz Republic and transferred to the Land Redistribution Fund and controlled by local communities and the Ministry of Agriculture. Basically, the National Land Fund was renamed, the Land Redistribution Fund (LRF). The LRF was primarily viewed by policymakers as an asset to be used by the republican government through the Ministry of Agriculture to subsidize various agricultural and rural industries, to provide a safety net to those who did not receive land, and to encourage the growth of peasant farm enterprises.

"However, already on 6 October 1997 the Government of the Republic by its Resolution "On State of Collection of Rent for Use of Lands of the Land Redistribution Fund under the Ministry of Agriculture and Water Economy of the Kyrgyz Republic" pointed out unsatisfactory work of oblast and rayon state administrations in providing effective use of LRF lands and targeted spending of funds received from the land rent. This decision of the Government showed that transfer of the Fund's lands spread all over the Republic to jurisdiction of bureaucratic Ministry was not a right approach, because that Ministry failed even to establish borders of the LRF lands at ail okmotu level and failed to inform the land users about terms and mechanisms for renting out the lands of the Fund."

Source: T. E. Omuraliev, President of the Congress of Local Communities

312. The concept of holding back a percentage of arable land from distribution to private individuals was forward thinking. This land has been very important in the process of land redistribution and has allowed state and local governments to correct some of the problems created by such a mass distribution of land to private individuals. But in some regions of the Republic, the worst lands were left for the LRF, and the best lands were distributed as land shares.

313. After years of state control, in January 2000 responsibility for the LRF was devolved from the Ministry of Agriculture to each of 454 village administrations⁶², and this too has been a positive step. However, national legislation imposes priorities on the aiyl okmotus for distribution of the land from the LRF. These state priorities limit the local government's ability to collect funds and to take into account the needs and differences of their own communities. Moreover, local governments often misinterpret the law or do not understand its intent because it is complicated and has changed frequently over the past ten years. The key to effective and fair use and distribution of this land will be establishing a transparent process for governance that allows input from farmers, village level government, and possibly some rayon oversight.

314. Under current legislation, lands of the LRF must be provided for the organization and functioning of agricultural enterprises (seed farms, pedigree farms, etc), expansion

⁶¹ Presidential decree on urgent measures of implementation of legislation of the Republic Kyrgyzstan, regulating land and other relations in agriculture (November 10, 1991)

⁶² Governmental regulation # 10 "On the Reform of Local Governance Structures," January 11, 2000

of inhabited settlements, and to those who did not receive land under the initial distribution.⁶³ Lack of clear rules in relation to preparation of lists of people who did not receive land, lead to various abuses, and there are cases when people who have no right to receive a land share⁶⁴ are included on the lists.

315. According to the Association of Local Self-Governance, the aiyl okmotus are very concerned about the state transformation of arable land of the LRF into land for the expansion of inhabited settlements. The aiyl okmotus are interested in having not only the management of the LRF but also the “ownership.” At a minimum, some local planning and transparent oversight is required.

316. The LRF is the major source of land still available to local and state government. As such, there is somewhat of a land grab⁶⁵, and it is being used by all levels of government for all types of political reasons. Our 500 person study found that few individual households are leasing land from the LRF.

317. Since national legislation related to the LRF is now imposed on local governments without their input and without taking into account local situations, each aiyl okmotu is creating ad hoc priorities related to the land fund with limited public input. A local, participatory, transparent process for determining the priority uses for the land fund is necessary. The LRF is the biggest asset for local government and land is the only asset for many rural residents.

318. Allocation of lands from the LRF for building of individual houses has reduced the amount of land, suitable for agriculture, and a bad precedent has been set. Over the last two years, a total of 5283,69 hectares of land were withdrawn from the category of agricultural land and given out for construction of houses. Given the limited amount of arable land in the Kyrgyz Republic, this trend may be problematic. A better solution would be to allow local governments to create zoning plans, assuming the process is transparent and allows for public input.

Pastures

319. Pastures remained in state ownership throughout the land reform and could only be distributed as a use right. Under the Land Code, management of pasture is based on the division of all pasture into three zones: the near pastures are under the management of the aiyl okmotu, intensive pasture under management of the rayon administration, and distant pastures under the oblast administration. Each aiyl okmotu and rayon has pastures assigned to them based on previous Soviet allocations. Very often oblast administrations delegate the function of management of pastures to village administrations. Pastures of the forestry fund have special status. The State Forestry Service and its territorial bodies are responsible for administering this pasture land.

⁶³ Thus the parliament confirmed norms on allocation of LRF lands at total sum of 24413,72 hectares to such people for three times

⁶⁴ Information acquired during Chui regional seminar. September 2006

⁶⁵ Such cases took place after March 2005 and served as a basis for transformation of lands and transfer to citizens for individual house building

320. The first normative act regulating use of pastures was adopted in 1991⁶⁶. It provided that pasture users had to use pastureland without violating the ecological situation. Norms devoted to preservation of the ecological state of pastures are contained in all further regulations adopted during the following years.

321. In 1999 new pasture regulations added intensive pastures to the existing categories of near and distant.⁶⁷ The Land Code provides that pastures are to be leased from the State. The responsibilities of a renter are described in detail under the 1999 regulations as well as which pastures could be rented out and which agencies would receive a portion of the rental fee (90% - to executive bodies, 10% - to the State Land Registration Agency).

322. The final Resolution #360 "On the Procedure of Lease and Use of Pastures" (June 4, 2002) establishes that pastures have to be distributed through an auction. Oblast, regional (city) state administrations and village administrations are required to develop a plan for redistribution, use and protection of pastures (item 9). The plan is to be developed with the help of specialists from GosRegister. Based on these plans, pasture plots are leased for commercial or investment use. Reserved pastures are to be allocated to those who are socially unprotected.

323. The resolution is very complicated and is not enforced leading to many violations of the rights of renters. One renter from Uzgen stated that she cannot enclose her pastures, and somebody else's cattle are pastured on her rented territory but only she⁶⁸ pays rental fee.

324. Pasture plots can be transferred to non-agricultural enterprises for organization of tourist activities, fisheries, public and individual bee-keepers, users of natural resources, flora and other resources with commercial purposes.

325. A legislative prohibition against constructing buildings on pastures⁶⁹ is considered a limiting factor for use of pasture lands and causes an increase in ecological harm. The USAID survey considered this a factor in un-sustainable management of pasture resources.

326. The present system of management of pastures is not followed or enforced creating the conditions for corruption.

Documentation and Registration of Rights to Land

327. At the beginning of the reform there were only land use rights, but these land shares were to be registered. Samples registration documents were provided under the Regulation "On order of determining the land shares of citizens" confirmed by government regulation # 632. It was indicated that rural committees on land and agrarian reform provide citizens with land certificates and registered in the state land engineering services in the region.

⁶⁶ Regulation on order of allocation and use of the near and distant pastures in the Republic of Kyrgyzstan (Adopted by Resolution of the Cabinet of Ministers of the Kyrgyz Republic, dated September 12, 1991, # 448).

⁶⁷ Regulation on lease and use of pastures (Adopted by the governmental resolution on November 29, 1999, # 649)

⁶⁸ Information received during the Osh regional seminar. September 2006.

⁶⁹ Article 74 of the Land Code of the KR and article 10 of the law on management of agricultural lands

328. The regulation further determined that citizens would get certificates listing all family members by surnames, the amount of land for each family member, and the starting cost of the use right in soms. Besides that the attachment had a form with a space for a map of the land share and a description of adjoining land shares. The certificate was filled in two copies, and the second copy of the certificate was to be kept with the village government. Registration was required for the certificate to have legal force.

329. In 1996 in accordance with a government decree, the Government was instructed to introduce registration of sale, exchange, pledge, and inheritance of use rights to land shares and land plots, beginning January 1, 1997.⁷⁰ Pursuant to the 1996 decree, regulations for state registration were promulgated.⁷¹ These regulations gave the responsibility for state registration of land use rights to the State Agency of Land Survey and Land Resources. The regulations required obligatory initial registration of land use rights and registration of transactions.⁷²

330. Early on, in Chui oblast, land share certificates were issued to every member of the family unit, not only to the head of the household⁷³. Many *raions* issued temporary land share certificates. These temporary certificates did not require a map to be attached. In 1997 by Government Resolution # 475 "On process of implementing and strengthening land and agrarian reform" (August 14, 1997), the State Land Agency and local state administrations were required to exchange temporary land use certificates into permanent certificates at the expense of local budgets⁷⁴ by January 1, 1999.

331. The SILR survey showed that almost everyone with a land share has all documents registered in Gosregiser with an attached map of the land plot (see Table 31).

⁷⁰ Presidential Decree No. 327 "On Measures Aimed at Introduction of Market of Land Use Rights and on Establishment of the Market Credit System in Agriculture" (November 25, 1996). There is no requirement for registration of long-term leases in this decree.

⁷¹ Government Resolution No. 172 "On Implementation of State Registration of Land Use Rights" (April 2, 1997).

⁷² Government Resolution No. 172 "On Implementation of State Registration of Land Use Rights" (April 2, 1997).

⁷³ By the opinion of the former leadership it is a right way, as each person of farm had own share that was confirmed by the special document. Due to information received during Chui regional seminar illustrates such evaluation is kept nowadays. Nevertheless there was a negative aspect: actually owner could not use this document due to requirements of legislation in relation to share property.

⁷⁴ It was admitted by the regulation that 704 thousand certificates for right of land share use were distributed, and at that only 147, 5 thousands of distributed certificates of the total number of certificates are in compliance with the established sample.

Table 31. Availability and details of certificate (state act) for land share.

	Farms having land share and certificates for it	Farms with certificates registered in Gosregister	Share of certificates with attached map of location of plot/without it	
			With map	Without map
Chui, total	99%	100%	99%	1%
Kemin	99%	100%	99%	1%
Sokuluk	98%	100%	100%	0%
Osh, total	97%	98%	98%	1%
Aravan	95%	100%	99%	1%
Uzgen	99%	97%	98%	0%
Naryn, total	98%	100%	97%	0%
At-Bashy	97%	100%	96%	0%
Kochkor	100%	100%	100%	0%
Total sample	98%	99%	98%	0%

Source: SILR survey

332. With major funding from donors, a land and real property registration system was established in Kyrgyzstan. The land/real property registration system is a land title, parcel-based system that registers all rights and interests in land and real property. It should be noted that more than one parcel is shown on some land share certificates. However, according to GosRegister, when systematic registration takes place the individual parcels are assigned unique parcel identifier numbers (PIN) and individual titles. According to the land registration law, the act of registering real property title documents in the system provides guarantee of the entitlement of the rights to the registered owner(s). It is mandatory to register all real property transactions to constitute ownership of the transacted rights. However, registration of any transactions, including the transferring of agricultural land shares from the state to individual or joint owners, conducted prior to the establishment of the registry system is not compulsory in order to constitute ownership of the rights to the land. Actual registration takes place at the *raion* level.

333. State registration of rights to agricultural land confirmed the rights of ownership for land shares. At the beginning of April 2006 more than 400 thousand land shares were registered. GosRegister plans to work in high mountainous regions (to register approximately 300 units of real estate) in 2007⁷⁵.

Land market

334. At the beginning of the reform there was no right of ownership for land, thus the subject of transactions was the right of land use. Some rules in relation to transactions of land shares were established in 1994 by Presidential Decree and Governmental regulation # 632. Owners of land shares could sell, exchange, bequeath, pledge and lease rights to a land share to other Kyrgyz citizens and legal entities. The following limitations were placed on transactions: 1) the land had to be exclusively used for agricultural production, 2) an owner of a right to a land plot (share) could sell or exchange it only to members of the current (former) farm. From January 1, 1995 owners of a land use right were able to transfer to other citizens and legal entities of the Kyrgyz Republic. All transactions were conducted using the land share certificate. Purchase,

⁷⁵ Interview with J. Kalberdiev, chief of the department of implementation of projects of StateRegistr, April 5, 2006.

exchange, inheritance and mortgage transactions had to be notarized and required consent of the village committee and *rayon* land engineering service.⁷⁶

335. When the Constitutional Amendment passed allowing land to be owned, there was a moratorium placed on all transactions in agricultural land. So while land share use rights (99 year use rights) could be purchased, sold, and even mortgaged, practically without restriction, once land was transferred to ownership by the Land Code, it was determined that owners of agricultural land plots had no right to sell the land for 5 years from the moment of receiving the right of ownership. The introduction of the moratorium was intended to keep new owners from selling it to “richer and well-to-do” urban citizens before they really understood their rights.

336. The argument for the push for full ownership was that use rights were less secure than ownership rights. However, there are very active market economies (such as Hong Kong under British rule) that do not allow ownership of land. The psychological aspect of ownership cut two ways in Kyrgyzstan. On the one hand, ownership is, at least, psychologically more secure. On the other hand, because ownership is forever, the Parliament and President’s administration have been very careful about allowing purchase and sale of land⁷⁷.

337. The moratorium was cancelled on December 28, 2000⁷⁸, but in the first half of January of 2001 the law “On Management of Agricultural Lands” was passed. It provided basic principles and limits related to transactions (purchase, lease, exchange, pledge, inheritance and gift).

338. The restrictions under this law are still in existence. Thus land can be sold only to rural citizens, and legal entities can not have agricultural lands in ownership. If land is transferred to a legal entity, such as a bank or other financial establishment, they must sell the land at auction within one year from the moment of the transferring of the rights to them.

339. At the time that property was distributed in the early 1990s, it made sense on equity grounds for a hard line to be drawn between urban and rural residents—people living in cities received property shares in enterprises and people living in rural areas received land and property in the course of farm restructuring. The rationale for this constraint has considerably weakened over time, and the divide is becoming a serious constraint on land market development. For the poor and elderly living in rural areas, one pathway to livelihood is to exist with pensions supplemented by cash rentals from land or land sale. For urban citizens lacking employment or wanting supplemental income in urban areas and holding cash to invest, the rural land market would be strengthened by the injection of outside capital. There is of course the risk of desperation sales and consolidation of land wealth that would need to be addressed.

⁷⁶ Regulation “On the Procedure for Determining Citizens’ Land Shares and for Issuance of Certificates Containing Land Share Use Right” (Adopted by Resolution # 632 on August 22, 1994).

⁷⁷ Position of the President and Parliament was based fairly on opinion of the population. Thus in the Concept of introduction of private ownership for land (Adopted by presidential decree UP- 310 on October 13, 1998 it was stated that during the national discussion of the legislation project “On changes and amendments in the Constitution of the Kyrgyz Republic” some layers of the society are concerned that introduction of institute of private ownership will lead to purchase-sale of land plots, impoverishment of some part of population.

⁷⁸ Law # 93 “On changes and amendments to Land Code” dated December 28, 2000

340. However, land markets are not limited only to purchase and sale transactions. The main land transactions have been land leases, both private leases and those from the LRF. But such transactions are not always registered and cannot be easily tracked.

341. The issues related to mortgage of agricultural land are very complicated. Imperfect legislation related to mortgage and banking and credit and the disposal of pledged land plots create problems⁷⁹. But even if the legislation were perfect, agricultural lands is not very liquid, and banks are hesitant to use it as collateral⁸⁰. Farmers in the south have an advantage in this case because there land is in high demand.

342. However, legal issues related to land and property rights are much less important than economic issues in constraining economic growth. There is insufficient arable land for the most dynamic farmers to expand easily and less-efficient farmers are supplying limited quantities of land to the market in the absence of better employment opportunities. The government tried to find a solution in 2001⁸¹. In accordance with the regulation, village commodity producers from the southern regions could apply for allocation of unclaimed lands of the LRF in the northern oblasts (in particular Issyk-kul, Talas and Chui, totaling 28 699 hectares).. But on arrival in Chui, renters from the south were allocated the worst land., For instance, they received land in Panfilov, which was considered of poor quality, but land was not allocated from the Sokuluk region as renters wanted. After cultivating land and calculating the expenses, many thought it was not profitable to lease⁸² land in the future.

343. Greater upstream and downstream linkages are necessary to trigger off-farm employment and increase land profitability before the land market is likely to have much of an effect on increasing agricultural performance.

344. The land market is more developed in the south where there is purchase, sale, and lease of private lands as well as lands of the LRF. The land market for immigrants⁸³ will be developed also owing to changes in the legislation.

345. In general it should be noted that the land market was introduced in stages, and limitations established during certain periods of time were well-grounded. Moreover restrictions, which no longer served their purpose and hindered further development of the secondary land market, were removed.

Land Disputes

346. During the quantitative research for this study, the question asked was, "*Since you received your land certificate document, have you ever been involved in a land dispute?*" Only 4 percent of those who had their land certificate had been involved in a dispute since receiving the certificate. Of those, 50 percent were related to division of the land, 22 percent were related to boundary disputes and 22 percent to access to water. Six percent were related to land use (see Figure 29).

⁷⁹ Information received during Naryn and Osh regional seminars. August, September 2006.

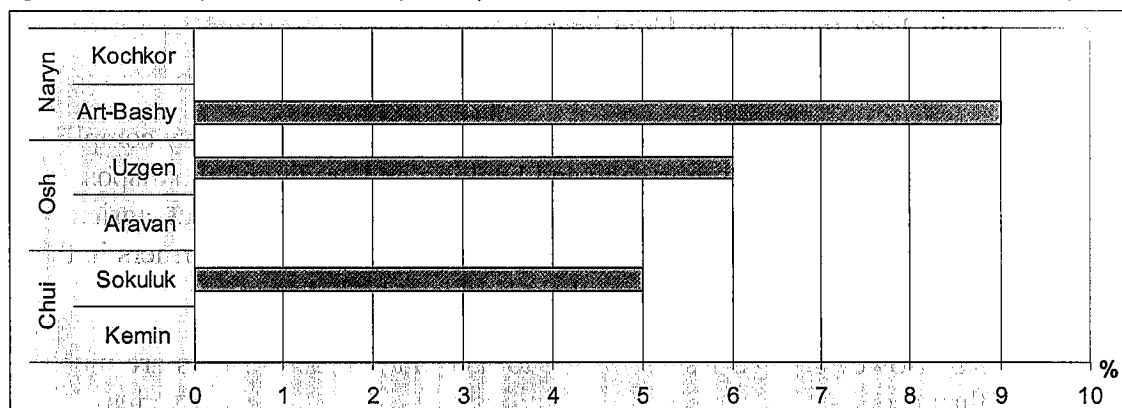
⁸⁰ Interview with T. Tokoev the main lawyer of Kyrgyz Agricultural Financial Corporation July 30, 2006.

⁸¹ Governmental regulation # 247 «On leasing unclaimed lands of LRD for transferring to land users of the southern regions of the republic" dated May 2001.

⁸² Information received during Chui regional seminar conducted in the frame of the survey, September 2006.

⁸³ Information received during Osh regional seminar conducted in the frame of the survey. September 2006.

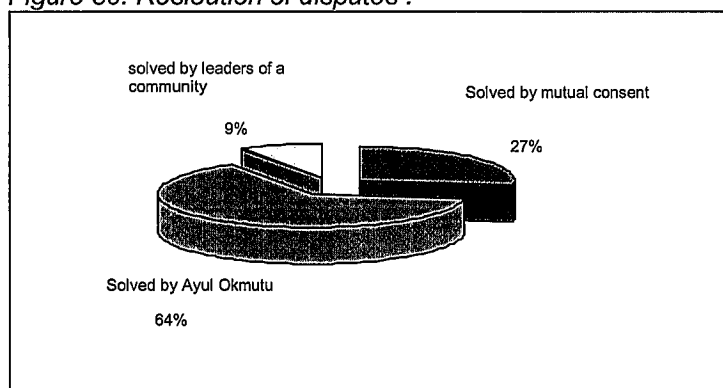
Figure 29. Participation in land disputes (% of the total number of farm received land share).



Source: SILR survey

347. The dispute was resolved in 61 percent of the cases and not resolved in 39 percent of the cases (see Figure 30). The majority of disputes were resolved by the *aiyl okmotu*. Incompetence (43%) and corruption of officials (43%) were cited as the main reasons the disputes were not resolved.

Figure 30. Resloution of disputes .



348. However, an earlier study done in 2001⁸⁴ asked a different question. In that survey the question was: “Have you ever been involved in any land disputes?” The answer to that question was that 28 percent of respondents had been involved in a land-related dispute.

349. The majority of all land-related disputes (68 percent) were disputes between an individual and the state. Most of these complaints were against the *aiyl okmotu*, but the *aiyl okmotu* was also the body that heard the complaint. The majority of disputes in this category (53.6 percent) were related to allocation and size of land shares (pre-certificate actions). Individual family farm respondents reported almost twice as many disputes with the state as enterprise members. Only 16 percent of disputes with the State were resolved in favor of the complainant or by virtue of a compromise; 84 percent of disputes were not resolved to the farmers’ satisfaction.

⁸⁴ Research conducted in the frame of USAID project on development of commercial law, ARD/Checchi, in summer and autumn 2000 and 2001.

350. Disputes between farmers and agricultural enterprises constituted about 11 percent of all land-related disputes. The majority of these disputes related to the allocation, quality, and size of the land share (also pre-certificate). Most often the individual appealed to the *aiyl okmotu* and in the majority of cases the result was not favorable to the individual making the complaint. Only 33 percent of disputes with enterprises were resolved in favor of the individual complainant. Most of the disputes with enterprises occurred with respondents who received their land share after 1997 or had not yet received their land share.

351. The same survey found that the majority of disputes between individuals (60 percent) were related to water use and 25 percent of the disputes between individuals were related to boundaries. About half of the boundary disputes occurred in Osh oblast. Of the boundary disputes, two-thirds were resolved between the farmers without outside assistance. The remaining one-third of the disputes were taken to the court of elders.

352. Overall, the highest number of disputes was in Naryn oblast and the lowest number of disputes was in Osh oblast. Of officially registered complaints—complaints not resolved by mutual agreement, only 15 percent of all disputes had been settled in favor of the individual complainant.

353. It is difficult to compare the two surveys because the questions asked were quite different. We can say that in both cases, however, the number of disputes related to land but not related to the land distribution (pre-certificate) were few.

354. For resolving disputes in the agrarian sphere, third party arbitration tribunals were established by a presidential decree in 2001. Today arbitration tribunals function in all 7 oblasts of Kyrgyzstan. In particular, they are in Jumgal region of Naryn oblast, Karasuu and Uzgen region of Osh oblast, and Sokuluk, Issyk-Ata and Jaiyl regions of Chui oblast.

355. In accordance with data collected for quarterly monitoring of the arbitration tribunals, in the agrarian sphere most of the land disputes are related to determining boundaries of land plots, allocation of land shares in kind (during withdrawal from farm to establish an individual farm), improper implementation of lease agreements (Private leases as well as those of the LRF and pastures), and non-observance of the terms of agreement on water use⁸⁵. (See Table 5). Thus the most widespread disputes are boundary disputes (22 respondents), division of land shares (50), land use (6) and access to water (22).

⁸⁵ Final report on survey of participants of the arbitration tribunal conducted by the constantly functioning arbitration tribunal within PF "Kalys Consult" in February 2002- April 2004.

Table 32. Details of disputes (% of total number of farms involved in land disputes).

Type of land involved:	
Irrigation water	78%
Boghara (dry land)	22%
Subject of dispute:	
Boundary	22%
Share division	50%
Use	6%
Access to water	22%
Opponent in the dispute:	
Relatives	6%
Neighbors	39%
Village administration	50%
Others	6%

Source: SILR survey

356. In most cases the participants in arbitration are agricultural producers (individual farms, peasant farms, cooperatives), non-agricultural enterprises, and village administrations. Notably, village administration are not always the defendant, there are cases when the village administration appears as the plaintiff complaining of non-observance of land lease agreements on LRF or pasture land (see Table 32).

Water use

357. In the sphere of water use legislation, the Soviet Water Code of the Kyrgyz Republic was functioning until 1994. Both the Soviet Code and the new Water Code, adopted in 1994 provided that water is in State ownership. Water licenses are available to legal entities, individuals, foreign people and people without citizenship (article 9).

358. Beginning in 1995 farms could voluntarily be united into Water User Associations (WUA) depending on their territorial location⁸⁶ for the efficient use of water resources. Governmental Resolution # 473 "On Associations of water users in rural areas" (August 13, 1997) regulated the activities of association, rights and responsibilities of its members. The law "On Associations of Water Users" was adopted in 2004. In accordance with the law, any individual or legal entity possessing agricultural land located inside the zone of services of the WUA or having a right to land for more than three years can become a member of the WUA.

359. In 2004 irrigation systems were transferred free of charge from oblast, regional administrations and village administrations to the Association of Water Users⁸⁷ as its property. Peasant (farmers) farms, agricultural cooperatives and other farming subjects located in the zone of service of the WUA also transferred free of charge their irrigation systems to the WUA. In accordance with the legislation, only WUA have irrigation systems.

⁸⁶ Governmental Regulation # 226 of the Kyrgyz Republic dated June 5, 1995 "On ratification of regulation on associations of water users in the rural area".

⁸⁷ Governmental Regulation # 234 dated April 6, 2004.

360. But WUAs are not always successful financially. Very often, water users have sizeable debts to the WUA. . The Kyrgyz Government wrote off the debts of insolvent, broken up and bankrupt WUAs between 1995 and 2000.⁸⁸

361. Water reforms are behind the land reforms, leading to the destruction of hydroeconomic facilities and the collapse of irrigation systems. Nevertheless WUAs play a great role in management of hydroeconomic facilities.

Management of the forestry fund

362. Management of the lands of the forestry fund suitable for agriculture is regulated based on the Regulation of the Order of Agricultural Land Use of Lands of the Forestry Fund of the Kyrgyz Republic (confirmed by the resolution # 449 of the Cabinet of Ministers of Kyrgyzstan Republic adopted on September 12, 1991). The Forestry Fund of 1993 determined that mowing and pasturage of cattle on agricultural lands are implemented in accordance with requirements of the land legislation of the Kyrgyz Republic and must take into consideration the interests of the forestry sector.

363. In accordance with the new Forestry Code adopted in 1999, there is now a special category of forest pastures that represent lands of the forestry fund with grass and vegetation used for pasturing animals (cattle) without causing damage to the forest. To lease pastures from the forestry fund, interested parties must submit a petition to the administrative bodies of forestry. Pastures are allocated by auction. Seventy percent of the sum of the rent fee is transferred to forestry enterprises and used for recovery and protection of forests.

Conclusion

364. Some of the positive aspects of the land reform measures were the speed at which land reform was legislated and implemented; the political will at the highest level to enforce a fairly difficult reform measure where political interests were clearly embellished in terms of land control; the phased approach to a land market and the innovative retention of land for the disadvantaged; the apparent overall fairness and transparency by way the measures were implemented, with limited initial support from the donor community; and the intricate but expert way, overall, that the Government handled land reform, farm re-organization, and farm debt.

⁸⁸ Regulation # 1704-II of the Legislative Assembly of Jogorky Kenesh the Kyrgyz Republic dated June 28, 2004 "On remitting debts of associations of water users for water delivery services before regional departments of water economy of the Kyrgyz Republic" and governmental regulation # 819 of the KR dated November 6, 2004 "On remitting hopeless debts of water users for water delivery services before regional departments of water economy".

C. Institutional responses to legislation

365. The land reform process has generated a large number of Government Institutions competing for the administration of land, agriculture and associated activities. Almost all of these institutions were created prior to independence with only name changes or minor re-organizations in the intervening years. The major exception to this is the Republican Center for Land and Agrarian Reform (RCLAR), which was responsible for implementing the land reform, including distribution of land and property assets to individual households and reorganization of farms. With so many controlling institutions, confusion in the community about land reform was inevitable - there are many anecdotal incidences of the bureaucracy confusing individuals who are trying to come to grips with land ownership and its development. A tabulation of the Institutions is provided in Table 33.

Table 33. The evolution of Government Institutions involved with Agricultural Land Reform

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Ministry of Agriculture																	
Centre for Land & Agrarian Reform																	
Ministry of Justice																	
Ministry of Finance																	
Ministry of Conservation and Ecology																	
Bureau of Technical Inventory																	
Gizprozem																	
Goscartographia																	
Office of State Registration																	
Gosregister																	
Oblast Administration																	
Rayon Administration																	
Kolhoz and Sovhoz Boards																	
Statehoz and Co-operatives																	
Rural Communities																	
Local Governments																	

366. The perceptions of the land reforms in the Government Institutions vary from success to failure. Agencies such as Gosregister can point to the successful registration of land and property rights while the Ministry of Agriculture is extremely concerned with the poverty of farmers and the declining agricultural production. The community generally shares a similar range of views. Successful farmers are happy to own their own land with the freedom to farm while some farmers are struggling with poverty and other problems. There are also perceptions in the community of improprieties that occurred with the land reforms and the lack of transparent accountability of some of the Government Institutions involved. There are many reported incidences of improper conduct by institutions and some Members of the Parliament have admitted to improper practices in debates in the Parliament.

Table 34. The roles of Government Institutions involved with Agricultural Land Reform.

Agency	Year	Agricultural Land						Agricultural Assets					Pasture Land							
		Reform	Privatisation	Distribution	Ownership	Land Use	Registration	Future Planning	Reform	Privatisation	Distribution	Ownership	Registration	Reform	Privatisation	Distribution	Administration	Land Use	Registration	Future Planning
MAWRPI	1991																			
	1995	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	2006	✓	✓	✓	✓	✓	✓	✓						✓		✓	✓			✓
Min Con & Ecology	1991																			
	1995																			
	2006															✓	✓			✓
Min Finance	1991								✓	✓										
	1995								✓	✓										
	2006								✓	✓							✓	✓		✓
Min Justice	1991		✓	✓	✓		✓			✓	✓	✓	✓						✓	
	1995		✓	✓	✓		✓			✓	✓	✓	✓							
	2006		✓	✓	✓		✓			✓	✓	✓	✓							
Parliament Committee	1991	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓		✓
	1995	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓		✓
	2006	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓		✓
State Property Fund	1991								✓	✓	✓	✓	✓							
	1995																			
	2006																			
State Forest	1991								✓				✓							
	1995								✓				✓							
	2006								✓				✓			✓	✓			✓
Min Local Government	1991																			
	1995																			
	2006								✓	✓	✓	✓	✓							
President Administration	1991	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓
	1995	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓
	2006	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓
Prime Min Office	1991	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓
	1995	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓
	2006	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓
Gosregister	1991													✓		✓	✓	✓	✓	✓
	1995	✓	✓	✓	✓	✓	✓	✓						✓		✓	✓	✓	✓	✓
	2006	✓	✓	✓	✓	✓	✓	✓						✓		✓	✓	✓	✓	✓
Oblast Admin	1991	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓
	1995	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓
	2006	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓
Rayon Admin	1991	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓
	1995	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓
	2006	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓
Local Government	1991	✓	✓	✓	✓	✓	✓	✓												
	1995	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓							
	2006	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓

367. Surveys on monitoring and evaluation of law enforcement and functioning of a land market, were conducted by non-governmental institutions and provided critical comment on the impact of legislation. These surveys were sponsored by the World Bank, ADB, EBRD, USAID, GTZ, TACIS, DIFID, UNDP, and other international financial institutions and organizations. These surveys did not appear to be taken into account by the Government and regulations were issued about the management of land without apparent consideration of the conclusions of these studies.

368. The system of provision of legal services in rural areas is implemented with the assistance of international donor organizations. In its development it passed several stages the result of which was the establishment of LARK, Kalys-Konsult, and RAS.. They effectively provide legal services in the rural area and assist farmers to solve legal problems and difficulties.

369. There are also programs implemented through projects of USAID – Pragma and Chemonics, the World Bank – ASSP. They assist rural population to obtain necessary information and distribute legal knowledge through publications, distribution of model agreements and explanation of the provisions of laws. They provided the access to information for rural population.

370. Some NGOs are active with the financial support of different donors.

C1. Government at the National Level

371. Table 34 summarises the evolution of Government Institutions involved with agricultural land reform. It shows a high level of duplication and demonstrates the potential for confusion.

Development of State institutions

372. The process of land reform has been lead by the Government and State institutions have played the primary role in the development of a free land market and in the development of agriculture policy during land reform. Key players were RCLAR under the Ministry of Agriculture and to some extent, after 1999, Gos Register although they were not responsible for distribution of land and reorganization of farms but as surveyors and registration agents. Government still maintains some influence over the major issues related to land management and the rural land market through the limiting nature of some legislation.

373. Before Independence, agricultural lands and assets were administered by the Ministry of Agriculture. Government Institutions such as the President's Administration, Prime Minister's Office together with Regional and Local Government bodies were less involved than they are today. The decentralization of administration has increased the roles of Local and Regional Governments together with other National Government Institutions. Research showed that all stakeholders have a major problem in identification of the role of the institutions.

374. Since independence agricultural lands have been administered by the President's Administration, the Prime Minister's office together with Local governments, Rayon and Oblast Administrations until 1994. After 1994 the Ministry of Agriculture assumed responsibility for the privatisation and allocation of rural lands through the Land and Agrarian Reform Centre.

375. There are many Government Institutions which are involved with the control and use of agricultural lands and farming enterprises. They include:

President's Office

376. The President through his administration is involved in all aspects of the Government of the Kyrgyz Republic. Agriculture and land reform are no exceptions. Land is very important in the Kyrgyz culture and is frequently the subject of concern in Parliament.

377. The volume of work on land and agrarian issues for the President's Administration has warranted the creation of a dedicated section to deal with land and agrarian issues.

Prime Minister's Office

378. The Prime Minister's Office also maintains a dedicated section responsible for agriculture, with specific focus on: (●) Planting, (●) Cattle raising, (●) Water resources, (●) Ecology, (●) Forestry, (●) Food processing, (●) Land issue, (●) Finance and credit issues.

379. The section can trace its origins back to 1982, which precedes Independence. At that time, office staff numbered approximately 28 but with the scaling down of Ministerial responsibilities this number is now approximately 7. It provides agricultural (farming, land and agricultural enterprises) advice to the Prime Minister and has developed a program for the development of agriculture in the Kyrgyz Republic. It monitors and controls all legislation and proposals involving agriculture from whatever source. It investigates complaints.

380. The office claims to have control of land use and land allocation. Though land allocation was initiated at local levels (such as the local Government when they came into existence) the allocation went through a complex series of approvals at all levels of Government (Rayon, Oblast and National) to the Prime Minister's Office for final approval.

381. The office is actively promoting implementation of farming co-operatives.

National Parliament Committee for Land Use (NPC Land Use)

382. This Institution, created in March 2005, has responsibility for consideration and approval of all proposed legislation affecting agriculture, land and ecology. It superseded two Institutions of the previous Parliaments (1995 – 2005): the Parliamentary Committee on Agricultural Industries and the Parliamentary Committee on Agrarian Issues.

383. The new Institution is responsible for resolving land disputes and other issues pertaining to the land. They have responsibilities to interpret all legislation pertaining to the land.

National Parliament Committee for Agricultural Industries (NPC Agricultural Industries)

384. This committee existed from 1995 to 2005. During that period, the Committee considered all appeals of land disputes, issues of allocation of land shares and other

issues concerning land relations. In some cases the Committee provided legal interpretations and explained norms of land law and that allowed solving many disputes in land relations.

385. The National Parliament Committee for Agricultural Industries considers and approves all main laws concerning agricultural development, agrarian policy, and land legal relations before they can be passed by Parliament. It has been instrumental in the development of market reforms.

Ministry of Agriculture, Water Resources and Processing Industries (MAWRPI)

386. The Ministry is responsible for development of policy and the legal base of land and agrarian reform and the Centre for Land and Agrarian Reform (CLAR) under the Ministry was responsible for implementation of land and agrarian reform.

387. This is a large Government Department by most standards. It has over 9,000 staff engaged in all activities to do with agriculture. It was created prior to Independence in 1991. It has come through some name changes and has lost some functions to other Ministries and Institutions and has to compete for recognition with other much smaller offices trying to manage agriculture throughout the Republic.

388. Some functions of the MAWRPI have been excised from the Ministry. One example is Gizprozem which was moved into the registering authority, Gosregister. It is difficult to understand why a land and property registry would need to have such functions as undertaken by Gizprozem included within its domain. Another example is that researches previously undertaken by MAWRPI has also been split with some going to educational research institutions but others remaining with the Ministry.

389. The Ministry is responsible for development policy and legal base of land and agrarian reform and CLAR under the Ministry was responsible for implementation of land and agrarian reform.

Centre for Land and Agrarian Reform under the Ministry of Agriculture, Water Resources and Process Industry (CLAR)

390. The Center of Land and Agrarian Reform (CLAR) was established in 1994 under the Ministry of Agriculture, Water Economy and Processing Industry. Its role was to support oblast and rayon centers in land and agrarian reform so that they could implement restructuring of farms at the local level. The Center assisted in awareness-raising of the public on rights of land users and in solving disputes between local administrations, heads of farms and citizens.

391. It was responsible for preparing the methodology and the legal basis to allow the implementation of land reform. It has regional offices at Oblast and Rayon levels throughout the Kyrgyz Republic.

392. During workshops and interviews many heads of ayil okmotu have described the positive role played by CLAR under the MAWRPI.

393. Farmers in the Study's three oblasts did not know about or understand the process of privatization of agricultural land and property. In 1992-1995 during distribution of land shares and identification the size, identification and evaluation of assets of farms under restructuring the lack of oblast and rayon centers of land and agrarian reform negatively influenced the process. With the establishment of CLAR at the national, oblast and rayon levels, public awareness of rural people has improved.

394. In 2000 and 2001 CLAR undertook around 320 training sessions for approximately 11,000 participants. In this same period CLAR also conducted some public awareness raising in the media and produced small numbers of booklets explaining the Land Reform processes.

395. CLAR and international consultants developed a method of monitoring the activity of rural commodity producers for orientation in reform politics and follow-up with agricultural processes. According to this method, beginning from 1998 CLAR started obtaining information from selected enterprises and was able to provide material on achievements and negative aspects of the land and agrarian reform.

396. Farmers and NGOs say that allocation and redistribution of LRF lands are much better when land was regulated by CLAR under the MAWRPI.

Kyrgyz Agrarian Marketing Information System (KAMIS)

397. Since 1997 KAMIS collects information from markets, wholesale markets, processing enterprises, information on demand and support of commodities, services and world prices. It has branches in all oblasts of the country. Users of KAMIS are ayil okmotu, the Government, heads of the key governmental institutions and big enterprises that make decisions on the agricultural sector, embassies and residents of other countries. The information is provided on a Web-site and monthly magazines are issued. This WB Project also issues the newspaper "The Bazar Tamary" and a magazine "Agro-progress" that are used by farmers for decision making. Currently the information system is sponsored by project resources but in future such information systems will be supported by private companies.

Kyrgyz Agricultural Finance Corporation (KAFC)

398. KAFC was established in 1997 to provide mortgage finance for farmers. It is now a leading financial institution in the country. There is criticism that KAFC does not support farm development and improvement of agricultural production because: the land owned by a farmer is not allowed to be used as collateral for a loan; the interest rate of KAFC is high (though it decreased from 32% to 18%); KAFC does not pay attention to climatic and seasonal realities of farming and paper work is over-complicated. At present, KAFC covers only 10% of the demand of rural population for credit resources.

Gosregister

399. The necessity and importance of a system for formalizing physical and legal entities has been clear from the outset of the reform but it was established only in the second half of the 1990s. The information provided by Gosregister allows physical and legal

entities to transact land sales and provides banks and other credit institutions with a legal context for mortgage lending. .

400. The agency was created in 1999 by amalgamating the following agencies:

- Goscartographia – with responsibilities for mapping;
- Gizprozem – with responsibilities for rural land management, including pastures;
- Bureau of Technical Inventory – with responsibilities for constructions on land;
- Land Engineers – with responsibilities for land use, the survey of land parcel boundaries and the issuance of Certificates of Land Use and GosAkts for Land Ownership.

401. The agency was created specifically to register rights associated with all land parcels throughout the Kyrgyz Republic. Training of staff commenced in 1999 and continued until all 50 offices were established. Public awareness campaigns in the communities did not commence until 2001. These were undertaken with media exposure and meetings within each locality.

402. The agency has participated in the implementation of land and agrarian reform and establishment of legislation base of land relations since 1996 (at that time it was Gozzemagenstvo under the Government of the KR). From 1999 Gosregister has conducted the registration of property, arranged paper work and issued documents certifying right to the land plot and monitoring of lands.

403. Gosregister claims to have completed registration of all urban land throughout the Kyrgyz Republic. It is noted there is a significant body of opinion that refutes this claim and it has been seen on cadastral maps of some towns there are significant areas not showing registered land parcels.

404. Gosregister has registered approximately 1.4 million urban land parcels located in all urban areas across the Kyrgyz Republic. Gosregister allowed voluntary registration of land parcels by owners on condition a fee was paid. This allowed about 30% of land owners to register their land parcels ahead of the systematic registration program for their own benefit and a greater benefit was that the Government of the Kyrgyz Republic made significant savings on the cost of systematic registration of land parcels across the country.

Systematic registration of rural land parcels commenced in 2003 and it is anticipated to be completed by the end of 2007.

405. Though some success in the activity of Gosregister is noted the system is regarded by many farmers, residents of settlements and some representatives of NGOs as a system established to charge money from the population. In their view the graduated prices for different time taken for registration is unfair (from 2 hours for urgency to 10 days) and encourages corruption within Gosregister .

406. One of the sub-divisions of Gosregister is Giprozem. It has qualified staff in the field of pasture management, who can assist oblast and rayon administrations and state

administrations with evaluation of pasture conditions and improvement of fodder quality. In 1995 with financial support from the World Bank, the staff of Giprozem identified boundaries near rural and intensive pastures in 23 rayons of the country. In other 17 rayons the boundaries are not identified because of the lack of funds. Giprozem concentrates its scientific and research activity mainly on the issues connected with pastures.

Ministry of Justice

407. The main responsibility of the Ministry of Justice within land and agrarian reform has been legal provision for the activity of executive bodies; to guarantee of rights and legal interests of citizens, legal entities and the state; to execute acts of judicial and other bodies; to maintain a single state register and form a single database of legal entities, as well as to coordinate law drafting of governmental agencies.

408. This National Ministry is responsible to draft, rationalize and implement all legislation as approved by the Parliament.

409. The Ministry maintains the registers of lawyers and notaries needed by the community to facilitate transaction in land and interests in land.

410. The Ministry has been responsible for the following legislation applicable to the land reforms including:

- Land Code;
- State Registration of Land and Property;

Ministry of Finance

411. The main functions of the Ministry of Finance in the system of management bodies are evaluation of economic development, development and implementation of the state budget. In the conditions when changes in the country cover all obligations of the state (from social and regional policy till macro economy) the Ministry of Finance is authorized to implement control functions and optimization of expenses, investment policy, structural improvement of economy and harmonization of inter budget relations

412. The Ministry has produced a strategic plan for proposed fiscal operations and economic growth of the Kyrgyz Republic until the year 2010.

413. The Ministry was responsible the methodologies developed for the elimination of the debts of the Kolhoz and Sovhkoz farms in the early to mid 1990's.

State Agency on Environmental Protection and Forestry

414. This agency is responsible for the implementation of the strategic plan to preserve the environment in the Kyrgyz Republic.

C2. Oblast and Rayon Administrations with Local Governments

415. There are seven rural Oblasts in the Kyrgyz Republic with about 45 Rayons and some 25 Urban and 471 rural Local Governments. In addition there is metropolitan Bishkek.

Table 35. Oblasts, rayons and local governments (ayul okmutu's) with the project.

Oblast	Rayon	Local Governments
Naryn	Kochkor	Kosh-Dobo, Ak-Kyia, Kichkor, Semiz-Bel, Tolok, Kum-Dobo, Cholpon, Kara-Suu, Tala-Bulak, Cary-Bulak, Son-Kul
	At-Bashy	Ak-Moun, Ak-Muz, Taldy-Suu, Ak-Tlaa, Kazybek, Kara-Koun, Kara-Suu, Bash-Kaiydy, Archa-kaiydy, Ak-Jur, At-Bashy
Chui	Kemin	Chymkorgon, Junyshaly, Almalyk, Orlovka, Kyzyl-Oktyabr, Kara-Bulak, Boroldoi, Kichikemin, Ilchevka, Konkemin, Kokorok
	Sokuluk	Sokuluk, Frunze, Pervomai, Asybulash, Trashbulak, Gavrilovka, Voenoantonovski, Novopavlovski, Orlovski, Kuntucki, Kyzyluski, Krupski, Kalazarovski, Junyerski, Kamyshevovski, Janypahitski, Nijne-Chuiski, cazski, At-bashinski, Shopokov
Osh	Uzgen	Ak-Jar, Bash-Dobo, Don-Bulak, Julpak-Tash, Jazy, Jyaldy, Zarger, Iri-Suu, Changeret, Kyzyl-Too, Kara-Tash, Kurshab, Kyzyl-Oktyabr, Kulduk, Karaol, Myrza-aki, Salam-Alik, Altyn-Bulak, Tort-Kol, Uzgen
	Aravan	Alla Anarov, Aravan, Tepa-kurgan, Nurabad, Chek-Abad, Kerme-Too, Mangyt, Too-Moun

Oblast Administrations

416. These existed prior to independence. After independence for Land Reform the role of the Oblast was to provide final approval for proposals and plans of activities to undertake Land Reform including privatisation of land and farm assets. They monitored implementation of these activities. The proposals were created initially by the Rural Committees and later by the Local Governments.

417. Officially Land Reform activities commenced in all Oblasts in 1991. Exceptions were

- Some Rayons, (Kemin and At-Bashy) which commenced earlier as pilot Rayons in 1990; and
- Chui Oblast which finalized activities of Land Reform much later with work extending from 1997 to 2005.

Rayon Administrations

418. These existed prior to independence also. In a similar manner to the Oblasts the Rayons were involved in the implementation of activities associated with the Land Reform, particularly in respect of issues of restructuring of the Kolhoz and Sovhkoz areas. It was the responsibility of the Rayon to ensure the Land Reform rights of individuals were upheld in accordance with the law. Rayon staff objecting to the Land Reform process were ignored.

419. The Head of the Rayon Administration was responsible to appoint the heads of the rural committees required for Land Reform.

Local Governments

420. These did not exist prior to independence. They were developed from the Kolhoz and Sovhkoz Boards. They were firstly replaced by rural committees in 1992 and later by elected Local Governments. The Head of the rural committee was appointed by the Head of Rayon Administration.

421. Initially some of the directors of some of the Kolhoz and Sovhkoz farm boards and members of the rural administrations played a significant role in the administration of the local activities. Some still do. These roles were sometimes improperly applied as the vested interests of individuals were put ahead of the interests of the communities and poorer people.

422. Though the strategic course of the land reform was identified at the national level, self-governing bodies in most cases were responsible for restructuring of the farms at their areas.

423. Mostly rayon and rural administrations were responsible for distribution of land and property shares. Rayon administrations were responsible for control land ownership rights and leaving farms and establishment of private peasant farms.

424. The first self-governing bodies that were involved in land reform were **local land commissions**.

425. **Land commissions** were established at the national, oblast сформированы ay the national, oblast and rayon and local levels in 1992 (law on Land Reform dated 9 April 1991). Land commissions considered applications on distribution of land at the territory under their responsibility in cases when land owners want to establish a legal entity and the boundary is not established.

426. Rural committees were established in 1994 after a decree by the President.

427. The role of the committees was to implement Land Reform. Their roles came to an end when the Local Governments were elected.

428. In accordance with the Decree of the President of the KR dated December 1992 rural administrations were allocated a right to participate in the process of reform together with rayon administrations that implemented the control on land and agrarian reform process in the KR.

429. In March 1994 in order to extend and clearly identify functions of rural administrations a new resolution of the Government "on rural committees on land and agrarian reform" was issued".

430. In accordance with that document rural administrations had big responsibilities on implementation of land reform solving issues on development of rural territories. Rayon administrations were authorized to control ownership right to land shares for separation from the farm and establishment private peasant farms.

It was allowed to appoint the head of a kolkhoz or sovkhoz as the heads of rural administration that operated at the territory of the farm. **Rural administration** was usually responsible for land law enforcement, implementation of land and agrarian reform and rational use.

431. Because of the danger that the heads of rural administrations were heads of kolkhozes and sovkhozes, rural committees were established (rural self-governing bodies) that were responsible for actual restructuring of farms

432. In January 1995 the Government of the KR issued the resolution in accordance with which at each farm where reorganization took place “**committee on implementation of land reform and restructuring of agricultural enterprises**” had to be established”.

433. Those committees were organized in a way to present the participants of land reform process and the have more narrow tasks then rural committees.

434. Though the committees (not more the 15 people) included also voted persons from farms where restructuring took place, many representatives of farms and peasant farms noted that they did not participate in identification of their land shares in-kind.

435. The land shares in kind were identified by the rural committee members.

436. Farmers of Sokuluk rayon of Chuy oblast many of residents of the northern part obtained land shares in the south and vice verse the residents of the southern part obtained land shares in the north. And sometimes their land plots are 40 km from households. The same problem had farmers of Osh oblast.

437. As the Rural Committees more truly represented the whole community the level of improper activities appears to have been diminished. Unfortunately some results of the corruption will be difficult to put right. Some activities of the Land Reform appear to have been directed to help people in power in the different levels of Government. An example of this would be the leasing of areas from the Land Redistribution Fund. Perhaps if all these leases were registered with Gosregister and the community was able to investigate leasing ownerships and conditions this problem could be overcome.

438. It was the rural committees, which were responsible for the planning of the distribution of land and farm assets. In the period 1991 to 1996 many people with claims for land from the Kolhoz and Sovkhoz received their entitlements. Members of families were given a share and generally families were treated as units ie the family shares were contiguous. On occasions individual members of a family did not enjoy contiguous land parcel ownership. Certificates (GosAkt) of land ownership were still being issued as late as 2001. Gosregister started registering urban land ownership in 1999. Registration of rural land started later in 2003.

The effects of land reform on the rural infrastructure

[...] all these governmental bodies were interested only in the issues of reforming land relations, although their duties covered also the functions for settlement of social problems of the rural territories in the course of privatization of objects of social infrastructure and reorganization of kolkhozes and sovkhoses. It is confirmed by the fact that under the Presidential Decree of 22 February 1994 it was expressly established that 50 per cent from the sum of land tax for use of farmlands shall be transferred to the local budget and shall be used by the corresponding village committee exclusively for social development of that territory.

However, the village committees - being [...] "servant of many masters" - did not pay enough attention to social problems of rural territories and to the issues of poverty reduction, and became the bodies of self-government only formally. As a result, almost all the objects of social designation, which could bring any profit to the local budget (shops, bath-houses, Houses of Culture, etc.), were privatized or misappropriated in the first place. Village Soviets of Peoples Deputies and later ail keneshes, which replaced them, could not prevent the process of "squandering" of these objects since the village committees [...] were not subordinate to the representative bodies of village authorities. As a result, such socially important objects as village schools, hospitals, first-aid and obstetric posts, water supply and sewerage networks, and other objects - which, because of lack of budget funds, were often being repaired and maintained on the account of "friendly" assistance from kolkhozes, sovkhoses and other governmental enterprises, - suddenly found themselves in the position of an "orphan".

Such approach of village committees to the social issues of rural development threatened in future by unpredictable social consequences in the sphere of life support of the rural population. In order to provide uniform policy in implementation of land and agrarian reforms and reform of the local self-government in the country qualitatively new bodies - ail okmotu (village councils) - were formed by Decree of the President of the Kyrgyz Republic of 20 March 1996 "On Measures to Increase the Role and Responsibility of Heads of Local State Administrations and Local Authorities" on the basis of village committees abrogated by the same Decree. Unlike the village committees the mentioned new bodies were administrative-executive bodies under ail keneshes, to which jurisdiction the functions and powers of assistance to implementation of governmental arrangements on land reform have been transferred.

Such combination of the process of reforming land relations and restructuring of management at the local level made it possible to decide simultaneously the urgent social problems of rural territories. Based on the Resolution of the Government # 531 of 11 November 1996 "On the Procedure of Transfer of Objects to Communal Ownership of Local Communities of the Kyrgyz Republic" list of objects to be transferred to the new type of ownership was approved; the list contained information about residual value of the objects with the account of specific features for each oblast of the Republic. Based on this decision the process of commission transfer of schools, hospitals, kindergartens, day nurseries, libraries, sport and other installations to the ownership of local communities started throughout the country, and that process made it possible to put an end to the phenomena of abandoned property and mismanagement in the rural areas.

Source: T.E. Omuraliev, President of the Congress of Local Communities

439. **Self-governing bodies** have obtained agricultural lands from LRF and pasture land management of such land is not so sufficiently and fair.

440. It was found out that farmers and non-governmental structures have several problems as far as relations with ail okmotu are concerned.

441. With so many Government Institutions involved and duplicating controls it is easy to understand the confusion and frustration of farmers. This is then compounded with international aid agencies funding so many projects and the myriad of NGO's.

C3. International aid agencies

442. There are a number of bilateral international aid agencies currently operating in the Kyrgyz Republic. Some agencies have established permanent offices and maintain their own staff to manage, monitor and to maintain the various projects in which they are involved.

443. The principal international aid agencies are the World Bank, Asian Development Bank, European Reconstruction Bank, together with TACIS, JICA, USAID, SDC, GTZ and DfID. There are other international aid agencies involved in the development of the market economy of the Kyrgyz Republic. Information about these agencies is summarized in Table 36.

A priority for donors working in the Kyrgyz Republic has become contributing to poverty reduction strategies. In the initial years of operation, ADB's assistance to the country supported strategically important projects and policy initiatives. The strategic focus of ADB assistance changed in 2000 when poverty reduction has become the overarching objective of ADB's development assistance for the Kyrgyz Republic.

The UNDP aims to create effective models for poverty alleviation and achieving the Millennium Development Goals (MDG's) by 2015 and its program approach is designed to coordinate with the National Poverty Reduction Strategy (NPRS). GTZ has also aligned its activities with the NPRS.

The implications behind Donors supporting National Poverty Reduction Strategies is that technical assistance is directed to a large degree to programs that foster economic growth and income generation activities for the population. In this case the focus has been on rural development and agriculture with over half of all donor funded projects surveyed (Annex 10) targeted at agriculture.

The drive for income generation and poverty reduction has ensured that significant portions donor money has been invested in interventions such as agricultural support services, irrigation rehabilitation, financial and credit services, development of market institutions, development of productive and more competitive agricultural techniques (seeds varieties) and rural-urban supply chain management or market access.

Land reform has been seen by donors as the institutional framework required to effectively reduce poverty. The World Bank has supported projects that are implementing land and agrarian reform and providing support for farm restructuring. The World Bank has also financed a Land and Real Estate Registration project which seeks to support the development of markets for land through the introduction of reliable property registration.

The ADB has also supported policy and institutional efforts in land reform and farm restructuring to encourage the development of market institutions and increase their competitiveness.

USAID has funded interventions to educate rural citizens about their land related rights and to facilitate the creation of an urban land market.

444. However, there are overlaps, duplications and reworking of project activities. Organizations representing farmers and rural communities have frequently commented that the aid appears to provide more benefit to the Government and public service rather than the local people on the land. Local people seemed to be the least consulted by either the Government Institutions or the International Aid Agencies and the local population are not well informed of projects or the International Aid Agencies.

445. With a small country such as the Kyrgyz Republic and with a small population of approximately 5 million, there are perhaps too many International Aid Agencies competing for projects and the amount of aid is contributing to the country's rising debt. The Government has applied for participation as a Highly Indebted Poor Country (HIPC). This has been brought about because of the high level of foreign debt mostly attributed to International Aid Agencies, including the World Bank and IMF.

446. A listing of land reform related projects by all international aid agencies is provided in Annex 11.

Table 36. Major International Aid Agencies in the Kyrgyz Republic.

ADB	The Asian Development Bank started its operations in the Kyrgyz Republic in 1994. The strategic focus of ADB assistance since 2000 is on poverty reduction. To achieve this, the ADB finances projects in the fields of agriculture, transport, education and the financial sector.
World Bank	The World Bank (International Bank for Reconstruction and Development and the International Development Association, IDA). From the period of joining of the KR to the WB membership in September 1992 KR obtained obligations for more than US\$ 718 million for 33 projects financed by IDA. The Kyrgyz Republic borrows from the World Bank on highly concessional terms. No interest is charged, grace period is ten-years, and credit repayment term is 40 years. Starting from 2003, the World Bank substantially increased grant financing of programs up to 30 percent. Further increase of grant financing is envisioned.
UNDP	The United Nations Development Program's office in the Kyrgyz Republic was opened in 1993 and is involved in various activities on building the country's capacity for further development. UNDP currently supports six programs in Kyrgyzstan. UNIFEM assists evaluation of impact of agrarian reform on women in Kyrgyzstan.
TACIS	The European Union's 'Technical Assistance to the Commonwealth of Independent States' program allocated almost Euro 85 million for implementation of projects in the Kyrgyz Republic from 1991 to 2004.
USAID	The United States Agency for International Development under the leadership of the U.S. Ambassador is responsible for U.S. development assistance to Kyrgyzstan. Since 1992, the United States through USAID/Central Asian Republics (USAID/CAR) has approved more than \$170 million in assistance to Kyrgyz Republic. In support of U.S. foreign policy, USAID goal in Kyrgyzstan is to assist the people of Kyrgyzstan improve their governance, livelihoods, and quality of life.
JICA	The Japan International Cooperation Agency provides cooperation with the aim of supporting sustainable development. JICA supports the introduction of a market economy, infrastructural development, co-operation in the social sectors, and conservations of the environment.
JOVC	The Japan Overseas Cooperation Volunteers program assists and encourages overseas activities on the part of young people. It has dispatched 23 volunteers (including 2 senior volunteers) to the Kyrgyz Republic since 1999.
SDC	Swiss Development Cooperation in Kyrgyzstan started in 1992. Kyrgyzstan, Tajikistan, Uzbekistan and Turkmenistan are members of the Swiss-led voting group at the European Bank for Reconstruction and Development and at the Bretton Woods Institutions (International Monetary Fund, World Bank). The main goal for Swiss cooperation in the region in 2002-2006 is to assist Central Asian countries in transition from authoritarian rule and central planning to pluralism and market economy.
DfID	The Department for International Development is the UK Government department responsible for promoting sustainable development and reducing poverty. It's program has been active in Kyrgyz Republic since 1997. Current support to Kyrgyzstan is 2.5 million pounds per year.
Other Agencies	These include GTZ (the German Technical Cooperation) which currently jointly with the stakeholders implements 7 projects, the approximate cost is about 17 million USD. Sida, the Swedish International Development Agency has assisted Gosregister to register land and rural estate throughout the Kyrgyz Republic. The EBR, the European Bank for Reconstruction, DANIDA, AusAid and NZAid have played only minor roles in the development of Kyrgyzstan.

C4. Nongovernment organizations

447. There are literally thousands of non-Government organizations (NGO's) throughout the Kyrgyz Republic with the majority located in Bishkek. In the print media of mid-April 2006 there was a report that claimed there were more than 6000 registered NGO's in the Kyrgyz Republic.

448. It was time and cost prohibitive to visit them all or even to consider any sort of survey. Lists of NGO's and contacts were obtained. An effort was made to document lists of NGO's in Bishkek and the three Oblasts in the study, but the dynamism of the

NGO's existence made the inclusion of the lists in this document meaningless. Some contacted appear to no longer exist.

Rural Local Government Association

449. The Association represents all 470 Local Governments. It commenced operations in 1997. Currently the Association has projects funded by WB, UN, The Soros Foundation and TACIS. The Association has promulgated articles of association and has developed a strategy of to implement by 2010. Major issues of activities include:

- Land;
- Land rent;
- Land tax;
- Environment; and
- Development of municipal services.

450. The Association was established under the auspices of a Department of Local Government, which was disbanded in March 2005. It is unknown if this Association will survive in the long term.

LARK

451. LARK was established by SDC in 2000 to address land related problems associated with ethnic conflicts in South Kyrgyzstan.

452. Later the ethnic problems were replaced by problems created by Land Reform including privatisation of land and assets and the registration of ownership. Most problems were between individuals and Government institutions caused by the lack of information and understanding of the laws.

453. USAID has supported the project and enabled it to expand into more Rayons. It is still involved with the problems of Land Reform and providing legal advice to citizens, Local Governments and Rayon Administrations. LARK is currently operating in all Oblasts nationwide.

454. All workers in the LARK project are qualified and fully trained in project activities. Because of the following issues the work of LARK is extremely important and has provided many benefits to the people and organizations involved with Land Reform:

- Improper land reform activities;
- Lack of public awareness of Land Reform;
- Lack of understanding of land distribution and privatisation;
- Lack of understanding of farm asset distribution;
- Lack of understanding of Land and asset ownership and registration;
- Lack of legal knowledge in the communities; and
- The needs of the people in the rural communities.

Rural Advisory Services

455. The Rural Advisory Service is operating in all Oblasts and provides support to rural peasants to develop their rural area, including farm production and marketing of produce. In this it responds to a strongly felt need and, with regional variations, is known to farmers. Support to farmers mainly takes the form of technical training and the supply of information to help peasants to improve production, generate income and reduce poverty. The service is provided and mainly funded by a consortium of Government Institutions and International Aid Agencies since 1994.

456. At present, approximately 7% of farmers (with a majority of all Ayul Okmutu covered) are regularly contacted by the network of rural advisors. Perhaps the Service is under funded and or under resourced and is therefore unable to do more than it currently does. It could be an excellent vehicle to launch a country wide program to effectively assist farmers improve agricultural production and reduce poverty.

Kalys Consult

457. «**Kalys consult**» is a public fund established in 2001 the main activity of which is provision of services on land and property issues and conducting of surveys, conferences and training.

458. Kalys Consult provides support to agricultural development and poverty reduction. It also operates an Arbitration Tribunal to try to resolve land and property related disputes and provides advice and information to citizens and organizations. The advice and information is provided through individual consultations and through training programs.

459. Kalys Consult has headquarters in Bishkek and 10 regional offices nationwide.

460. A recent major achievement of Kalys Consult is the introduction of a Court of Arbitration on solving land and property disputes.

The above is summarized in the following table of four pages.

Table 37. Summary of institution activities in Land Reform

1/4	Regulations	Roles		Support	Events
		Central Government	Local Government		
1991 - 1994 : Policy Development	<ul style="list-style-type: none"> The Kyrgyz Republic Law "On Peasant Farms" (February 2, 1991) Law "On Cooperatives in Republic of Kyrgyzstan" (December 12, 1991) No.647-XII Law "On Land Reform" (April 19, 1991) Presidential Decree "On Urgent Measures to Secure the Realization of the Laws of the Kyrgyz Republic Regulating Land Relations and Other Relations in Agriculture" (November 10, 1991). Followed by No. VII-369, and Government Resolution "On Realization of the Presidential Decree of November 10, 1991 "On Urgent Measures to Secure the Realization of the Laws of the Kyrgyz Republic Regulating Land and Legal Relations in Agriculture"" (December 2, 1991) No.562 Presidential Decree "On the Peculiarities of Destatisation and Privatization of State Farms and Other State (Municipal) Agricultural Enterprises in the Republic of Kyrgyzstan" (January 13, 1992) No. UP-10 Presidential Decree "On the Rural Committees on Land Reform in the Republic of Kyrgyzstan" (January 13, 1992) Presidential Decree "On the National Land Fund of the Republic of Kyrgyzstan," (March 10, 1992) Presidential Decree "On Measures for Further Implementation of the Land and Agrarian Reform in the Republic of Kyrgyzstan" (December 10, 1992) Resolution of the Government of RK and State Property Fund "On Realization of the Decree of the President of the Republic of Kyrgyzstan of December 10, 1993 "On Measures for Further Implementation of the Land and Agrarian Reform in the Republic of Kyrgyzstan"" (February 5, 1993) No.58 66 Constitution of the Kyrgyz Republic adopted on May 5, 1993 	<ul style="list-style-type: none"> Prepared ToR (1991) for a new agency: Committee on land reform and land management. Govt (1991) the control allocation of the land areas for conducting country economy. Govt (1991) Financing of works on land reform and land management Carried out privatization of unprofitable state farms and other state agricultural enterprises. Committee on Land Reform and Land Management: created conditions of realization of competition on granting of the land area for conducting a country facilities. State committee RK on management of the state property (1992): beginning privatization of state farms profitability 15 percents are higher. The state committee on labour: workplaces for employment liberated in connection with land reform of members (1992). Beginning the state order of production (a grain, a clap(cotton), tobacco, a wool, seeds and others)(1992). Ministry of Land Improvement and Water Conservation, State committee on wildlife management to prepare projects of Water code PK and Law PK on water reform (1992) Representations into State commission on land reform about the responsibility of the officials who are not using the legislation on land reform, showing bureaucratism and red tape in allocation of the land areas. Manufacturing of forms of the state certificates and certificates on the right of possession and time using the land (1994) Government KR, has the right to create fund of redistribution of the lands by the repayment at citizens and legal persons of rights Expediency of delegation to the Ministry of Agriculture and foodstuffs KP of powers of Fund of state property KP on privatization in agrarian sector. Ratify Regulations about National land fund (1995) 	<ul style="list-style-type: none"> To liquidate unprofitable (<15% of profitability) state agricultural enterprises. To create in their stead agricultural co-operatives: former members for creation of enterprises have the right of priority to reception of the land areas. Result: Created collective farms, state farms are not their assignees and should not answer on their duties The help on creating network of the commercial organizations, Local land commissions created (199x): process applications of citizens for land for farming. first Land Fund created -1.5 million hectares Realization of state certificates on the right of possession and time using the land To organize and provide work of the commissions on privatization of state farms and agricultural enterprises To provide the control of realization of the right of members of collective farms and workers of state farms Head of regional state administrations (1993) begin to re-register charters of collective farms according to Law PK " About cooperation in Republic Kirghizstan Head of local state administrations to create rural committees on land and an agrarian reform and to carry out a direct management behind their activity. 	<ul style="list-style-type: none"> 1990: some activities of land reform commenced in some pilot Rayons (At-bashy in Naryn Oblast and Kemin in Chui Oblast) 	<ul style="list-style-type: none"> 1990: Land reform started in many Kolhoz and Sovkhos particularly Pilot Rayons 1991: Independence President created Centre for Land and Agrarian Reform in Ministry of Agriculture Some Kolhoz and some Sovkhos farms re-structured with the distribution of land and assets National legislation passed for national land reform so that all farms regardless of size, profitability were reformed in the same way 1991: State committee on management of the state property was responsible for privatization of enterprises, including agricultural enterprises, and allocation of land. 1991: Privatization of agricultural land commenced with the transformation in the agricultural sector from collective to private farming 1991: National Land Fund Established 1992: Land Share System was created to distribute land to individuals 1993: Rayon administrations responsible for land reform Land property in Constitution 1993: <ul style="list-style-type: none"> -State ownership, -The municipal property

2/4	Regulations	Roles		Support	Events
		Central Government	Local Government		
1994 – 1998: Early Reforms	<ul style="list-style-type: none"> • Presidential Decree No. 23 "On Measures to Enhance (Deepen) Land and Agrarian Reform in the Kyrgyz Republic" (February 22, 1994) • Government Regulation "On Rural Committees on Land and Agrarian Reform" Adopted pursuant to Government Resolution No. 148 (March 25, 1994) • Government Resolution No. 345 "On the National Land Fund" (May 19, 1994) • Government Regulation "On the Procedure for Determining Citizens' Land Shares and for Issuance of Certificates Containing Land Share Use Right," Adopted by Resolution No. 632 (August 22, 1994) • "Program of Land and Agrarian Reform in the Kyrgyz Republic for 1995-1996" (January 1995) • Annex to Decision of the Board No. 3, Government Resolution "On Committee for Implementation of Land Reform and for Reorganization of Agricultural Enterprises" (January 23, 1995) • Ministry of Agriculture passed Decision No. 7 "On the National Land Fund" (February 8, 1995) • Government Resolution No. 42 "On Debt of Reorganized State and Collective Farms" (February 16, 1995) • Government Resolution "On the Land Redistribution Fund under the Ministry of Agriculture and Food of KR" (September 21, 1995) No. 394 • Presidential Decree "On Measures for Further Development and State Support of Land And Agrarian Reform in the Kyrgyz Republic" (November 3, 1995) • Presidential Decree No. 104 "On the State Agency on Land Management and Land Resources under the Government of the Kyrgyz Republic" (March 20, 1996) • Government Regulation "On Categories of Subjects of Agricultural Enterprises in the Kyrgyz Republic" (adopted by Government Resolution No. 158 "On Adoption of the Regulation on Categories of Subjects of Agricultural Enterprise in the Kyrgyz Republic" (April 12, 1996)) • Presidential Decree No. 327 "On Measures Aimed at Introduction of Market of Land Use Rights and on Establishment of the Market Credit System in Agriculture" (November 25, 1996) • Resolution of the Government of the Kyrgyz Republic No. 265 "On Questions of Land Tax" (May 2, 1997) • Government Resolution "On Adoption of Temporary Regulations for Leasing Land Plots to Land Users from the Land Redistribution Fund under the Ministry of Agriculture and Water Resources of the Kyrgyz Republic" (August 20, 1997) No. 480 	<ul style="list-style-type: none"> • Powers between agencies on land reform and State Fund of the state property are differentiated (1994) • To ratify (1995) of the rate of the land tax for use agricultural land • Under the Minagro was created LRF (ФЛК) • Ministry of Agriculture has the right of the order as agreed with local state administrations pastures • Ministry of Agriculture created services of training and consultation (1995) • Determination the Ministry of Agriculture responsible for realization of the project "Development of sheep breeding in KP" • Created under the Ministry of Agriculture a commission on sale of rights of use by the land areas of Fund of redistribution agricultural land (1996) • Started statistical reporting on agriculture enterprises (1996) • Start registration of sale, exchange, pledge, rent, transfer to the inheritance of rights of use of the land shares by State agency on land management and land resources • Created National consulting service at the Ministry rural and water management KP (1997) 	<ul style="list-style-type: none"> • To re-register charters of collective farms according to Law About cooperation " • To provide distribution to collective farms of certificates on the property right after a re-registration of their charters. • The head of regional state distribution to citizens of Certificates on the right of use of a land share • Regional state administrations created services of training and consultation (1995) 	<ul style="list-style-type: none"> • 1994: Pilot activities on Land Reform in At-Bashy (Naryn) and Kemin (Chul) • 1994: Land reform and Farm Restructuring Project TES Centre Osh • 1995: Agriculture Sector Program • 1995: Agricultural Privatisation and Enterprise Adjustment Credit Project • 1995: Kyrgyz Agribusiness Company • 1995: Promotion of the Biosphere Reserve Issyk-Kul • 1995: KSAP • 1995: KIRFOR • 1995: Blocotton • 1996: Sheep and Wool Improvement Project • 1996: Land Registration Pilot Project • 1996: Legal Aid Project • 1997: Rural Financial Institutions Project • 1997: Rural Finance Project 	<ul style="list-style-type: none"> • 1994: MoA & WR took responsibility for farm reorganisation, land and agrarian reform and has moved forward at much more rapid pace • 1995: Slow down of decline agricultural sector • 1995: Seven categories of agricultural enterprises defined • 1996: State agency for land management and land resources created, including Gispromem • 1996: Kyrgyz agricultural production increased for the first time since the breakup of the Soviet Union • 1997: Land share certificates were being issued • 1997: Approximately 39,000 private farm enterprises, 677 collective farms and 43 state farms

3/4	Regulations	Roles		Support	Events
		Central Government	Local Government		
1998 - 2004: Main Reforms	<ul style="list-style-type: none"> Government Resolution No. 14 "On Measures Aimed at Introduction of the Market of Land Use Rights" (January 9, 1998) and accompanying Regulations "On Republican and Rayon Executive Commissions on Sale of Rights to Use Land Plots of the Agricultural Land Redistribution Fund Under the Ministry of Agriculture and Water of the Kyrgyz Republic," and "Temporary Regulations on Auction Sales of Rights to Use Land Plots of the Agricultural Land Redistribution Fund Under the Ministry of Agriculture and Water of the Kyrgyz Republic" (January 9, 1998) Presidential Decree UP No. 275 "On the Suspension of Sale of Rights to Use Land Parcels of the Land Redistribution Fund" (September 9, 1998) Presidential Decree "On Concept of Introduction of Private Land Ownership in the Kyrgyz Republic" (October 13, 1998) №310 Law on Peasant Farms No.47 (June 3, 1999) Government Resolution #10 "On the Reform of Local Governance Structures," January 11, 2000 Government Resolution No. 461 "On Standard Regulations on Terms and Order of Leasing Land from the Land Redistribution Fund" (August 18, 2001) Standard Regulation, "On the Terms and Order of Providing Land from the Agricultural Land Redistribution Fund for Rent," approved by the Resolution of the Legislative Chamber of the Parliament, April 15, 2002, L No 702-II Standard Regulations on Procedure of Allocating Land Plots for Ownership or Rent by Tender (Approved by Government Resolution of August 8, 2002 No.538) Government Resolution, "On Allocation of Land Shares to Citizens of the Kyrgyz Republic," (January 15, 2003). 	<ul style="list-style-type: none"> Created the Republican executive commission on sale of rights of use by the land areas of Land redistribution Fund under MinAgro To stop sale of rights of use of the Land Redistribution Fund: to start decisions of private property on the land. (1998) National voting of the Law "About modification and additions in Constitution KP" Created Republican coordination council of the Kirghiz agroindustrial market information system (1998). Republican state agency provided access to the credit resources in particular conducting individual and peasant farms. 	<ul style="list-style-type: none"> Created and development of regional branches of the Kirghiz agroindustrial market information system Regional agencies provided access to the credit resources in particular conducting individual and peasant farms. 	<ul style="list-style-type: none"> 1998: Agriculture Support Services Project 1998: Irrigation Rehabilitation Project 1999: Establishment of credit system in rural areas 1999: Rural Finance 2 Project 1999: Flood Emergency Project 1999: Agriculture Area Development 2000: Rural Finance Project II 2000: Legal Aid to Rural Population Project 2000: Land and Real Estate Registration Project 2000: On-farm irrigation Project 2000: Land Reform Project 2000: Seed Industry Development 2000: PA LARC 2000: CAMP 2001: Land and Agrarian Reform Project 2001: Project of Regional Agricultural Development 2001: CAREC 2001: West Tien Shan Biodiversity Project Phase I 2001: LAR 2 2001: LIFE 2001: Climate Change 2001: Poverty Reduction 2002: Batken Capacity Building Project 2002: Kyrgyz Swiss Agricultural Program 2002: Support to livelihoods of livestock communities 2002: SLLPC 2002: RWSSP 2002: SGP/GEF 2003: Promotion of Trade and Service Co-operatives 2003: Central Asia Mountainous Program 2003: Development plan of Issyk-Kul Zone 2003: Regional Development of Issyk-Kul Oblast 2003: Business information knowledge and skills 2003: Financial Markets 2003: Laws and regulations 2003: Improved Management of Natural Resources 2003: Conflict Prevention 	<ul style="list-style-type: none"> 1998: Approximately 50% of the arable land in the Kyrgyz Republic is held by private farm enterprises 1999: Gosregister Created 1999: Land Code enacted 1999: Moratorium in buying and selling of rural land

4/4	Regulations	Roles		Support	Events
		Central Government	Local Government		
from 2004: optimization	<ul style="list-style-type: none"> Resolution of the LA of the Jogorku Kenesh of the KR "On Allocation of Land Shares to Citizens of the Kyrgyz Republic" of April 2, 2004 No. Z 1528-11 Resolution of the LA of the Jogorku Kenesh of the KR "On Allocation of Land Shares to Citizens of the Kyrgyz Republic" of April 2, 2004 No. Z 1528-11 Government Regulation of the KR "Granting the land shares for the Kyrgyz citizens" February 8, 2006 N 80 		<ul style="list-style-type: none"> 2005: Ministry of Local Government disbanded 	<ul style="list-style-type: none"> 2004: Agriculture Development Study 2004: Agricultural Policy Formulation 2004: Study of land impact of land reform in agriculture, on poverty, and perspectives for sustainable rural development 2004: Agribusiness and Marketing Project 2004: Juniper forest management plans 2004: West Tien Shan Biodiversity Project Phase 2 2006: Increase of potential of agriculture at the local level 2006: Second Project of Regional Agricultural development in the South 	<ul style="list-style-type: none"> 2005: Revolution to depose the President occurred

V Assessment of the Impact

461. Have farm restructuring and subsequent land reform assisted in reversing the downward trend in agricultural production of the early 1990s? Indicators derived from interviews during case studies, the SILR survey and other statistical data suggest that land reform has indeed had benefits. This chapter presents those indicators grouped into five hypotheses, namely:

- (a) that the poor had **access to land** as much as the non-poor. The per capita benefit for the poor was thus higher than for the non-poor;
- (b) that land reform opened the opportunity for landless and entrepreneurial farmers to **access (more) land through leasing**;
- (c) that even with limited knowledge and information about the reform measures and with limited means of production, the poor, once given access to land, **used land** more intensively by exploiting their use of household labour and responded to the market by planting more diversified crops;
- (d) that **poverty** appears to have been reduced and **inequality** less skewed;

462. However, land reform has had an impact on how rangelands are being used and indicators will be presented

- (e) that there is **little or no effective management of rangeland**, creating a risk of over-exploitation and subsequent degradation, with numerous instances already occurring.

A. Access to Land by the Poor and the non-Poor

The Land Reform Process and Poverty

463. This section describes the associations between land reform and poverty. It uses the findings from a household survey developed for this study⁸⁹ to determine the changes that occurred in households following the land reform process, together with workshops and interviews. It also refers to earlier reporting from other agencies. At the time when land reform was introduced, records of poverty levels were unreliable or non-existent. The analysis is therefore limited by the lack of reliable baseline data, and assessments of change from that point are at best limited and have to be confined to qualitative reporting. As more reliable figures became available during the mid to late 1990s, consideration of change over time became possible.

464. This section begins with an overview of changes in poverty since land reform was implemented. It then considers the main measures of poverty that are designed to illustrate the extent, depth and severity of poverty in Kyrgyzstan following land reform. The extent of poverty (the number of poor people, usually expressed in percentages) is based on the poverty line. The poverty gap index indicates the average depth of poverty (the average amount by which individuals fall below the poverty line). The severity index takes into account both the depth of poverty and the inequality of income or consumption among the poor. Depth gives an average of all shortfalls from the poverty line, but can mask differences in variability. The severity index attempts to give more insight into this by weighting severe shortfalls in income more heavily. These measures together enable a picture to be drawn of the nature of poverty in Kyrgyzstan over time.

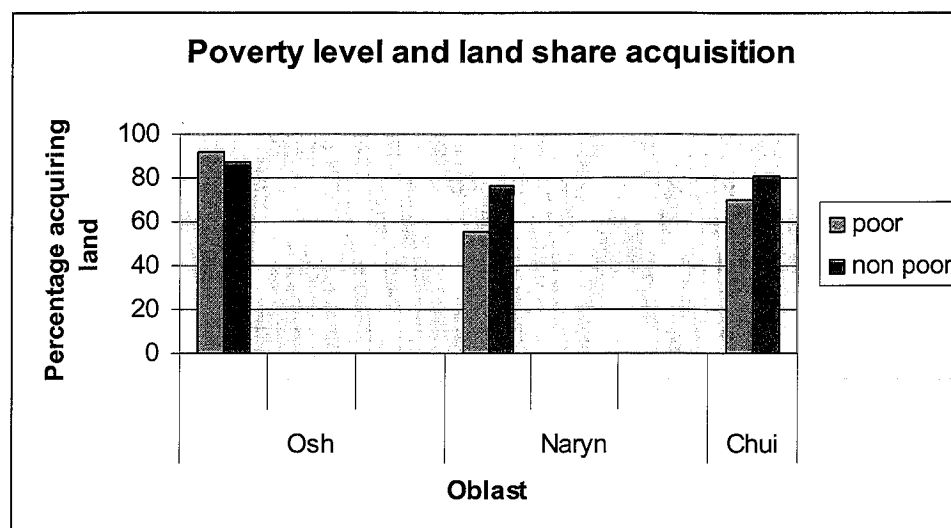
465. The overall outcome today of land reform has effectively been positive for the poor, (although poverty still persists). Land was distributed to small family farms in all regions in a generally equitable and every farmer was entitled to a share based on the numbers of people in the household regardless of socio-economic status. In the 1990s, Kyrgyzstan distributed approximately 72 percent of all agricultural land excluding pasture to nearly 2,596 thousand individuals (510 thousand families) in the form of land shares. Essentially, every household resident in rural areas received a land entitlement. While land was apportioned according to family size there were large regional variations in the amount of land per person because of the differences in the availability of land in different oblasts. Most households set about using the land for the benefit of their households and eschewed the former collective systems.

466. The land reform survey looked at households that obtained a land share and their level of poverty in the three case study oblasts. The percentage of the population in Osh oblast acquiring land is the highest of the three oblasts and the difference between acquisition by the poor and non-poor is small, with slightly more poor acquiring land. Chui shows the next highest rate of land acquisition with slightly more non-poor than poor acquiring land. Naryn has non poor land acquisition levels similar to the percentage in Chui but has the lowest level of the three oblasts of land acquisition by the poor, at just under 60% . Despite the differences, the percentages are high - most people

⁸⁹ SILR survey, as discussed in Chapter 1C.

obtained a land share, and the disparity in each oblast between poor and non-poor in land distribution was low. The chart in Figure 31 illustrates the findings:

Figure 31. Distribution of land among the poor and non-poor.



Source: SILR survey

467. The land reform process has not, however, been plain sailing for the poor. Many Kyrgyz people, who were brought up in a political system that supported collectivism and state centralist control, were unconvinced of the value of a radical reform of land ownership. The household survey found that where this hesitation existed (e.g. in Sokuluk rayon in Chui), the main reasons related to the lack of resources needed for productive use of land, including lack of machinery, fuel and fertilizers⁹⁰, and difficulties in the changes in relationships of larger groups, such as in former kolkhozes.

468. Agencies charged with implementing the reform, particularly village committees, were frequently ill-equipped for doing so and paid scant attention to issues that would impact on poverty such as maintaining village schools, hospitals, first-aid and obstetric posts, water supply and sewerage networks and so on. These services were left to fend for themselves. In 1998 the government established the Ayil Okmoto (village councils) which were given executive powers to implement land reform and assigned responsibility for social services at the local level.

469. Overall, almost 90% of all respondents in the household survey considered that land distribution had been fair. However, implementation in the early years was not always equitable. For example, in 1993, in parts of Chui oblast, members of kolkhozes and sovkhoses received 100% of the established land share, while non-members, such as doctors, builders and teachers, received only 50% of the land share established for all the residents of their village. This led to dissatisfaction and complaints, which in turn adversely affected farming development in that area and produced uncertainty in the future.

⁹⁰ Interview with A.I. Ibraev, a Specialist at GosRegister

470. In a further example, “Progress” kolkhoz in Chui oblast had been a successful enterprise with good natural and climate conditions, fertile soil, and an extensive fleet of machines and tractors. The head of this enterprise - without approval from higher authority and contrary to the Presidential Decree on Land Reform, gathered residents of the village and divided the land, cattle and machinery among them. No provision or planning was made for preservation of the level of production or the gene pool of cattle and crops, and with no attention to providing assistance to the newly formed peasants’ and farmers’ enterprises⁹¹. Indeed, many rural people did not know what to do with their land and property shares, were unaware where they could obtain seeds, what crops to plant, when they had to plough, to sow, and were unskilled in the use of the agricultural machinery and equipment that had been distributed.

471. By 1996, the level of production dropped significantly. The volume of production of certain types of products reduced up to the level of 60-70%, and cattle stock numbers were down by one third.

472. Up until 1996, there was an absence of supports by the State to the newly formed peasants’ and farmers’ enterprises but from 1996 the Government started a programme of support through budgetary assistance, and commodity credits in the form of seeds, fertilizers, chemicals and agricultural machinery. According to official statistics, from the same year the level of agricultural production started to increase by 6% annually on average until 2001-2002, when the rate of growth reduced to 2-3%.

B. Increased Access to land through leasing and purchase

Leasing Land

473. Currently, most farmers own some land and lease some land – mostly from AO LRF, but also from neighbours (about 20% of all leases, with variation from oblast to oblast⁹²). The SILR survey revealed that 72% of land leases is of irrigated land and this percentage coincides with interviews held. The interest for irrigated land can be explained by the higher profit and lower risk of crop production on it. Thus, in locations where the soil is good quality and irrigated, the demand for leased land is high. Leasing is more popular because it requires less capital, making land more accessible to many farmers. Figure 32 shows the higher prices land rentals in the south, an indication of high demand for land.

474. Leases of good quality irrigated soils, especially in areas where land is in heavy demand, are keenly competed for and are frequently the subject of land disputes. In fact, LARC in Osh estimate 70% of all land disputes involve the LRF.

⁹¹ Report from S.M.Tynaev, Minister of Agriculture and Water Economy, 2006

⁹² These are estimates by DAWPRI staff of Aravan and Chui. However, the SILR survey showed only 8% of farmers leasing in land, of which only one third is leased from the LRF.

475. Most of the land leased out is land held in the Land Redistribution Fund (LRF). In 2005, this fund leased out 196,541 ha of land, 69% of which to private farms (including large enterprises), 17% to private households, 9% to collective farms and 4% to state farms⁹³. The high percentage of land being leased to private farms, which may not necessarily be the poorest farms, suggest that one of the objectives of maintaining the LRF, namely as a reserve for allocation to the poor and vulnerable and for those families who missed out on land allocation at the time of land reform in the 1990s, may not be achieved. Further study of the lease market is required to address this issue.

476. Since 11th January, 2000, (Government Decree #10) the LRF has been administered by AO and in many instances, the LRF administration processes have been modified to suit either local conditions, or local officials. Generally, leases are for 5 years. By law, LRF leases must be for at least 5 years and less than 10 years.

The LRF is supposed to be (Decree #360 of 4th June 2002) operated under an open and competitive bidding process which has the following essential elements:

- AO commission sets reserve prices for each category of land;
- Upcoming lease is advertised one month prior to auction – in media & on AO notice board;
- Prospective buyers must register to show they qualify as local;
- Prospective buyers must prepare an approved business plan for the land (showing profitability and demonstrating ability to pay for lease);
- Auction is conducted, the highest bidder wins.

477. The Ayul Okmutus are thus responsible for setting the price of land lease. One would expect that the price is proportional to the potential income from the land leased. The comparison of leasing costs and gross margins for popular crops in villages in Osh (Table 38) and Chui (Table 39) show substantial differences. Farmers in Aravan are paying prices for land rentals which appear high in comparison to purchase prices for the same land.

478. The purchase price of good land in Kerme-Too AO is currently about 40,000 som per ha while leasing costs for the same land is about 3,500 – 5,000 som per ha, depending on quality. Thus, over 5 years, a lessee would pay about half of the current purchase price as rent, while to purchase a hectare outright with borrowed money over a 5 year term, (at 17% interest) the annual servicing costs (interest plus principal) would be 12,500 som per year. This is roughly three times current rental costs, and in relation to the gross margin profitability of major crops, it is likely to be beyond the financial reach of many farmers. (Table 38). In this situation, by leasing land at these apparently high prices, farmers are

"The process of setting prices [for the lease of land of the LRF by the AO] can be subjective, and advice is not taken from independent technical specialists who understand the economic profitability of various crops. The profitability of major crops is normally not established to help setting a basic starting point to the process of setting reserve rental prices.

Because Kerme-Too is higher (1600 masl), soils are not as fertile as the best areas of Aravan, and there is little potential for double cropping, there is a possible danger of AO staff setting LRF lease rentals too high in relation to profitability. In fact, staple crops like wheat and sunflower are being grown with almost no prospect of making any profit after payment of rent to the AO. AO staff in Kerme-Too

⁹³ Gosregister, 2007

demonstrating an understanding of the economics of leasing versus purchase (assuming land for purchase is readily available).

479. In Aravan and Uzgen rayons, land rentals on the best quality land are between 10 – 20,000som/ha. At these rentals, where double cropping is possible, farming is profitable. To purchase a hectare of quality land outright with borrowed money over a 5 year term, at 17% interest, the annual servicing costs (interest plus principal) would be 15,628 som. Even though there are production and product price risks, for good farmers with a sound understanding of which crops are most profitable, this would be well affordable and be more economically rational than paying rent. Table 38 shows that 77% of the Gross Margin for double crops is available to farmers after rent has been paid). In this situation, supply and demand constraints are over-riding clear economically prudent judgement by farmers. Land for sale is so scarce on the market that farmers are willing to pay demonstrably excessive prices to access land by lease.

Table 38. Profitability of major crops and land leasing costs, example Aravan Rayon.

Location, Crop	Lease cost (KGS/ha)	Land tax (KGS/ha)	Social tax (KGS/ha)	Gross Margin (KGS/ha)	Net return to farmer (KGS/ha)	Farmer GM share of net after lease/tax (%)
Kerme-Too AO, Aravan Rayon						
Wheat	4,500	554	554	5,500	-108	0%
Tomatoes	4,500	554	554	26,200	20,600	78%
Sunflower	4,500	554	554	4,250	-1,360	0%
Aravan Rayon						
Wheat	10,000	750	750	5,700	-5,800	0%
Cotton	10,000	750	750	36,600	25,100	68%
Tomatoes	10,000	750	750	45,000	33,500	74%
Sunflower	10,000	750	750	8,800	-2,700	0%
Double cropping regime:						
Wheat	10,000	750	750	5,700	39,200	77%
Tomatoes				45,000		

Source: Staff at Kerme-too Ayul Okmutu, staff at DAWPRI Aravan and Consultant calculations

Table 39. Profitability of major crops and land leasing costs, example Chui Oblast. .

Item	Lease cost (KGS/ha)	Land tax (KGS/ha)	Social tax (KGS/ha)	Gross Margin (KGS/ha)	Net return to farmer (KGS/ha)	Farmer GM share of net after lease/tax (%)
Wheat	1,100	450	450	1,700	-300	0%
Tomatoes	1,100	450	450	11,000	9,000	82%
Potato	1,100	450	450	89,300	87,300	98%
Lucerne	1,100	450	450	14,000	12,000	86%

Source: Staff Staff at DAWPRI, Chui and Consultant calculations

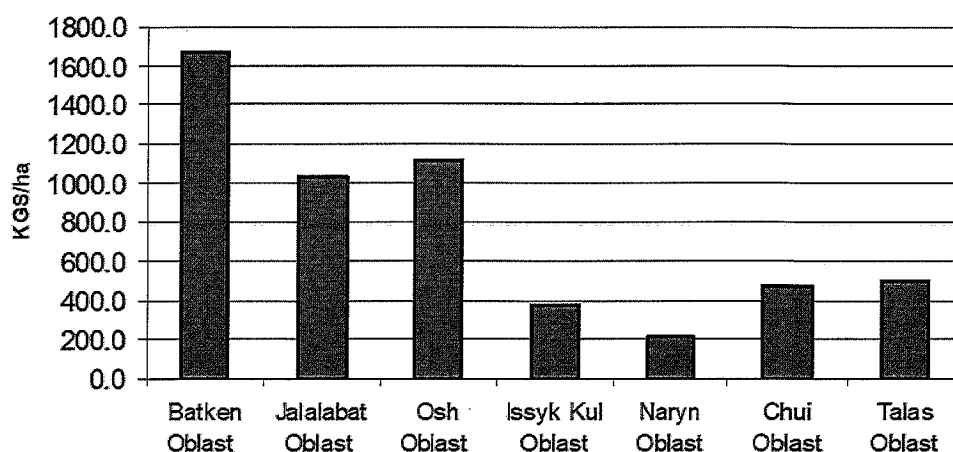
480. Thus there are clear differences the farmers' share of crop gross margins, depending on the location. In Chui, where more land is available, lease rental costs are lower, and as a result, farmers enjoy a greater share of the crop gross margin – an average of 89% of those crops analysed in Table 39. Conversely in Osh, where demand for land is greater, AO's are taking a greater share of the gross margin.

481. The Land Reform Process requires further review to ensure AOs do not exploit land shortages, especially in Osh, during administration of the LRF. The SILR survey appears to confirm this situation. 34% of all respondents in Osh report being dissatisfied with the Aiyl Okmotu administration.

Land Re-distribution Fund (LRF)

The area of land in the land redistribution fund (LRF) is markedly lower in the south. Nationally, there is 0.11ha per capita of rural population available, while in Osh there is only 0.07 ha per capita (rural population) available - about 36% less than the national average⁹⁴. This reflects in the prices paid for LRF (Figure 32).

Figure 32. Value of LRF transactions in 2004.



Source: NatStatCom

Land sales

482. Key determinants in land value are soil quality, irrigation and location. However, the nature of land titles in Kyrgyzstan makes understanding land values difficult. A farmer may have a land title which includes a parcel of irrigated, a parcel of rain-fed, some hay land, some pasture land and even household land. These parcels are likely to be located in different places, but will all form part of the one land title. A farmer cannot sell an individual parcel of land from within his overall title under the present law. This seems to be a significant drag on the formation of a free, open market for land.

483. Because the availability of agricultural land per capita of rural population is 40% less in Osh compared to the national average⁹⁵, the dynamics of supply and demand have pushed irrigated land prices considerably higher in Osh than in Chui (Table 40).⁹⁶

Table 40. Recent Land Sales Values.

Location	Year	Area (ha)	Price (KGS)	Price (KGS/ha)	Comment
Kerme Too AO, Aravan	2004	0.52	20,000	38,461	Average quality soil
Rayon, Osh Oblast	2004	0.55	70,000	127,272	Close to Osh city
Rayon, Osh Oblast	2005	0.78	65,000	83,333	Includes a house
Aravan Rayon,	2004	9.72	492,900	50,700	7 separate sales
Osh Oblast	2005	6.80	345,000	50,735	Irrigated
Osh Oblast	2005	0.80	15,000	18,750	Poor land
Sokulok Rayon,	2005	12.15	289,900	23,860	All irrigated
Chui Oblast	2005	1.60	12,000	7,500	Incl. 0.48ha rainfed
Chui Oblast	2005	9.72	110,000	11,316	Incl. 3.6ha rainfed, 0.18ha orchard, 0.54ha hay land

⁹⁴ NatStatCom - Agriculture Survey, 2002

⁹⁵ NatStatCom - Agriculture Survey, 2002

⁹⁶ Source: Giprozem

Source: GosRegister offices – Aravan and Sokulok Rayons

484. Costs associated with transfer of title at the GosRegister office are outlined below.

Table 41. Land Transfer Costs.

	Documentation fee	Registration	Certificate of Title	Re-registration	Registration
Seller	471	100	79	0	0
Buyer	0	0	0	272	100
Total			1022		

Source: GosRegister Office, Aravan

Table 42. Land transactions up to 2006

Oblast	Number of transactions	Area, ha	Average price KGS/ha	Cost of sold land plots. Min KGS
Data of 1 January 2006				
Chuy	4,648	15,084	6,400	96,064
Naryn	254	577.9	9,400	5,411
Osh	504	667.14	19,500	13,034
Data of 1 April 2006				
Chuy	481	1686.1	8,400	14,083
Naryn	17	35.7	9,000	322
Osh	33	36.97	34,000	1,258
Data of 1 October 2006				
Chuy	1,937	6,200	7,600	47,089
Naryn	33	94	8,600	811
Osh	83	81	41,000	3,333
Total in the country from the start of land reform	10,677	21,228	9	237,581

Source: Gosregister

485. While land sales have been possible since 2001, land sales are only now beginning to occur in all classes of land. The SILR survey found that only 1.2% of all farms had purchased additional land, and all of the purchases were from neighbors. Unfortunately, GosRegister records do not enable the analysis of land values by class of land. While they record the number of hectares by each land category (irrigated, rain-fed, orchards and hay lands), the value of sales is not broken down by the same land categories, but instead is simply reported in aggregate terms. Despite this recording weakness, it can be established that each sale in Osh and Chui respectively returned on average of about 26,000 som and 21,000 som in Osh and Chui respectively – 23% higher in the south (see Table 43). Clearly, the asset value of farm land is significant and represents an important addition to the wealth of Kyrgyz farmers.

Table 43. Land Sales – Osh and Chui Oblasts (2005).

Land type	Unit	Osh	Chui	National
Irrigated	Ha	322.6	11,528.5	15,537
Rainfed	Ha	151.0	3,717.4	4,638
Orchard	Ha	14.4	233.0	374
Hay	Ha	114.4	82.8	272
Valued	000 KGS	13,033	96,064	173,112
Number of sales	no.	504	4,648	7,994
Cost per ha	000 KGS	21.6	6.2	8.3
Cost per sale	KGS/sale	25,859	20,668	21,655

Source: National Statistical Committee

486. The SILR survey found that the median price paid by *purchasers* of irrigated land was 4,000 KGS per ha and 1,000 KGS for dryland. While land *sellers* were paid typically 10,000 KGS/ha for irrigated land. These figures are notably less than the prices reported by GosRegister.

C. Land used more intensively and more in response to the market

C1. Changes in mentality

487. People interviewed during field visits, participants at workshops and other commentators consistently mentioned that a major factor contributing to improvements in livelihoods has been the general change in mentality of people in all socio-economic levels. The change occurred around 1997-1999 when people realized that the government would no longer provide assistance to them and that they had to rely on their own efforts. The early stages of the land reform process were implemented without preparing communities for the implications of land ownership. People advised that they did not understand the new system of farming and requirements on them and they were uneasy about owning land and did not know what to do with it. Some people refused land because they feared added burdens of taxes and other obligations. In some cases people were told that they would be responsible for a share of the debt that was being carried by collective farms.

488. Nonetheless, many people managed to adapt to the new conditions and assumed responsibility for their own livelihoods and the welfare of their families. As a means to confirm and quantify this, the SILR survey asked households about making independent decisions and how this had impacted on their lives. For both poor and non-poor, the response indicated that making the change and taking on their own decision-making had improved their lives (71% and 68% respectively). This changed mentality has also resulted in an increasing commercial orientation and thereby contributed to the decline in both urban and rural poverty. By 2002, small family farms operated 71 percent of arable land and produced about one half of the value of production and most of the agricultural marketed surplus⁹⁷. Small farmers increased livestock and particularly crop yields with relatively low levels of inputs through better management of what resources they had. Evidence suggests that Kyrgyzstan's peasant farmers are in general able to

⁹⁷ Kyrgyz Republic, Agricultural Policy Update, 2004

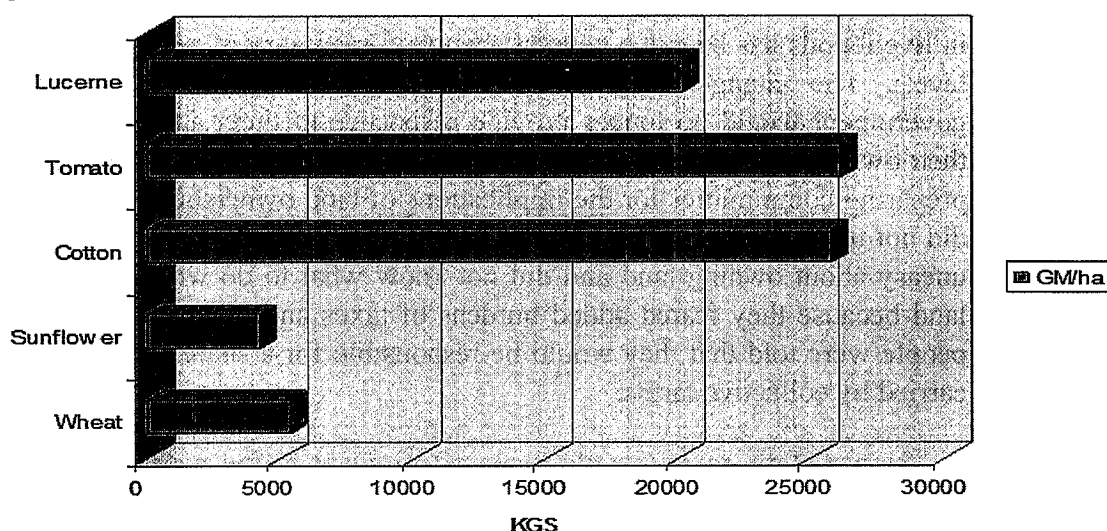
respond to changes as long as they have sufficient and appropriate information. Nonetheless, there is a legacy of lack of trust that followed the collapse of the previous system⁹⁸. The experience of the collapse of the economy was so devastating and profound that people's ability to trust each other and administrative systems was substantially destroyed. This will only be rebuilt slowly through farmer organizations that are demonstrably democratic and transparent.

C2. Changes in crop choice

489. This section provides an analysis of yield diversifications as a result of land reform. The analysis is based on data and field observations in Chui and Osh Oblasts, and uses the assumption that these two oblasts provide a reasonable and representative cross section of arable land issues in Kyrgyzstan.

490. Farmers have learned a great deal about making rational economic decisions about crop choices where they can. On fertile, irrigated soils, there is clear evidence that farmers are responding to market signals for product prices (Figure 39 and Figure 41). Farmers have made significant a switch from wheat to cotton – eg in the 5 years from 2001-05, in Aravan Rayon, the area of cotton has increased 72% while the area of wheat fell by 25% . The gross margin analyses of both crops demonstrate the wisdom of their judgment (Figure 33).

Figure 33. Gross Margin Profitability – selected irrigated crops in southern Kyrgyzstan.



Source: ADB SAADP PPTA (2006)

491. Similarly, arable land farmers are integrating livestock into their farming systems much more effectively than they have in the past. Animals are fed on crop residues and specialist forage crops which are being integrated into the rotation on irrigated land. In Chui, the main irrigated crop rotation is: *Winter Wheat – Vegetable (or Sunflower or corn for cattle feed)*. In Chui, there is ample evidence that farmers are moving to integrate more livestock production into the farming system. In a recent survey of 20 project farmers, the Chui AADP Project Director reports that livestock investments are being favoured because: (i) they are more profitable; (ii) less risky; and (iii) markets are

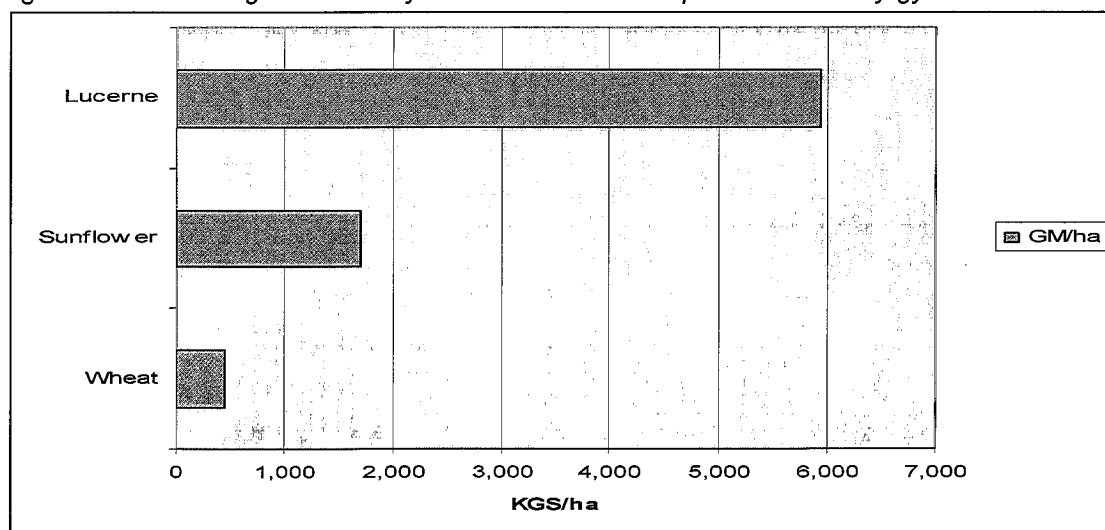
⁹⁸ Strengthening Livestock Communities in Mountainous Regions. A Ryan: 2006 (for NZAID)

strong and stable, including live exports to Kazakhstan. The survey also showed that farmers are building forage crops into their farming system eg maize and lucerne as cash crops. With forage prices doubling in winter, these choices are being made in response to market opportunities for fat bulls and fat sheep. Gross margins for sheep and bull fattening are presented on a per sheep equivalent stock unit basis, as they are fattened on a zero grazing system (in the autumn-winter period) ie in stalls. Sheep are fattened over about 4 months, and bulls over 6 months, with gross margins of 3800 KGS and 1000 KGS per stock unit respectively. This equates to annual returns on capital of around 90% for sheep and 40% for bulls.

492. The SILR survey found that while most livestock fodder is grown by the farmers themselves, in Osh 56% of farmers are buying from their neighbours and in Sokulok rayon in Chui 26% of farmers are buying fodder in the bazaar. Thus, there is clear evidence that farmers are not only moving to livestock, but some are capturing the sound economic opportunities of supplying livestock fodder as well.

493. However, land use on rain-fed arable land is more constrained. Without irrigation, risks are greater, and profits are lower. In a cropping regime, which can involve significant expenditure prior to harvest, farmers are also making sound judgments. Input use is minimized, hence risk of cash flow difficulties resulting from a bad harvest is managed. Unfortunately, output volumes also suffer in this environment. The general reluctance of arable farmers to be exposed to long term debt as a result of harvest failure is clear from analysis of the KAFC lending figures for Osh and Chui. Land tenure alone is not enough to increase productivity of rain-fed arable land.

Figure 34. Gross Margin Profitability – selected rainfed crops in southern Kyrgyzstan.



Source: ADB SAADP PPTA (2006)

494. This is supported by analysis of farm lending. For example, in the Osh KAFC office, agriculture accounts for 80% of the total portfolio, and livestock loans account for 75% of this. KAFC is willing to lend on crop loans, but report that farmers see cropping as too risky, both in terms of product price and yield fluctuations. Thus, while not resulting in crop output increases, individual farmers are shown to be making decisions in favour of improved profitability from livestock production.

495. This is also demonstrated in Chui, where the ADB credit line to KAFC (part of the AADP) the uptake of credit by cropping farmers for crop inputs has been equally limited – 6.2 % of outstanding loans are for crop production purposes. However, irrigation farmers have used the Project credit line almost exclusively for livestock loans. KAFC report 96 percent of all outstanding loans under ADB credit line (\$4.56million) to 2,548 borrowers) are for livestock purposes. This appears to indicate that farmers are integrating livestock finishing (fattening) into their farming systems to a far greater degree than was anticipated. They will be doing this because they perceive the opportunities from livestock to justify the associated risks.

496. The SILR survey generally supports this. 25% of all loans are applied to seed purchases, but account for only 6% of total loan funds while 47% are applied to livestock purchases, accounting for 83% of total loan funds.

497. Rain fed arable farmers may not be fully capturing the opportunity to produce specialist forage crops as a cash crop. In particular, lucerne and sainfoin (escparcet) offer immediate and proven opportunities. Given the increasing need for animal fodder, especially from autumn to spring, this opportunity will continue into the foreseeable future. Not only does lucerne offer cash crop opportunities (see Figure 33 and Figure 34), but it provides a low cost method of rebuilding soil fertility in the crop rotation. Again, while land reform has presented opportunities for improved profitability on rain-fed arable land, a lack of technical support appears to be hindering the capacity of farmers to take advantage of it.

498. Arable land accounts for only 12% of the total agricultural land in Kyrgyzstan but contributes about 55% of output value from the agriculture sector. Within the arable land category, there is further breakdown to irrigated (808,700ha) and rainfed arable (429,300ha)⁹⁹. Because of the greater certainty in yield achievements on irrigated land, most arable land output is derived from irrigated arable land. As a result, arable land is a scarce resource, and irrigated arable land even more so. Figure 35 shows Chui and Osh have slightly greater availability of arable land than the national average, reflecting their positions as the two major arable regions in the country. Figure 36 shows that Osh has only 50% of arable land currently irrigated (about 75% of the national average irrigated land per head of rural population). Chui has about 70% of arable currently irrigated (equal to the national average) while Chui has 90% of arable land already irrigated, but as Figure 35 and Figure 36 both demonstrate, there are very limited arable resources in Naryn Oblast.

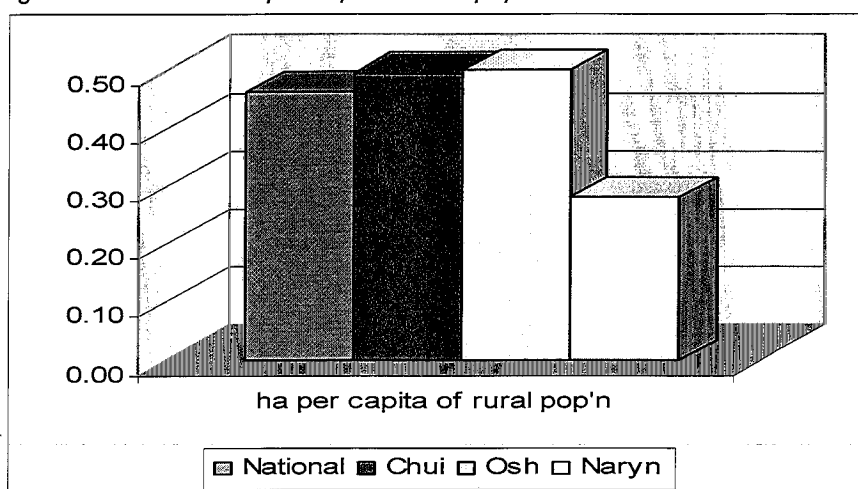
Table 44. Agricultural land in the Kyrgyz Republic.

Land Use	Area (ha)	% of Total Agricultural Land
Pastures	9,187,600	86.2%
Arable land	1,238,600	11.6%
Hay land	169,600	1.6%
Perennials	37,400	0.4%
Fallow land	21,400	0.2%
Total	10,654,600	100.0%

Source: Source: Resolution No. 744 of Government of the Kyrgyz Republic on Distribution of Land Fund according to the Agricultural Land

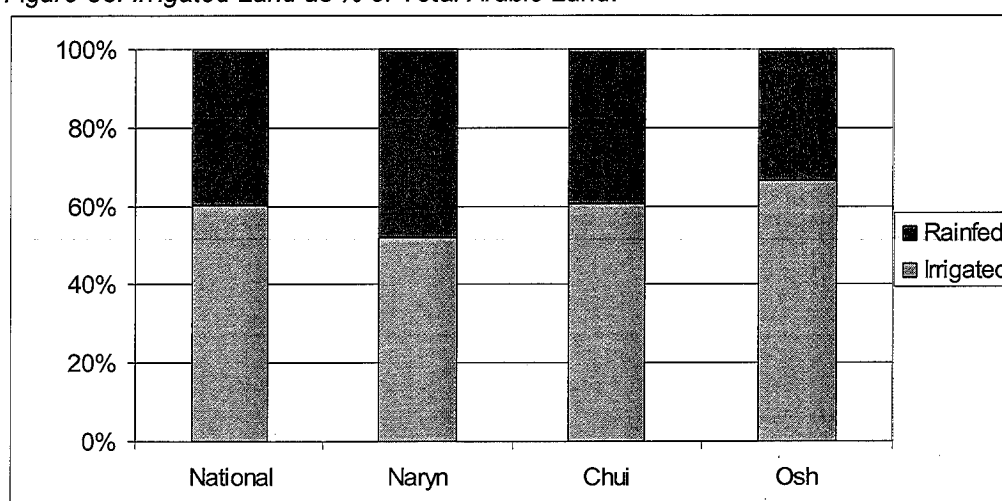
⁹⁹ GosRegister – Availability and Distribution of Land Fund of Krygyz Republic January, 2005

Figure 35. Arable land per capita of rural population.



Source: Republican Center for Land and Agrarian Reform.

Figure 36. Irrigated Land as % of Total Arable Land.

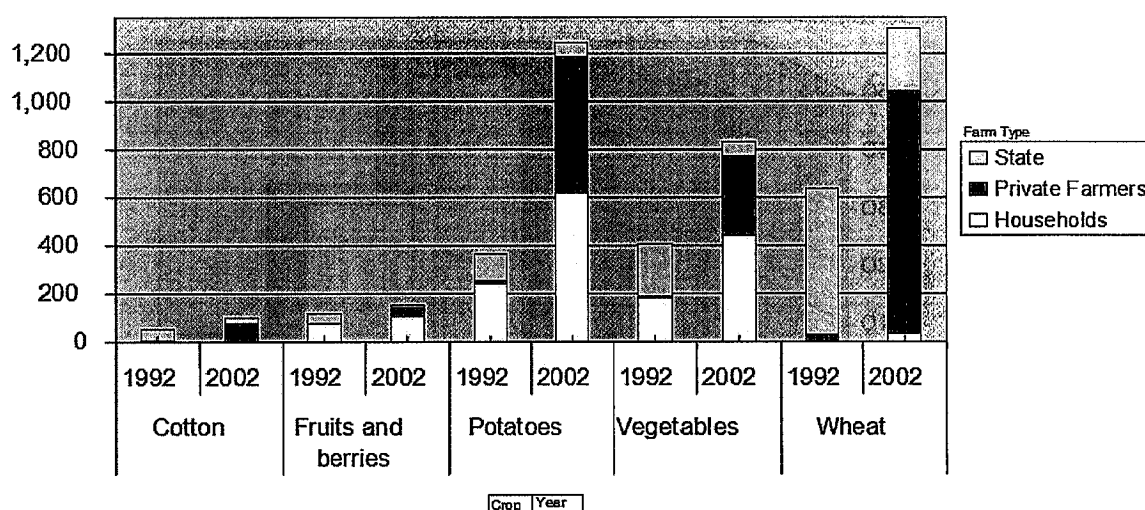


Source: NatStatComm – First Agriculture Census of KR 2002, (Gosregistr – Land fund of Kyrgyz Republic, 1 Jan.2005)

499. With irrigated arable land, land reform has progressed significantly and demand for good quality, irrigated soils is high in the south – both in leased and ownership terms – resulting in strong prices. In Chui though, there are more sellers than buyers. But rain-fed arable land on average quality soils in both oblasts is regarded by farmers as risky in relation to returns and as a result, demand is limited.

500. Since land reform has been introduced, farmers have shown a strong capacity to move from one crop or product to another as economic opportunities improve or decline (Figure 37) – indicating a greater sense of economic rationale and flexibility than the collective agriculture system. The result has been considerable changes in farming systems and land use since the 1990s. These changes are continuing today, with farmers searching for alternatives to crops with high demand for fuel and fertilizer – the costs of both these inputs rose by over 30% in 2005 alone. In particular, the increase in production of potatoes, vegetables and wheat has been significant. Equally significant has been the contribution of private farmers to these output increases.

Figure 37. Shift in Agricultural Output by selected crops (1992-2002).
Sum of Output, '000 tons



Source: NatStatCom

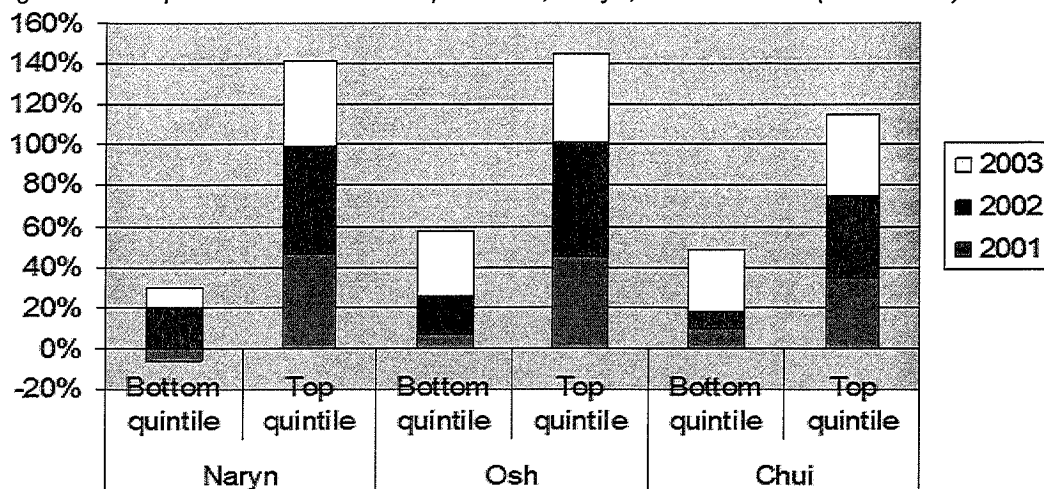
Osh Oblast

501. Osh Oblast is located in the south of Kyrgyzstan and encompasses some of the fertile soils of the densely populated Ferghana Valley. Because it borders on Uzbekistan, Osh farmers have enjoyed informal access to crop inputs as well as markets for some products, eg livestock in Uzbekistan. Osh has 1.655 million ha of agricultural land, 176,000 ha is arable land, of which 89,400 ha is irrigated¹⁰⁰ - although NatStatCom reports 100,000 ha, possibly indicating a deterioration in infrastructure on the ground. 75% of all arable land is privately owned – slightly higher than the national average (71%).

502. Since land reform, traditional crops have been wheat and cotton. Wheat as a food security crop and cotton as a cash crop that provides valuable by-products for livestock feeding. However, since land reform, farmers are moving slowly away from wheat towards more profitable cash crops such as oil crops, tomatoes, onions and potatoes (Figure 37). Reasons are partly a response to lower returns from wheat, partly as a result of reducing concerns about food security as incomes rise (see Figure 18) and partly due to changing Government policies on water pricing which are resulting in higher irrigation service fees for irrigation water. In Aravan Rayon, where wheat yields are significantly higher (see table 3 below), this trend is also apparent.

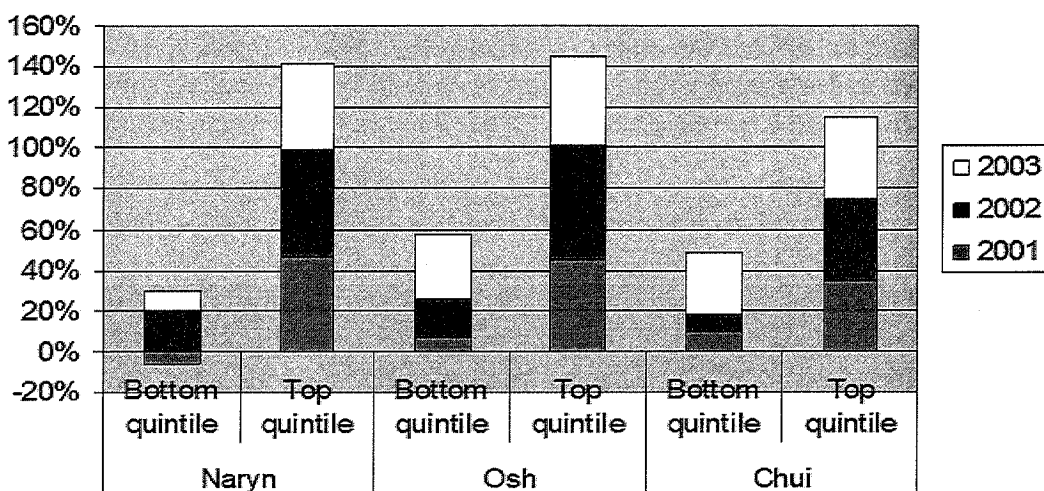
¹⁰⁰ Source: Dept of Agricultural Development, Osh (2005)

Figure 38. Surplus of income over expenditure, Naryn, Osh and Chui (2001-2003).



Source: NataStatCom

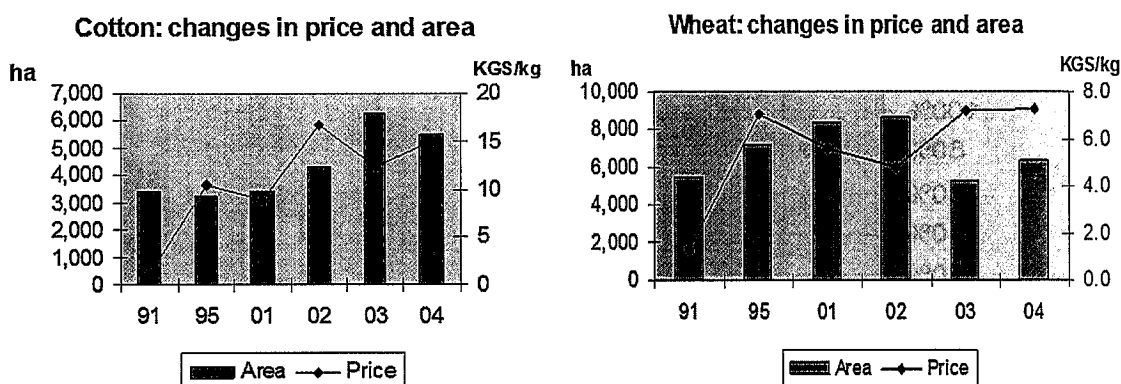
503.



demonstrates the increasing level of surplus income in Naryn, Osh and Chui. In 2001 and 2002, surplus income grew for all groups. In 2003, the top quintile maintained its level of surplus from 2002, with the exception of Naryn, where cash surplus grew. This cash surplus will be applied to many different additional expenses, including purchase of food staples like wheat.

504. Figure 39 also demonstrates the lagged impact of supply and demand on farm gate prices and area planted. For example, in Aravan in 2003/04, the area of cotton rose in response to high prices in 2002, while the wheat area fell in response to low prices in 2002. In Figure 41, the response of price changes on potato areas is less clear. This is probably reflecting the yield improvements per ha resulting from the introduction of new improved varieties.

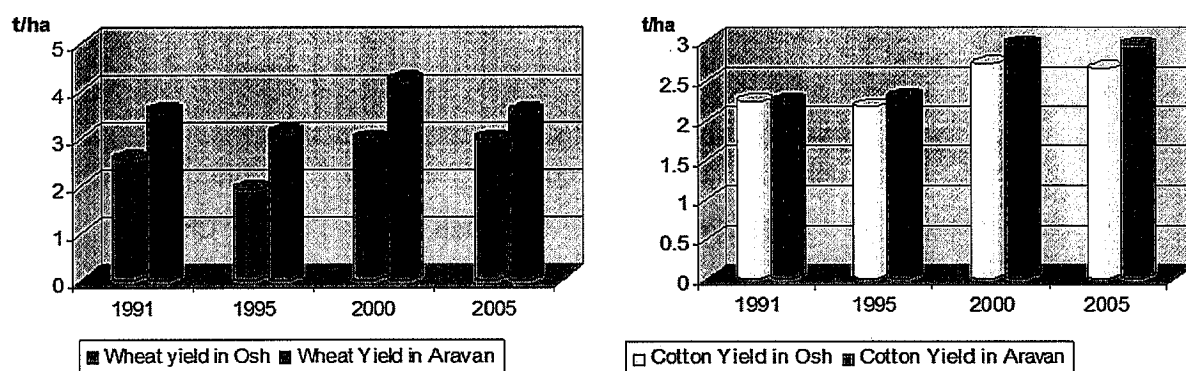
Figure 39. Area and yields of cotton and wheat, Aravan Rayon, Osh Oblast (1991 – 2005).



Source: Dept. of Agriculture, Aravan Rayon. Note: yields are expressed in 2005 equivalent prices.

505. The impact of irrigated land on yields is demonstrated in Figure 40. Aravan rayon has predominantly irrigated arable land, and yields are significantly higher in comparison to the Osh oblast average, which will be made up of the output from both rainfed and irrigated land. The impact of land reform on yields is clear also. There is a significant yield increase between 1995, when reforms of arable land began, and 2000.

Figure 40. Main Crops in Osh – Area, output and yield data 1991 – 2005

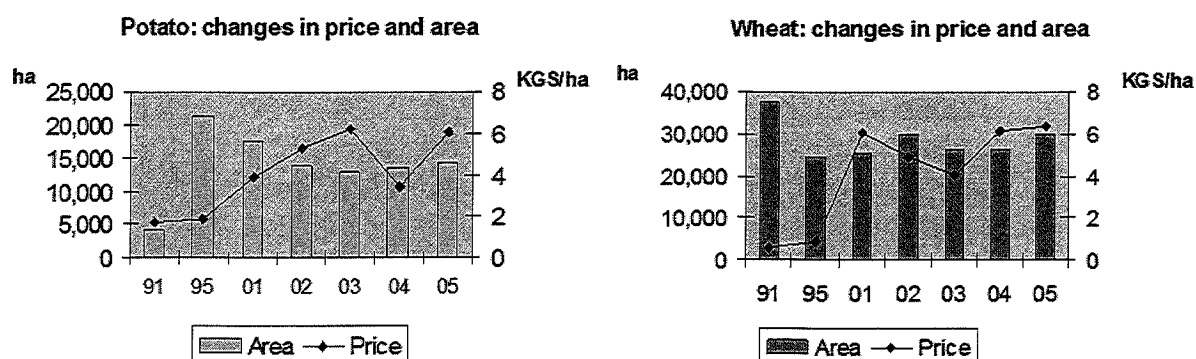


Source: DAWPRI - Osh Oblast. Note 1: Aravan Rayon is an intensive cropping area, with a high proportion of highly fertile, irrigated soils and where 2 crops/year are possible under irrigation.

Chui Oblast

506. Chui has 438,900 ha of arable land, 294,600 ha of irrigated arable land, and 900,000 ha of pastures. 75% of all arable land in Chui oblast is privately owned.

Figure 41. Area & yields of potato and wheat, Sokuluk Rayon, Chui Oblast. 2001-05



Source: Director DAWPRI, Sokuluk (2005). . Note: Adjusted to 2005 prices.

D. Poverty and inequality

D1. Poverty Extent

507. Measuring poverty is not straight forward in Kyrgyzstan because indicators at national and even at oblast level do not provide a clear picture of poverty - there may be vast differences between rayons in the same oblast. Poverty is particularly high in mountainous regions. In Naryn, for example, a high mountain oblast with little if any transportation and where markets are distant, poverty can range from over 60 percent to 15 percent in different rayons (by expenses). Standards of living vary considerably throughout the country because of climate, environmental conditions and economic structure, and the improvements in economic development of the last ten years are not enjoyed evenly throughout the country. There is a marked urban-rural disparity. Although rural poverty has been reducing since 1999 at about 8% per year, it remains high throughout the country at 46 per cent¹⁰¹ overall in rural areas compared to 31.5 percent in urban areas. The 2005 assessment report by the World Bank¹⁰² indicates that the capital city Bishkek and nearby Chui oblast are substantially richer than the rest of the country, while Batken oblast is the poorest and Naryn oblast is the second poorest. Poverty rates in the northern Issyk-kul oblast and in the three southern oblasts (Osh, Jalal-Abad and Batken) lie in the middle. Osh and Jalalabad have almost half of the country's poor and Batken has 14 percent of the total poor.

508. Care needs to be taken when interpreting the urban-rural disparity, however. The report on the Kyrgyz Republic Geographic Distribution of Poverty, 2005, compares poverty rates in the major urban centres such as Bishkek with other secondary cities. The combined HBS and census predictions show that urban areas outside the capital city are not better off than the rural areas around them and most of the smaller urban areas are significantly poorer (in terms of consumption) than rural areas. When figures are presented in terms of urban/rural area, these deep pockets of poverty in small urban centres are masked by the effects of relative prosperity in Bishkek and the other main

¹⁰¹ Based on consumption. NatStatCom, January 2005

¹⁰² The above is based on an early version of the report which was subsequently published in 2007 as the Kyrgyz Republic Poverty Assessment, September 2007

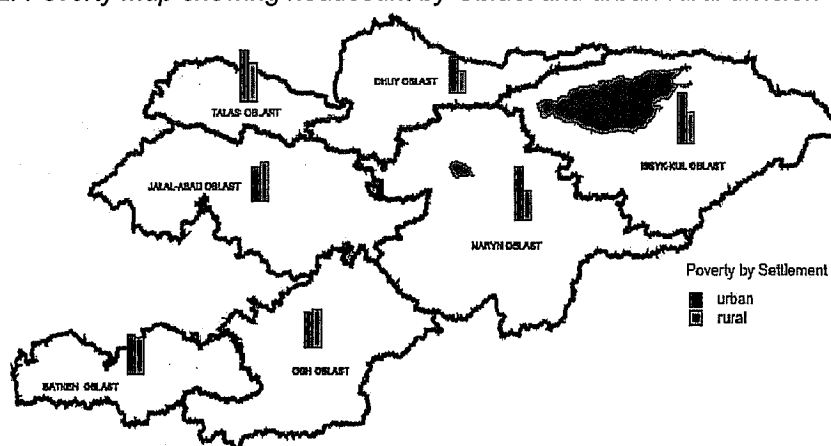
cities. Table 45 and Figures 36 and 37 illustrate the variation in urban and rural poverty in the different oblasts.

Table 45. Poverty by Oblast, 2004, by expenditure.

Oblast	Urban	Rural	Total
Bishkek	17.6%		17.6%
Issy-Kul	15.1%	62.6%	49.0%
Jalal-Abad	46.8%	49.2%	48.6%
Naryn	43.6%	54.3%	52.4%
Batken	62.4%	74.0%	71.0%
Osh	43.3%	54.7%	51.9%
Talas	52.4%	50.4%	50.7%
Chui	10.5%	25.3%	22.2%
Total	20.0%	50.5%	42.9%

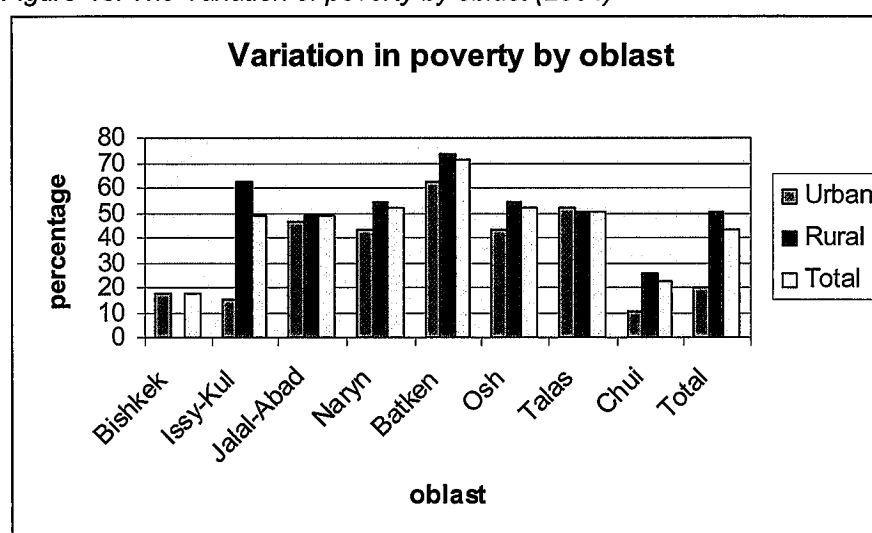
Source: National Statistical Committee

Figure 42. Poverty map showing headcount by Oblast and urban-rural division



Source: UNDP estimates

Figure 43. The Variation of poverty by oblast (2004)



Source: The Kyrgyz Republic: The Geographic Distribution of Poverty, 2005

D2. Poverty Depth and Severity

509. Poverty depth and poverty severity measure the acuteness of poverty. Both are important when assessing poverty alleviation programs because while a program may

"Corruption in all institution that is why the poverty does not reduce."

Source: A. Jumasheva

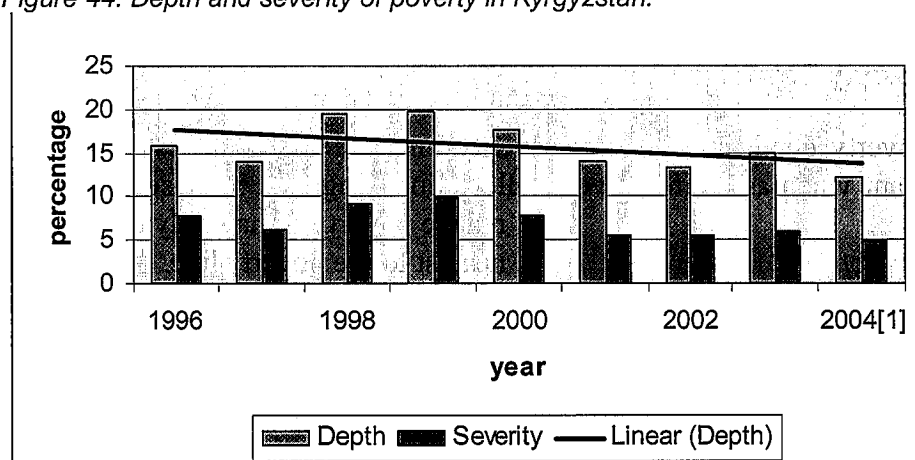
reduce poverty it may only be effective for people nearest to the poverty line. The poverty gap ratio, which is defined as the mean income or consumption shortfall relative to the poverty line, averaged across the whole population takes

account of the depth of poverty. This measure gives us an idea about the total resources required to bring all the poor up to the poverty line. The severity of poverty takes into account not only the depth of poverty but also inequality of income or consumption among the poor. This measure gives a greater weight to the income or consumption shortfalls of the very poor.¹⁰³

510. Poverty depth in Kyrgyzstan is among the highest in the region. As a comparison, for developing countries in Europe and Central Asia, poverty depth is 0.07 on average, whereas for Kyrgyzstan it is 0.24. Only Tajikistan has a greater depth of poverty at 0.30. However, this varies across different oblasts and depth and severity can be higher than the national average. Figure 38 shows depth and severity of poverty based on expenditure. Both have been steadily reducing since 1999. The rise in poverty depth and severity between 1998 and 2000 is a consequence of the economic crisis in Kyrgyzstan which followed the crisis in Russia, starting on "Black Tuesday" in 1998. The Russian ruble devalued and inflation started growing. The Kyrgyz economy is very dependant on the Russian economy, even after the collapse of the Soviet Union. Around 500,000 Kyrgyz worked in Russia up until 1998 and their annual remittances, an important source of income for many households in Kyrgyzstan, were equivalent to more than the Kyrgyz annual country GDP. With the collapse of the Russian economy in 1998, many of these workers were laid off and returned to Kyrgyzstan, with consequent downstream impacts on incomes of their families.

¹⁰³ There is a huge literature on poverty measures. The important papers among them are those by Sen (1976), Kakwani (1980), Foster, Greer and Thorbecke (1984). The Foster, Greer and Thorbecke's class of poverty measures are most widely used.

Figure 44. Depth and severity of poverty in Kyrgyzstan.



[1] new poverty line and measurements.

D3. Inequality

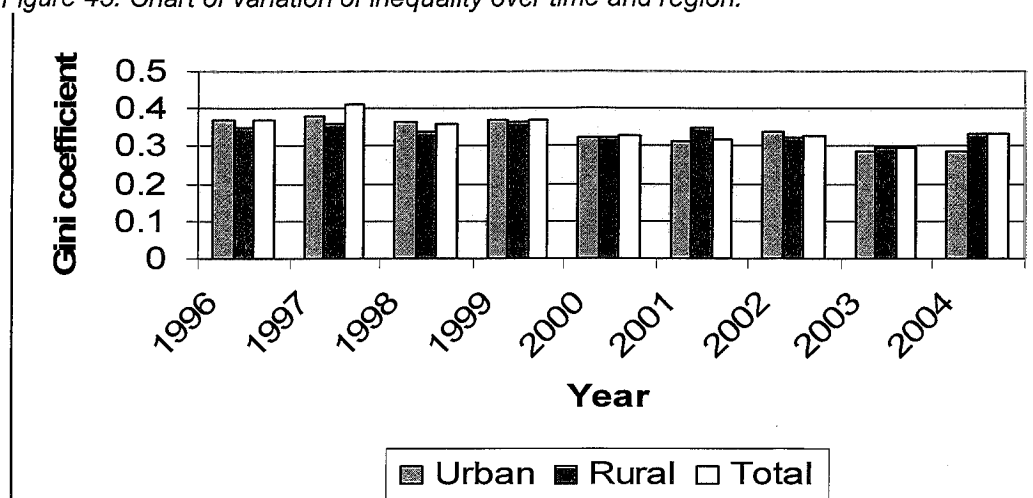
511. The largely egalitarian nature of land distribution has been attributed with the reduction in inequality which might otherwise have increased as agriculture development progressed and the better off acquired more land. Inequality is frequently measured by the Gini Coefficient. Calculations of the Gini Coefficients are only available since 2000 when the incidence of absolute poverty had reached high levels in Kyrgyzstan and there was widespread popular perception of growing inequality. During Soviet times the country had a reasonably equal income distribution but by the late 1990s the distribution of income had become more unequal than for an average developing country. Large improvements in inequality at rural and urban levels were measured in 2000 and smaller improvements overall occurred from then on. Both urban and rural inequality fell from approximately 0.32 to 0.29 from 2000 to 2003. Table 29 and Figure 39 show inequality based on expenditure per capita over time.

Table 46. Gini Coefficients by year and region.

	1996	1997	1998	1999	2000	2001	2002	2003	2004*
Urban	0.37	0.38	0.36	0.37	0.32	0.31	0.34	0.29	0.29
Rural	0.35	0.36	0.34	0.36	0.32	0.35	0.32	0.30	0.33
Total	0.37	0.41	0.36	0.37	0.33	0.32	0.33	0.30	0.33

Figures Based on Expenditure. * New calculation methods and poverty line

Figure 45. Chart of variation of inequality over time and region.



512. The change, while declining over time is not steady and gradual change over time. This is put down to the increase of purchases by the better off of expensive items such as washing machines and cars that occurred in recent years particularly in urban areas.

513. Gini Coefficients have been calculated for all oblasts in Kyrgyzstan¹⁰⁴. They suggest that urban areas exhibit more consumption disparity than rural areas. In rural areas, the Gini coefficient ranges from 0.27 in Jalal-Abad and Talas oblasts to 0.32 in Naryn oblast. In urban areas, it ranges from 0.29 in Talas and Naryn oblasts to 0.37 in Jalal-Abad oblast. Inequality is most pronounced in urban Jalal-Abad and Osh. Table 31 shows the inequality by urban and rural areas for each oblast.

Table 47. Inequality in oblasts (Gini coefficients).

Oblast	Rural	Urban
Bishkek	---	0.33
Issy-Kul	0.31	0.30
Jalal-Abad	0.27	0.37
Naryn	0.32	0.29
Batken	0.29	0.32
Osh	0.28	0.34
Talas	0.27	0.29
Chui	0.29	0.30
Total	0.30	0.31

Source: Draft Kyrgyz Poverty Map, 2005. World Bank

514. Until 2003 rural inequality decreased steadily almost certainly influenced by the equitable distribution of land. While inequality has decreased over time, the level of inequality is still somewhat high. A Gini index of say 0.32 for expenditure is consistent with a Gini index higher than 0.4 for income which is about average for a developing country¹⁰⁵.

¹⁰⁴ Draft Kyrgyz Poverty Map, 2005. World Bank

¹⁰⁵ The Macroeconomics of Poverty, 2002. UNDP

D4. The link between poverty and land reform

515. Since 1996, there has been a reduction in subsistence food production among new farms and a growth of commercially oriented peasant farms that account for most of the agricultural growth since that time. Many of the small peasant farms that resulted from land distribution have accumulated livestock assets since obtaining land and it is concluded that this has been a powerful force for agricultural growth and rural poverty reduction¹⁰⁶.

"There is an impact on poverty. Currently it is very difficult to protect soil fertility. There is not enough machinery, if there is some it is rather old, the liter of diesel is KGS 20. It is very difficult to work in such conditions. As far as land is concerned the situation is very difficult. The return is very low: e.g. one family obtained 2 ha of land. They have to find seeds, diesel, to plow, irrigate, harvest and to go to the field. For profitability the plot must be at least 10 ha. That is why the solution must be found, maybe it is cooperation. Maybe there is a need for people to unite."

O. Jumakov, Head of Gosregister of Atabashi Rayon, in an interview

516. In order to determine the extent of the contribution of land reform to these changes, a series of questions were asked during the land reform survey and in discussions to determine people's perceptions of change since land reform.

517. The survey indicated that most households have their own land share, with the exception of two rayons - Sokuluk (Chui) and Kochkor (Naryn). While land was distributed early in Naryn oblast, in Sokuluk distribution was much later with some households receiving their land only in 2005. Some households without land in this rayon may still receive land. Table 48 shows the rate of land ownership in each oblast and when the land share was allocated.

Table 48. Ownership of land.

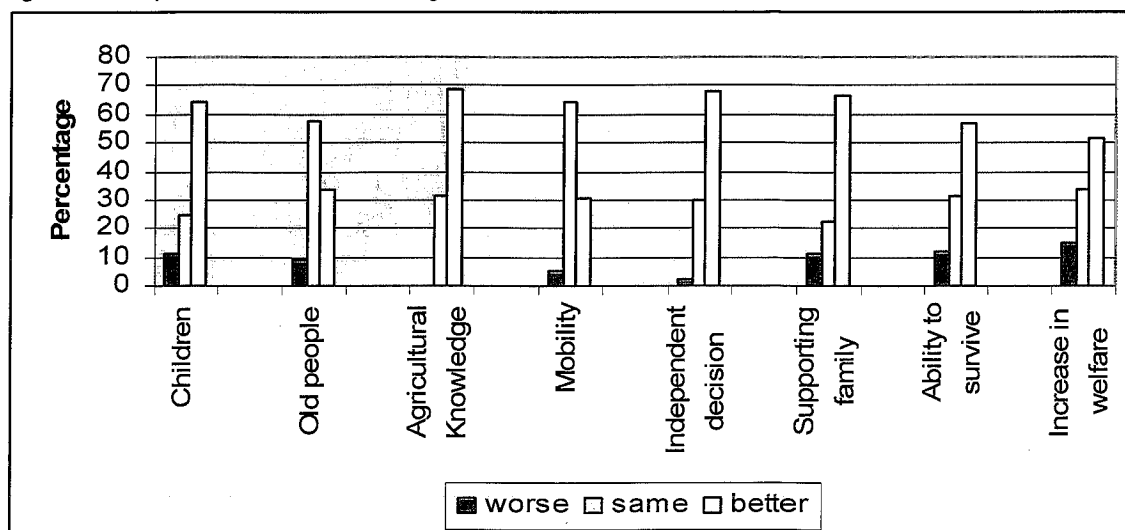
Oblast Rayon	Percentage of farms having their own land share	Year of land devolution		
		Median	Earliest	Latest
Chui – total	79	1996	1991	2005
Kemin	99	1995	1991	1999
Sokuluk	66	1999	1991	2005
Osh – total	98	1995	1991	1999
Aravan	100	1996	1994	1999
Uzgen	97	1995	1991	1996
Naryn – total	84	1992	1990	1997
At-Bashi	97	1993	1990	1997
Kochkor	58	1992	1992	1996
Total sample	87	1995	1990	1997

Source: SILR survey

518. People believe that since land reform, their ability to survive has increased as has their ability to support their family and improve their wellbeing. Children are better off, as are old people, in general. Mobility of those remaining in rural areas (where the survey was conducted) had increased for 30 percent of the poor and 46 percent of the non-poor but most think that they are as mobile as they were before land reform (although this may reflect the fact that those surveyed were those left behind). Agricultural knowledge has increased, mainly through the necessity of learning on the job, and decision making has improved quality of life. These findings suggest that the level of welfare may depend directly on access to land, its size and quality (Figure 46).

¹⁰⁶ Kyrgyz Republic Agriculture Policy Update, 2004

Figure 46. Improvements in wellbeing as a result of land reform



Source: SILR survey

519. People in Naryn were asked in a separate exercise, what were the most significant changes that had occurred in their lives in the last five to ten years. While there was some limited acknowledgement of the role of land reform on the changes they had experienced, most indicated that having land was in itself not sufficient to make changes in their lives and that having the means and knowledge for inputs and to grow new crops as well as hard work were key issues for poverty reduction. Respondents also advised that people who cultivate their land effectively are able to improve their standard of living and those who do not or can not remain poor.

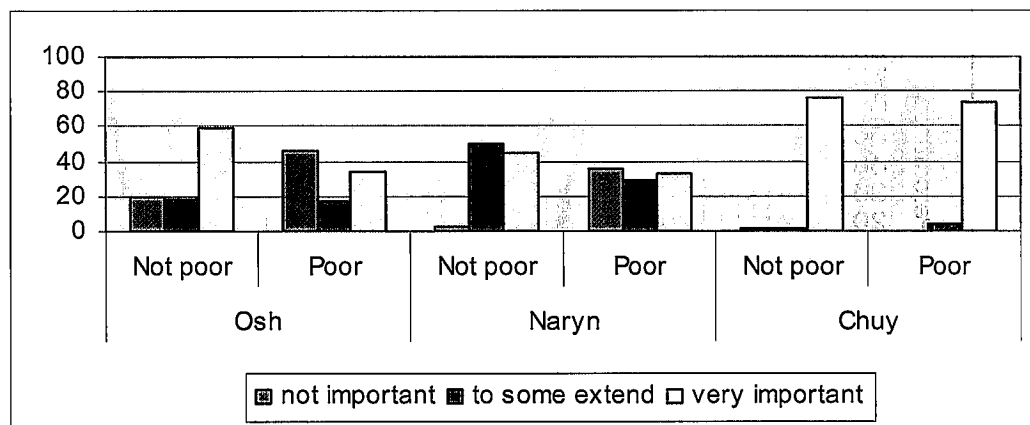
520. Tables 41 and 42 illustrate results from the land reform survey. Figure 47 suggests land is an important source of food for the poor. Figure 48 illustrates the

importance of land as a source of income, for both poor and non-poor, especially in Chui and Naryn. Figure 48 emphasises the importance of irrigated land as an income source in all three surveyed oblasts.

"We have barriers to become rich. Macro economic indexes show that in the production sphere 60% of population is involved in agriculture. They produce, use and if there are some surpluses then they market them. It causes the narrowing of the internal market. At the same time we do not produce inputs and fuel. We pay world prices for them. Because of the small internal market the consumption of agricultural goods is restricted and small. The prices of agricultural products are low can not cover the cost and farmers often become bankrupts."

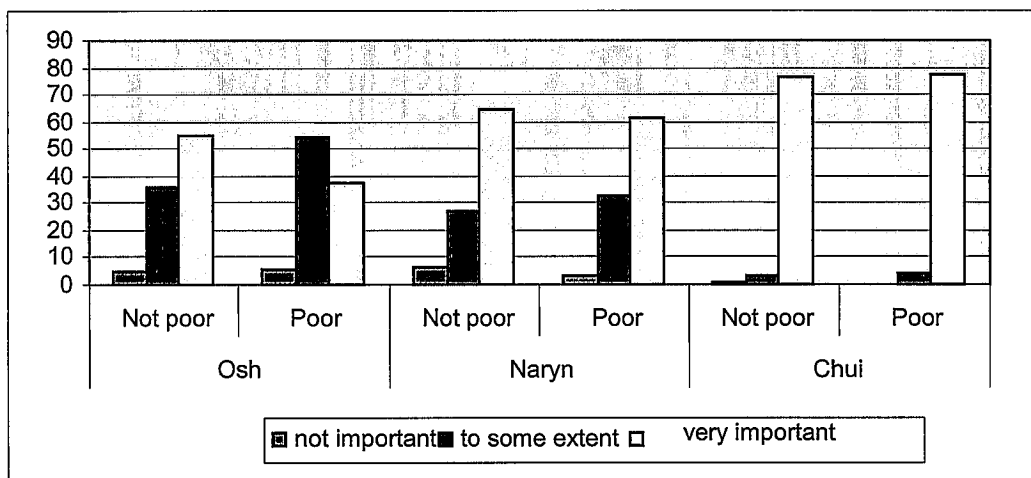
Source: K. Kadurkulov, Coordinator of Rural Advisory Services

Figure 47. Importance of the land share as the source of food for poor and not poor in oblasts.



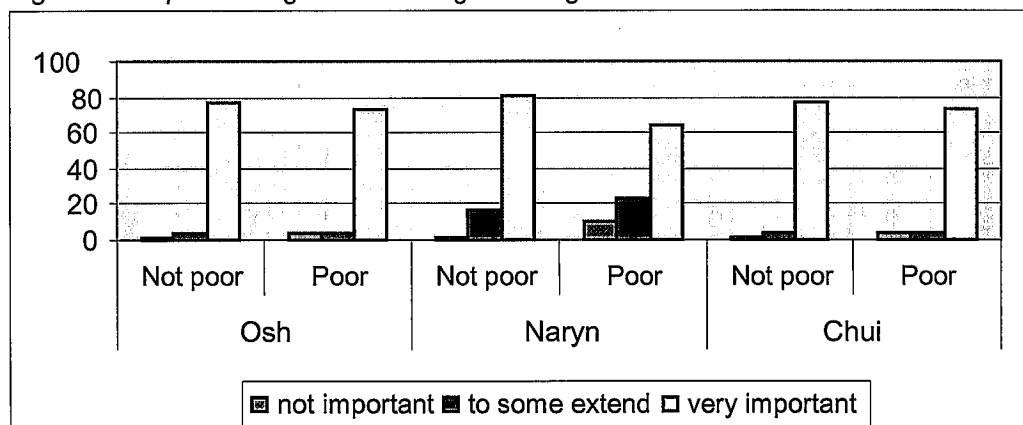
Source: SILR survey

Figure 48. Importance of a land share as a source of income for poor and non poor in oblasts.



Source: SILR survey

Figure 49. Impact of irrigated land on generating income.



Source: SILR survey

521. Access to land does not depend only on having a land share allocated. Allocation of land was in some cases poorly planned. For example, some land shares were allocated as a narrow long strip that does not allow for rotation of crops. Some shares were allocated to people far from their place of residence and the study met people who were unable to utilise their land share because it was located too far away to use it.

"It is common knowledge that many families in rural areas survive only thanks to their land parcels. As a rule, the households whose heads are proficient in machinery are doing better because they can cultivate their own land and offer their services to neighbors for adequate remuneration. The market laws are very tough. They spare nobody. If there is nobody in the household to cultivate the land, the family can hardly make both ends meet. There is nothing for them but sell their land parcel or, at the best, lease it out."

Source: E. Aliev, Retired Head of the Ex-Centre of Land and Agrarian Land Reform

522. In the village of Ozgorush in Naryn, for example, one woman from a very poor household said that her land share was 6 km from her village and that to reach it she had to pass over a very bad unsealed road where there was little if any transport available, and then to cross a wide river. As a consequence, the land share was not used and family income came from an absent male head of household who worked as a laborer in another oblast. Distance was not a barrier for all households: those that had a horse or vehicle for transport were able to take some advantage of far-off land shares but having a land share and a means of reaching it did not always mean being able to take full advantage of it. People in the villages of Ozgorush and Taldy-Suu in Naryn were reliant on the lower income-yielding fodder production from their land shares and some grains as they had no funds for inputs such as fertilizers or high quality seeds, or knowledge of how to cultivate other higher value crops.

523. The survey findings revealed considerable variation in land plot size and remoteness by oblast. Land plots in Chui and Naryn are of comparable size and while on average they were the same distance from home, some plots in Naryn could be up to 50 km away. Land plots in Osh oblast are much smaller but further away on average from villages. Table 49 illustrates the distances between home and land plots.

Table 49. Size of and distance to land plot.

Oblast, Rayon	Land plot area, ha				Distance from home to land plot, km			
	Mean	Median	Minimum	Maximum	Mean	Median	Minimum	Maximum
Chui – total	3.2	2.5	0.1	20.0	3.5	3.0	0.5	12.0
Kemin	2.8	2.5	0.1	9.5	4.4	4.0	1.0	9.0
Sokuluk	3.4	2.2	0.1	20.0	3.0	2.0	0.5	12.0
Osh – total	0.6	0.3	0.1	3.7	8.0	8.5	0.5	16.0
Aravan	1.1	0.6	0.1	3.7	3.9	4.0	1.0	10.0
Uzgen	0.3	0.2	0.1	2.9	10.4	10.0	0.5	16.0
Naryn – total	2.6	2.5	0.4	6.0	4.0	3.0	1.0	50.0
At-Bashy	2.8	2.8	0.5	6.0	3.4	3.0	1.0	12.0
Kochkor	2.1	2.0	0.4	5.6	5.8	3.0	1.0	50.0
Total sample	2.1	1.6	0.1	20.0	2.9	2.4	0.5	50.0

Source: SILR survey

D5. Migration

524. Migration has become the only source of welfare for many rural populations.

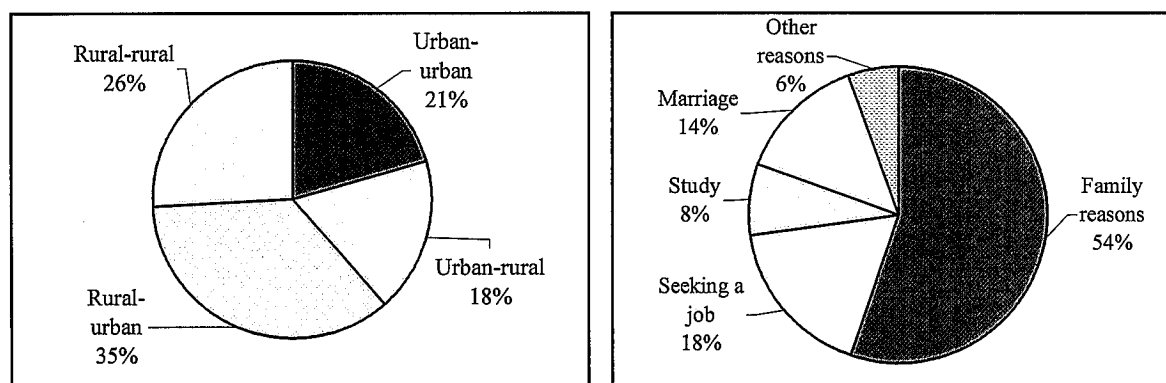
525. Internal migration shows a sustainable trend of shifting of rural populations into urban centers and the center of the country. It is explained by the fact that the production and social infrastructure of oblasts and rayons where people could be employed has been destroyed; sizes of land share are too small to provide employment in agricultural sector for all rural residents. The problem is critical in rayon centers where people do not have land shares. Moreover some people wish to be employed in more profitable sectors of economy and not in agriculture, which is of low profitability, especially in places where provision of land shares is low and the conditions for land development are not favorable.

526. Internal migration has been a characteristic of demographics in Kyrgyzstan for the last 15 years. Migration to urban settlements also occurred during Soviet times but it was not very extensive. Internal migration flow is still high and tends to be from rural to urban areas and from mountainous areas to the plains, especially to Bishkek and Chui Valley. From 1999-2003, urban growth rate (4.9 percent) far exceeded rural population growth rate (0.5 percent). This is explained partly by the employment opportunities available in urban centres, especially Bishkek, whose population in 1999 consisted of 29 percent of internal migrants from other regions. A World Bank review of these figures¹⁰⁷ suggests that most of the migrants report their primary reason for moving is for family reasons (54 percent) and only 18 percent for the purpose of finding employment. Nonetheless, it is considered that “family reasons” hides economic reasons for migration.

“The problems of development of agriculture presently are not only economic; they negatively affect also the social development of rural areas. The complexity of the problem is also in the fact that in rural areas (...) there are no sources of income other than agriculture. It does not allow the economic entities to support purposefully the infrastructure of rural areas, and to render assistance in their development.”

Source: S. M. Tynaev, Deputy Minister of Agriculture and Water Economy

Figure 50. Direction of internal migration (left) and reasons (right).



Source: KIHS 2003

¹⁰⁷ Kyrgyz Republic Poverty Update, 2005. World Bank

527. An important aspect of migration is that those who migrate tend to be able-bodied people and particularly so in the case of people from mountainous areas where the migration balance of the able-bodied population from the high mountain zone is 10 times higher than the number of migrants outside this category. This places a burden on children and old people left behind.

528. Focus groups with migrants found the following were the major reasons for leaving rural areas:

- In villages there is a lack of salaried employment
- People in rural areas were always cash poor and many relied on pensions of retired members for cash requirements;
- Children frequently have to drop out of school because of lack of money;
- There is a shortage of clean potable water, people often use water from ditches;
- Land shares are too small to feed all members of extended families, especially in the South;
- Land shares are often managed by parents and adult children often do not have access to their share
- Land is not of good quality and requires a lot of investment (irrigation, drainage, etc)
- Poor quality health care and no specialized health care;
- Housing is a problem, no materials to build a house, no resources
- Electricity supply is often shut down in rural areas.

529. Migration is not entirely negative - some positive tendencies in migration have been identified during the sociological survey conducted within the framework of the National Human Development Report 2002 by UNDP. The fact that people had been given land and provided with micro-financing resulted, in some cases, of migration back to their places of former residence (either during agricultural seasons or for permanent residence). This tendency was reflected in field studies for the land reform survey and people in remote villages in Naryn indicated that many family members came back to help in the harvest time. Many internal migrants in focus groups believed that life in rural areas is better now than when they left. The major reasons for improvements:

- People learnt how to work the land;
- People learnt to grow what they can sell;
- There are more and more small enterprises opened in villages such as sewing workshops.
- Potable water infrastructures are being constructed.

530. In addition, remittances from family members working in urban areas were an important source of income for many households. Private remittances to rural areas accounted for 10.4 percent of all income of households in rural areas¹⁰⁸ and were

¹⁰⁸ Kyrgyz Republic Poverty Update 2005

highest for those in the lowest quintile. Focus groups indicated that people get remittance money from their relatives working in Russia and Bishkek and invest these funds into agricultural production.

531. Nonetheless, overall migration is negative and many rayons in oblasts such as Naryn and Issyk Kul are losing their population. There is a real risk of depopulation of the rural areas. The remote village of Ozgorush in Naryn, visited during field studies, has lost most of its young people to migration primarily for education and work, putting increasing pressure on the very young and older people left behind.

532. Migrants make up less than seven percent of the population and it is therefore not possible to assume a clear relationship between poverty and migration although the focus groups indicate that poverty undoubtedly contributes to it. Similarly, it is also not possible to connect migration directly with land reform but some features of migration suggest a strong impact on present land use and development. Focus groups suggest that many more people would return to rural areas if they have enough money to cultivate land or buy livestock.

E. The gender perspective

533. Land reform being the all-encompassing measure that it would be in a transition country was implemented as part of the general agrarian reform efforts. In many regards, it seems that while gender might still have been considered especially when drawing up land laws, women were adversely affected by the ways in which land reform was implemented as well as by the effects of land reform that either have not been fully considered beforehand. Many of the problems that women face today result from conflicts between customary and written law, from lack of capacity and knowledge on the side of those implementing land reform and from a lack for complementary reforms in the fields of public services and rural labour markets. These problems have prevented many women from taking ownership of their land and continue to do so today.

534. Land reform was in transition countries far more than just land redistribution. It was in fact a reorganisation of rural livelihoods that entailed for many women new gender roles and generally more household related responsibilities and work. Women generally suffer from the same problems that are typical for rural areas and which have hampered the effects of land reform. Among these are the lack of rural infrastructure, often difficult access to markets, technology and information and lack of credit. Studies therefore rightly point out that rural women's access to land without access to other assets (such as equipment), inputs (seeds and fertilizers), and other resources (e.g. training) does not offer adequate protection against poverty even in the Chui oblast which is one of the economically most advanced regions of the country (WESA 2005). These findings are very much in line with our own findings during this impact assessment.

535. Gender issues were not part of the planning frameworks and in fact are not even considered in the 2004 Agrarian Policy Concept of the Kyrgyz Republic to 2010 or the food security strategy. Even though there is a strong awareness of the roles that women fulfil in agriculture, gender issues are still not fully mainstreamed in policy planning and implementation (ADB 2005). Given the complexity of the changes in rural areas over the past years, it is clear though that activities targeted at just one area will not lead to required changes in rural livelihoods and specifically women's lives.

E1. Land Reform from a Gender Perspective

536. An assessment of the impacts of land reform on women's rights to land seem to suggest that while the legal framework provides for equal rights, the implementation practice has a severe impact on women's ability to execute their rights. Practices of customary law do not foresee women as land owners and thus have a tendency to exclude women from owning land or being able to contribute on an equal basis to land related decisions. While part of the problem might be connected to the fact that especially women under customary law are not aware of their rights or have little ambition to fight for their rights, research suggests that part of the problem is connected to legal implementation practices of state institutions and courts as well as private agricultural enterprises where assumptions of customary law guide implementation

practices. Research has also shown that families in the South typically have little awareness of the economic consequences of their practices for women.

Access to land shares

537. In pursuance of the land reform about 2,462 million people were granted title to property in agricultural land and household plots, and of those, 50.8% (UNDP 2002) are women. All citizens, both men and women, have a legal right to receive land from the former state and collective farms and to own land.

538. Generally, there is wide agreement that the Kyrgyz land law itself was not discriminatory.¹⁰⁹ According to the State Agency for Registration of Title to Real Property under the Government of the Kyrgyz Republic (Gosregister) only one rural administration executed an even allotment of land parcels among all the members (and children) of an agricultural enterprise. The other 70 rural administrations allotted land parcels using their own criteria whereby different categories of the population were entitled to land parcels of differing size¹¹⁰.

Table 50. Percentage of people considering the land distribution as fair

	Women (%)	Men (%)	All (%)
Kyrgyz	82	95	93
Uzbek	86	83	83
Russian	60	72	68
Other	50	90	83

Source: SILR survey

539. Under the law, land was to be distributed to members of collective farms as well as to permanent rural residents employed in the sphere of health care, education, consumer services, commerce, culture and agri-zoo-vet-chem and technical services – thus and in opposition to other countries also non-agricultural workers. These were also spheres with traditionally high numbers of women.¹¹¹ Nonetheless, evidence shows that in some cases social sphere workers were allocated smaller land parcels than farm workers. Still other applicants were denied land parcels all together by the general meeting of members of collective farms. Our survey results indicate that women are generally more sceptical about the fairness of the distribution process, with Russian women being most sceptical about this process. It should be taken into consideration that the majority of Russian household heads is concentrated in Sokuluk rayon thus reflecting not only ethnic, but also geographic/administrative differences in the environment in which land reform took place.

540. It is important to highlight that not just the decision of excluding women or reducing their share sizes might have been discriminatory, however, their implication and consequences have to be seen as much more severe. In the face of increasing rural poverty, households with smaller land plots can experience this as a considerable

¹⁰⁹ Women's title to land. The World Bank Report of 2000.

¹¹⁰ As no single cases have been studied in which possibly discriminatory criteria have been used, it is not possible to determine at this point how these decisions were taken and by whom. Evidence seems to suggest though that these cases were rather the exception than the rule.

¹¹¹ Approved by the Decree of the Government of the Kyrgyz Republic # 632 dated August 22, 1994. Women and Men of the Kyrgyz Republic. A collection of Gender-Oriented Statistics.- Bishkek, 2004.

disadvantage. In fact, the de-collectivisation of state farms went hand with a deterioration of public services and thus with the domains in which mostly women were working. Due to a lack of alternative employment opportunities, many households had to turn to agriculture as their only source of income, many even having to revert to subsistence farming. Given this situation, reduced shares of land could therefore have severe consequences for individual families.

Table 51. Percentage of Women who received and own land shares.

	Received land share	Participated in allocation	Own land share now	Respondent's name included in land certificate
Chui - total	79	41	67	99
Kemin	99	40	75	100
Sokuluk	65	42	61	98
Osh - total	87	56	87	62
Aravan	99	52	91	53
Uzgen	79	59	85	69
Naryn - total	70	21	68	85
At-Bashy	80	21	79	84
Kochkor	50	20	48	90

Source: SILR survey

541. In our survey, the majority of women-respondents received their share of land. However, in Kochkor rayon only half of the women entitled to land parcels were granted such parcels. Similarly, in Sokuluk rayon less than two thirds of women were granted land parcels. At present about three quarters of female respondents own their land parcels. Those who currently do not own land parcels have either left their share of land with their parents when they got married or disposed of it in favour of their children. This means that 25% of the surveyed women have given away their land shares without compensation. It is interesting in this regard that the percentage of women who lost their land share is highest among Russians (11%), while it is slightly lower among Uzbeks (8%) and Kyrgyz (7%). On the other hand, the percentage of women who are not registered in land certificates is highest among Uzbeks (63%) and lower among Kyrgyz (16%). In our survey there was not a single Russian women who was not registered in the land certificate. These percentages are also reflected in the fact that it is very important for 84-95% in Chui and Naryn oblast, while only for 51% in Osh oblast.

"We started to establish the Agency for Land Reform offices in 42 rayons. It should be noted that 161 agri-entities had been restructured prior to the formation of the Central Agency of Land Reform. All the six oblasts, except the Chui, closely cooperated with us. The thing is that F. Kulov, the then head of the Chui Oblast, disagreed with the policy of the Ministry of Agriculture in respect of land reforms in the Chui Oblast. He insisted on allocating land parcels with machinery only to those families which decided to cease membership in collective farms. He objected to issuing a single (universal) certificate of title to property in land for the whole family and demanded that each family member be entitled to his/her own certificate. As we see now, Kulov's approach was absolutely correct. If we had followed his advice, we would not have problems with women's title to property in land. Our policy was wrong in that it violated the lawful right of divorced women and their children to their share in land and community property."

542. Land can be legally owned and

transferred, leased, mortgaged or bequeathed. However, our research has shown that especially women's rights in the South seem to be limited by customs. Under customary law, it is the husband who receives the house and the household plot as part of the traditional inheritance scheme. Similarly, the male head of the family has all control over productive resources, including land. This is not without consequences for the married women. Women typically enter marriage with their dowry which is their personal property and will remain so during the marriage. As far as land is concerned, they enter their marriage empty-handed. While this is partly customary tradition, current legal provisions make it hard for women to claim their land shares. In fact, it is the Law on Administration of Agricultural Land that stipulates that land shares of one family cannot be physically divided. It would therefore be the daughter who would need to claim the value of her share. It is very rare though that a daughter will actually enforce her right in a village where customary law is still applied, the more as according to customary law her dowry is considered her share of the family assets.

543. As our own survey data shows, the share of spouses being registered is around 70%. Generally, the percentage of sons being registered is only somewhat higher than the percentage of daughters who are registered in the certificates. The data shows, however, that only between 40 and 60% of the daughters are included into the certificates with the lowest turnouts in Kemin (26%) and At-Bashy rayon (38%).

Table 52. Percentage of family members listed in land certificates.

	% of farms listing all family members	Head of the household	Spouse	Son(s)	Daughter(s)	Other family members
Chui - total	75	97	67	67	30	12
Kemin	54	100	68	65	26	13
Sokuluk	97	50	50	100	100	0
Osh - total	69	100	83	62	56	35
Aravan	46	100	87	63	58	34
Uzgen	85	100	71	57	50	36
Naryn - total	67	100	80	56	49	32
At-Bashy	72	100	69	46	38	31
Kochkor	48	99	100	73	67	33

Source: SILR study

544. Similarly, divorced women, widows, or women who are not civilly married may lose their rights to land. Under customary law, after divorce or death of a husband (without children) women return to their parents' home taking with them only their dowry. Any claims to other property are disapproved and even condemned by the local community. Giovarelli (2004) explains that customary law places strong emphasis on the maintenance and support of the household as a unit which reflects the value of family and community rights, not individual rights. It stands therefore in opposition to western type laws that assume an individual who is actively pursuing his or her rights even against members of the close

Judges, who were involved in cases related to division of property, stated that when a women asks for property division at the time of divorce, she must provide proof of her assistance and monetary contribution to the house to be able to receive a portion of the value of the house because it is otherwise seen as the husband's individual property (a gift or his inheritance) by the courts. Women generally have no proof of labour or money spent, so most frequently are not granted any value for the house and surrounding land.

Source: Giovarelli (2004)

family. In a situation where women often neither know their rights nor want to face open conflicts with their families – and in fact whole village community – women therefore neither claim their share of land nor demand any compensation in money which they are entitled to in accordance with the official law.¹¹²

545. In this regard, women find themselves in a very difficult situation. Even though, the legal provisions vest women with all rights to their lands or compensations, customary law and practice will not allow them to enforce their claims, at least not without serious consequences to their future lives in their communities. As long as families represent the only safety net for women, it remains doubtful whether there will be changes to these practices. Survey data from Unifem (2002) suggest that women are not sensitive to the violation of their rights and even if they are do not have traditions of resistance to discrimination¹¹³. While the problem is partly caused by the fact that women are not aware of their rights in the first place, even those who are aware of their rights often see customary law as superseding written law. The combination of cultural traditions and social pressures as well as security considerations will therefore make women opt for social peace in their communities.

546. However, a case study by Giovarelli (2004) shows that even the official interpretation of laws by judges tend to follow customary ideas by assuming land being the property of the male heads of households thus requiring women to prove their rights to this land. This is difficult for women who are often not registered as an owner in the land certificate.

547. Similarly, cooperatives can function according to the rules of customary law. In field interviews, the head of one cooperative stated that a young woman, leaving the cooperative to join her husband at his place of residence, leaves her share of land to her parents without being compensated.¹¹⁴ The certificate of a title to land did not name all family members (although this is required under law). Hence, it is the head of the household that makes the choice to dispose of his daughter's land parcel as he deems necessary. In addition, a woman who does not belong to the cooperative does not become its member after marrying a man who is its member in spite of the fact that she contributes to the performance of the cooperative.

Household Plots

548. Before the adoption of the KR Land Code in 1999 the household plots were assigned as lifetime inheritable property¹¹⁵. Following the adoption of the law "On introduction of the Land Code of the Kyrgyz Republic" authorised organs (rural administrations) were required to assign land plots to households for construction, residential building, and individual gardening with private property rights for free and as a one-time act. This applied to citizens of the Kyrgyz Republic, if the latter were in need of improvement of their living conditions¹¹⁶. The right to a household plot according to the KR Civil Code and KR Land Code is assigned to the residential house owners. If the house is owned by both spouses on the basis of joint ownership then the

¹¹² The Civil Code of the Kyrgyz Republic.

¹¹³ Assessing needs of rural women in land reform, conducted in spring 2002 by the Association to Support Women-entrepreneurs, supported by UNIFEM,

¹¹⁴ Head of the Research-and-Production Agricultural Cooperative "Tameki" (the Osh Oblast Uzgen Rayon)

¹¹⁵ KR Land Code, Article 66 (1999)

¹¹⁶ KR Land Code, Article 32 (1999)

attached household plot is also subject to joint ownership. As soon as people are legally married, women have an automatic right to a share of the house under the Civil Code if woman can prove their rights to property by indicating that they have assisted with improvements.

Table 53. Number of women-headed households by Oblast

Oblast	Women-headed household (%)	Men-headed household (%)
Naryn	5,1	94,9
Osh	24,5	75,5
Chui	15,7	84,3

Source: SILR survey

549. However, despite gender neutral language in the KR Land Code, the right to household plots are most frequently held by men. It is often customary law that automatically assumes the men as the head of the household. This is also reflected in our survey results, where households are predominantly owned by men. Women are often not mentioned as an owner in the land certificate which entails that men can take all decisions about the land without having to consult their spouses. In this regard, a better knowledge of their rights would at least potentially contribute to women being able to assume a stronger position in the household if they had to be consulted with regard to land-related decisions. It is questionable though whether women in very traditional families would actually make use of this right.

550. This situation is also reflected in our survey where women from Naryn region stated that it is mainly the men who procure land parcels for individual house construction and gardening. Traditionally, parents of sons were obliged to build them a house and pay for all the wedding expenses. Therefore, under customary law, the land and property title would be registered to the man. At least on the level of the family, women are typically not foreseen as potential owners or co-owners of land plots. In fact, even parents of daughters on the other hand hoped that their daughters would marry an “outside-the-village” bride groom, and therefore did not commit themselves to procuring land and property for them. Therefore, following the adoption of the law “On introduction of KR Land Code”, the title to household plots assigned to men were transformed into private ownership rights, indirectly infringing on the rights of women in the households.

551. Many participants of the seminars conducted as a follow up to the data collection in the field have stated that they were influenced by customs and traditions and did not think of the future of their girl children. Our study results therefore suggest that while it is true that customary law might be seen as superseding written law in traditional communities, it seems to be a lack of understanding and awareness of the socio-economic consequences for their daughters – and in fact for their own families in case their daughters come back home – that leads to their unquestioned acceptance of customary law. It remained unclear during the survey to what extent registration practices contribute to women not being mentioned in land certificates by not raising awareness with spouses about the potential consequences of only the husband being registered as a land owner.

Pasture land

552. According to the KR land law, pasture lands can be assigned to any citizen of the Kyrgyz Republic without any gender limitations. Under the law, pasture lands should be allocated on a competitive basis for temporary use and a maximum of 50 years. According to the Regulations for the Procedures to Lease Pasture Lands as of June 4, 2002 # 360, only pasture lands attached to villages can be assigned without competition.

553. The farther the pasture lands from the village the worse the living conditions for shepherds. More often pasture lands for intensive use and distant-pastures are used by families practicing livestock breeding on a permanent basis. This type of activity is primarily done by men. Due to that, pastures are acquired by men and rental agreements are executed by them.

554. Our survey results show that women typically do not participate in the pasture auctions. Those who do are usually widowed or divorced. Naryn respondents stated that in women who get divorced and widowed use pastures of the family of the man, if they have children. During divorce, as a rule pasture lands primarily remain with men.

555. The majority of households using pasture, use those lands located in the vicinity of roads, communication, or protected territories and these areas are attractive for tourism. In many cases, women have been successful in selling national cuisine and artwork near these pastures thus being able to create additional sources of income. They might lose these additional income opportunities though if they get divorced in case the family of the man does not allow further use. While women have been very successful in identifying new sources of income that are land-bound but exceed the typical forms of land use, they are still dependent on use rights to actually be able to draw on these sources of income in case of changes to the marital status.

Agricultural Land Redistribution Fund

The Land Redistribution Fund (LRF) until recently was managed by the Ministry of Agriculture and Processing Industry, and is now managed by rural administrations¹¹⁷. The LRF lands are owned by the state, and rented on a competitive basis. They can be distributed into private property only with the approval of the GoKR¹¹⁸. The LRF land shares shall be allocated on a competitive basis¹¹⁹. The law does not contain any gender limitations.

556. However, fieldwork indicates that the LRF land allocation procedure is not always observed. The LRF lands in every oblast are managed differently. For instance, some women respondents stated that they are not likely to obtain LRF lands, while in other oblasts, women stated that rural administrations favour single (widowed, divorced) women. Several women from Chui oblast stated that the land allocation procedure is not transparent and often women get low-quality lands. A lawyer who resides and has a legal practice in Chui stated that in general women are not aware of their legal rights

¹¹⁷ Decree of the KR government "On the Reform of Organs of Local Governance", #10, para 13, January 11, 2000

¹¹⁸ KR Law "On Farmland Management"

¹¹⁹ Standard regulation on the terms and conditions to allocate the ALRF lands to rent as approved by the KR Legislative Assembly on April 15, 2002, # 702-II

regarding land, the land tax rate and the amounts of rental fees¹²⁰. In regional seminars supported by the Project, women said they have less representation in land auctions than men do.

Legal awareness

557. As mentioned above, legal awareness is not always given for women and can seriously affect the access to their rights. Legal awareness represents a precondition for women to be able to claim their rights even in a system governed by customary laws. Typically, we would find during field research a mix of disinterest on the part of rural residents, non-professionalism on the side of local administrations and disregard of the responsibility of legal awareness on both sides creating a situation in which legal provisions are not implemented well.

558. As already discussed, the land reform was supported by the adoption of a number of laws, presidential decrees, governmental resolutions, and parliamentary legal acts. Part of the legislation was not implemented properly or in a timely manner. The major reason for this is the lack of attention that was paid to the establishment of functioning communication structures in the new governmental institutions at all levels. Therefore, legal acts issued by higher state organs are received by lower organizations much later, and only after a decision by a rayon state administration, does the information reach the local government level. Our survey showed that almost none of the local rural government offices have texts of normative legal acts, which actually represent the guidelines for their work. This is only in addition to the lack of capacity of many local administrations to understand these legal provisions to full extent and take the proper measures for their implementation.

559. According to the law rural administrations are not obliged to specifically be involved in dissemination of legal information among villagers¹²¹; but they must, if requested by people, provide such information freely and without a fee¹²².

560. Due to a lack of legal information, the rights of both men and women are often not observed by interested officials. Some surveys¹²³ report violations in relation to allocation of the land from the LRF for rent, but few citizens attempt to contest the decisions issued by rural administrations because they are not aware of the necessary procedures. Women who do not know their legal rights are subjected to the influence of customary law, and rarely resort to the civil law for property division or to request monetary compensation for their land share etc. The results of our survey revealed that more than 1/3 of women do not have adequate information on the rights and procedures related to land relations. Those who do have information, have primarily obtained such information from their husbands (24%), from mass media (19%) and the aiyl okmotu (13%)¹²⁴.

561. Local courts, state organs at the rayon level, and international NGOs seem to have played a less notable role in this process. Organisations involved in legal education

¹²⁰ Rene's report

¹²¹ KR Law "On Local self-governance and local state information"

¹²² Art 6, KR Law "On warranties and freedoms of access to information"

¹²³ Rene Giovarelli, Malcolm Childers. Operational assessment of land reform in KR, 2003.

¹²⁴ Analysis of the database of our Project

activities such as Helvetas claim that while there is a growing number of lawyers meanwhile also available in rural areas, their education does not seem to provide them with the necessary knowledge of land rights, not to speak of sufficient awareness of and sensitivity to gender issues. The role of mass media is also insignificant for many people who do not have access to radio or TV and do not buy newspapers and magazines. Most often the places for information exchange are traditional public events and activities (birth of a child, marriage, funeral repast).

562. Interview respondents said that rural residents are rarely interested in new laws and do not pay attention to legal norms. Their way of life is regulated by informal social norms, which are transferred from generation to generation. Only significant political events or events in their personal lives seem to influence their conduct or force them to pay attention to their legal rights. For example, it is only the threat of administrative or criminal act that may force a person to seek the support from and protection of lawyers.

563. It is difficult to assess though to what extent the disinterest in their legal rights represents the consequences of an disillusionment with politics, the lack of understanding of the importance of their legal rights or the trust in the fact that customary rules and regulations will be the decisive factor for their future fate. Field research suggests though that part of the problem might be a combination of the non-availability of correct information that can be trusted and a hesitation on the side of farmers to request proper information from governmental institutions. It should not be forgotten in this regard that local self-government implies that the people working at local government institutions represent members of the local communities. Questioning the correctness of their judgement and information might be difficult for rural residents given the status that is typically ascribed to these functions and those fulfilling them. Even unconscious rules of communication can contribute to situations in which community members do not want to make those working at local governments loose their face by having to admit mistakes or informational shortcomings. Especially as long as there is a stronger representation of men working in these functions, such consideration can easily influence women's ability to seek access to information or justice.

564. A moldo would normally provide religious information and enforce the norms of customary law (adat). The norms of customary law regulate the conduct of citizens and protect the interests of a collective (family, clan etc), usually led by a man. The role of every family member is clearly set out. The rights of a single member of a family or tribe are not regarded as important.

Access to conflict resolution

565. Implementation of the land reform has lead to various conflicts. The main reasons for such conflicts may be the low level of legal understanding of land owners and state employees or imperfections in the land law.

566. In rural areas important institutions to resolve land disputes are: courts of aksakals, rural administrations, women' councils, KR courts, and courts of arbitration. Rural administrations play an important role in dispute resolution related to land use. They,

pursuant to the KR Land Code, Article 119, are authorized to resolve land use disputes if they are related to allocation of land shares.

567. The court of aksakals can consider cases related to division of property between spouses, disputes between land owners, or irrational use of farmlands and pastures. Besides, the law allows for courts of aksakals to apply norms of customary law if it does not contradict the official law. The role of the courts of aksakals can have even more importance in remote areas with all consequences for the rights of for women living there given that these institutions work without any control over their decisions.

568. Women councils, which are established under the organs of local self-governance can also be involved in conflict resolution and help to protect the rights of citizens. An interviewed employee of a social department in Aravan rayon reported that often she has to deal with the disputes arising between men and women. Most often such disputes are related to family relations, yet there may also be land disputes. That interview also showed that land protection rights assistance can also be obtained from LARC¹²⁵.

569. The courts directly deal with land use disputes. Results of some surveys and questionnaires of judges reveal that often they consider cases related to property division between spouses, including land shares allocation. An important role in land rights protection in rural areas is played by third party arbitration courts. They were established by public association "Kylys Consult" with financial support of DFID (UK Government).

570. LARC is a donor funded organization specializing in consulting on legal land issues. Almost all of the surveyed respondents have mentioned this organization which provides support for citizens and public institutions on the rights to land. This suggests that there is a high demand in support to land related conflict resolution and information.

571. One of the biggest problems with regard to the assessment of gender issues in conflict resolution is the general lack of gendered statistical data on these issues.

E2. Economic activities

572. It is a well known fact that women contribute considerably to small-farm activities. Giovarelli (2004) assumes that women's contribution to agricultural

However, the village committees - being by the mentioned reasons "servant of number of masters" - did not pay enough attention to social problems of rural territories and to the issues of poverty reduction, and became the bodies of self-government only formally. As a result, almost all the objects of social designation, which could bring any profit to the local budget (shops, bath-houses, Houses of Culture, etc.), were privatized or misappropriated in the first place. Village Soviets of Peoples Deputies and later all keneshes, which replaced them, could not prevent the process of "squandering" of these objects since the village committees, as it was mentioned above, were not subordinate to the representative bodies of village authorities. As a result, such socially important objects as village schools, hospitals, first-aid and obstetric posts, water supply and sewerage networks, and other objects - which, because of lack of budget funds, were often being repaired and maintained on the account of "friendly" assistance from kolkhozes, sovkhoses and other governmental enterprises, - suddenly found themselves in the position of an "orphan".

Source: T. E. Omuraliev

¹²⁵ LARC – public association "Legal Assistance to Rural Communities".

production can easily comprise 50 to 70% in the labour-intensive agricultural production of the southern oblasts. In the north, where wheat is the predominant crop requiring more mechanised production methods, women estimate their contribution to be between 30 and 40%. Women are strongly involved in agricultural production not just for the market, but also on the household plots which are traditionally the female sphere of production. In addition to activities on the land, women also care for livestock and assume such duties as milking goats and cows and raising domestic animals (e.g. poultry).

573. The breakdown of the big state farms and kolkhozes was accompanied by a deterioration of public services. This has affected women in two ways. On the one hand, women have become more vulnerable on the labour market. Many have lost their jobs due to primary employment in public social services. Rural labour markets are still weak and therefore offer few opportunities for off-farm employment. This entailed that many women had to revert to work in the house or on family farms. With families having few other options than securing income through market production or subsistence farming in face of weak rural labour markets has thus considerably reduced women's ability to participate in the labour market or to build in the educational capital they had. In addition, there are considerable wage differentials between men and women, with women typically earning between 60 and 80% of the wages of their male counterparts. On the other hand, the breakdown of public services entailed that women had to take over more care related activities for children and elderly which has a considerable impact on their available time for income-related activities.. Very limited numbers of kindergartens are left in rural areas and even those in urban areas are well beyond what Kyrgyz families could typically afford (ADB 2005) Anecdotal evidence suggests that this affected the interest of employers in hiring women considerably.

574. The SIRL survey results showed differences in the ways in which land reform affected women. While in Osh oblast where women have traditionally been subjected stronger to customary law and were less frequently employed in public services, women in the Northern oblasts suffered therefore more strongly from these changes. Also the livestock breeding families such as in Naryn who did not work in groups as was typical for kolkhozes and sovkhoses were less affected by the reorganisation of land as it entailed little changes to the lives of women who had traditionally assumed the role of helpers.

575. On the other hand, it is also in Naryn that women had been less involved in agriculture to the higher degree of mechanisation of agriculture. They were thus more likely to have been employed in public services. This exposure to work outside of the household continues to make these women more likely to engage in public initiatives and to seek employment outside of their farms.

576. In Chui oblast, women have more freedom to exercise their rights and are less subjected to the norms of customary law. This can be explained by the presence of the capital, and information that is more readily available. Many people work in Bishkek, radio and TV have good coverage in the oblast. There are easily accessible attorney offices, private notaries and other institutions capable of informing the population of their rights to land. The oblast is less influenced by Islam than in other regions. Women are active, have initiative, run their own business, and can be heads of larger agricultural

cooperatives or companies. Participants of the regional seminar stated that in Chui, women are equal to men.

577. Looking at the impacts of land reform and women's participation in the agricultural and rural enterprises that were newly established, it is important to also look at their control not just over land, but also over credits, information and training and their ability to fully participate in enterprises and community management.

Access to credits

578. Besides overwhelming entry regulations, corruption, the complexity of tax regulations, access to credits has been identified as one of the key obstacles to establishing a business in Kyrgyzstan (ADB 2005). Open discrimination from male employees of banks and finance institutes in what is still a mainly male domain can make it difficult though for women to negotiate their loan agreements.

Many women have reported difficulties in negotiating as individuals with men loan officers. In some cases, women were even asked to return with their husbands if they wanted to apply for a loan.

Source: ADB Country Gender Assessment (2003)

579. As banks do not cover rural areas that well, it is mainly micro-credit institutions that are relevant for women in rural areas. One option in this regard are micro-credits provided by government to assist unemployed in developing a small business. From 2000 to 2004 the micro-credit agencies under the Ministry of Labour and Social Protection granted micro-credits worth 27,952 million *soms* to the unemployed, and 56,7% of recipients were women.¹²⁶ For all micro-credit programs, about 79% of recipients were women. Loan recovery has been close to 100 percent.¹²⁷ Microfinancing is in high demand among women because it is not high risk and mortgage of property is not required.

580. Generally, it needs to be said that while that credit markets are still underdeveloped in rural areas thus making it difficult for any rural resident to access credits. In this regard, women are no exception, but rather suffer from the same problem. Research suggests though that women might find it more difficult to access credits given the typically smaller size of credits required. Other problems arise from the fact that women are more likely to require credits for e.g. starting or expanding their businesses which are typically not offered by micro-credit institutions. In this regard the structural disadvantages for women seem to arise from credit market failures and non-demand oriented service portfolios of credit providers rather than from a non-accessibility of credits. While women have started to address these shortages through the establishment of savings funds, there generally still seems a lack of micro-credits.

581. Several surveys have shown that one of the significant differences between men and women in the context of business development in KR is the scale of the projects. Generally, women are more interested in small-scale lending and small business, while men are more interested in larger loans. KAFC¹²⁸, the largest lending institutions in

¹²⁶ The second interim report of the Kyrgyz Republic on implementation of the International Convention "On Liquidation of All Forms of Women's Discrimination".-Bishkek,2002.

¹²⁷ The UNDP Report on Poverty Reduction.-2003.

¹²⁸ Main source of financing for rural areas are own money of villagers. Another significant source of funding is KAFC. This information is from the database of our Project.

rural areas, states that the loan size does not affect women's ability to obtain a loan. However, KAFC is not willing to lend small amounts of money since the process is lengthy and labour intensive. In 2001, KAFC provided 7642 loans from its main credit line and only 168 financed agricultural companies. More than 80% of KAFC funds were allocated for larger loans, while smaller loans represented only 7% of the total credit distributed¹²⁹. While women thus have the opportunity to obtain micro-credits, the small amounts of their credits might make it difficult to actually obtain the required amounts.

582. However, there are other lending institutions operating in rural areas. For example, the National "Ayalzat" program operated between 1999 and 2002, and provided micro-credit to women businesses. Low-income mothers, unemployed women, and mothers with many children, were organized into special groups. Micro-credit was provided to these groups for developing profit-generating activities, self-employment, creation of additional employment, and development of entrepreneurship among women. International organizations, such as FINCA (USAID) promote opportunities for Kyrgyz citizens (especially women) to develop their own business-initiatives and thus contribute to the creation of new jobs. As credits typically are based on the incomes potential borrowers currently make, small-scale farmers and specifically women find it hard to actually obtain micro-credits. The reason is that agricultural production provides very little income, which did not allow them to develop more than self-survival strategies¹³⁰. Furthermore, current lending programs are not suitable for long-term investments because of their short term and high interest rates.

583. Another problem with regard to access to credits is that in order to secure them, often immovable property is required as collateral. However, agricultural land is currently accepted as collateral only by KAFC due to the limitations imposed by the Law "On agricultural lands management."

584. In addition to loans, there are grants available in rural areas. A UNDP project "Support to the Potential of Female Organizations" has supported 46 projects that deal primarily with rural women's organizations, and the amount of grants provided is \$141.390 USD. That project anticipated the involvement of women in a market economy and encouraged women-owned business, specifically in rural areas¹³¹.

585. Giovarelli (2004) also points to women's self-help activities among women groups in Osh oblast. Women developed savings funds that would allow women to overcome the shortage of micro-credits for business development. Giovarelli suggests that the amounts of money available through micro-credits is significant but still seems to be insufficient to have considerable impacts on rural development and poverty reduction.

586. It is important to note that it is not a lack of knowledge on the side of the women with regard to market functioning that impacts their ability access credits from micro-credit organisations. As research has shown, women are very aware of potential business opportunities in their specific regions and can easily develop viable business plans. It is the lack of credits however that make it difficult for them to put their ideas

¹²⁹ Rene report

¹³⁰ Second regular report of the KR "On Liquidation of all forms of discrimination towards women", B., 2002

¹³¹ NB

into practice. Given the small number of female business owners and a lack of studies on the problems women face in running rural small scale businesses, it is difficult to assess to what extent additional training and knowledge would be required for them to be successful in the long-run.

Women in agricultural enterprises

587. Prior to the land reform, rural employment consisted primarily of work on a *kolkhozes* (based on collective ownership), *sovkhozes* (state owned), and service cooperatives. According to the data of the Ministry of Agriculture and Food Processing Industry, as of 1992 there were 195 *kolkhozes*, 323 *sovkhozes* and 4,567 private farms. There were no agricultural cooperatives, associations or joint ventures. By 1999, there were 4 *kolkhozes*, 35 *sovkhozes*, 336 agricultural cooperatives, 261 agricultural associations, 45 joint ventures and 49,277 private farmers.

588. The majority of rural economic entities started their activity in the first half of the 1990s. The majority of entities were established as agricultural entities and were incorporated as legal entities. Since then the majority of rural economic entities have not changed their status with the exception of enterprises in Sokuluk rayon¹³². In Sokuluk, cooperatives and farms, incorporated as legal entities, were transformed into peasant farms registered as individual owners (not a legal entity)¹³³. In Solkukuluk rayon, almost half of the entities were established in the form of family farms registered as legal entities, while in Osh region some entities were established as cooperatives.¹³⁴

589. While women are very involved working on farms, few are farm heads. Research shows that even in farming entities where women and men are legal partners, the actual management is done by men. Women represent only 18% of managers in private business and just 15% are the heads of farming entities¹³⁵. This fact is interesting given that – without suggesting that managing a farm requires the same skills as managing a household - official statistics reflect that fewer families managed by women are poor (42% in 2001)¹³⁶, than families headed by men (49.4% in 2001).

590. One example of a successful female farmer is Musienko Tatyana, an entrepreneur from Soluluk rayon who together with others received her land share and established a farm entity. She was able to increase the number of livestock, and develop processing for milk, sausages, baked goods and other food. Then she managed to build a retail shop to sell her products in the center of Sokuluk town.

591. Field research indicated that women working in companies that are run by men have conflicting feelings about their role. On the one hand women believe that they should not have a higher position than their husbands, but at the same time, they are interested in company management. In some cases women were satisfied when they had actual control over the company, but not the title of manager.

¹³² Article 36 of the KR Land Code

¹³³ Analysis of our Project database

¹³⁴ NB

¹³⁵ Giovarelli, 2004.

¹³⁶ Men and women in the Kyrgyz Republic: Compendium of gender-breakdown statistics, Bishkek, 2004

592. The main difference we found between companies run by men and those run by women is in the gender composition of the company. Men were hesitant to be employed by companies managed by a woman, and women, especially women with children, preferred to work with women-managers because they expect a better understanding of their situation and needs. The main obstacles for women-entrepreneurs are the traditional perception of gender differences and gender roles, the lack of information and the lack of skills in areas of management¹³⁷

593. After the reorganization of *kolkhozes* and *sovkhoses* most of the social infrastructure (kindergartens, primary schools, polyclinics, clubs and services) was shut down due to the lack of financing. The burden of this has fallen primarily on women. Social infrastructure was transferred to local self governments, but they have not had funds to sustain them. However, because those with land shares contribute to the fund for social protection, there is some money for pensions and maternity leave.¹³⁸

594. Research shows that while women show a great interest in entrepreneurship, they do not necessarily aspire to fulfil management positions. This is partly due to a traditional approach to gender roles, but might also reflect the fact that women see off-farm employment primarily as an income source and the opportunity to develop a part of their life outside their households, but not necessarily as an attempt to deliberately challenge gender stereotypes or to make careers. Given the Soviet experience where it was fully acceptable for women to pursue income-related activities, it could also be seen as an attempt to challenge a 'traditionalisation' of divisions of work as a result of land reform and the introduction of family farms that were based on different assumptions of family structures than were the case in Soviet rural realities.

595. Saying this is not disregarding the fact that Giovarelli (2004) did find cases in which women turned down management positions they got offered because they did not feel up to the challenge. Some women were refused the opportunity for career by their husbands. Generally, however, it seems to be conflicts with other roles such as the timing of board meetings during times when women would be required for child care at home that would make it difficult for women to enter management positions. It is difficult to assess how decisions about female careers are taken in families where the male household head works on the families land and the woman pursues off-farm employment in a situation where off-farm employment might provide the higher gains in the short-run, but the land remains the only insurance against economic crisis in the long-run.

596. Given the difficulties many women face in entering formal employment, there is a growing importance of women's participation in informal markets. CEDAW (2002) notes in this regard that it is mainly women who set up small shops, trying to sell everything they find including extra produce from their gardens. In fact, these informal markets can function as door-openers for many women given their lower start-up and operating costs. At the same time, they provide more flexibility in order to combine work, childcare and other household work and responsibilities (ADB 2003). But despite the freedom and additional income opportunities informal employment might provide, these jobs and businesses are often connected to isolating work situations, additional

¹³⁷ Giovarelli, 2004.

¹³⁸ KR Law "On Tariffs for social security deductions for 2003"

tasks that have to be combined with household and child care responsibilities and seldom provide the wage levels that could be obtained at the formal labour market. They thus might help survive, but rarely reduces the vulnerability to poverty.

E3. Gender and Governance

597. International experience provides evidence that there is a high correlation between the level of status of women in society and their participation in governance. The UNO states that it is only when more than 20% of parliamentarians are women, that law-makers begin to produce pro-citizen laws. And only when women's share in the parliament reaches 30% , do laws and state programs relevant to the needs of women appear. Moreover, survey respondents stated that the needs and problems of women would be better understood by women, and that women enrich policy by bringing certain values and a high level of competence¹³⁹.

598. Despite the state guarantees of equal gender participation in state management and their equal representation in all branches of power¹⁴⁰ at the moment women represent 52% of the electorate, but do not have any representation in KR Jogorku Kenesh. Women represent 12% of those in oblast administrations, 13% in rayon and municipal governments, and 16% at the level of rural administrations.

599. In 2002 of the 12 ministers only 2 were women, and just 1 in 2005. There are no women-governors of an oblast, head of rayon state administration and of 445 rural management offices there are only 21 women.

600. The official statistics: in 2001 among the women represented 14.7% of managers at the higher level of power; among the lower state departments - 24.4% . By 2004 these figures have changed to 18.4% and 20.5% respectively.

Table 54. The number of women-deputies in local keneshes.

Kenesh level	Total number of deputies	Total number of women	% of women
Oblast	257	24	9.3
City	429	54	12.6
Rayon	1127	146	12.9
Alyl	6313	944	14.9
Village	361	89	24.7
Total	8487	1257	14.8

Source: CEC data

¹³⁹ The official statistics says that 64% of PhD candidates are women. Men and Women of the KR. Gender-breakdown statistics, Bishkek, 2002.

¹⁴⁰ Art 9, LR Law "On the basics of state warranties for gender equality"

Table 55. The number of women-deputies by oblast as results of elections in 2001.

Oblast	Oblast			Rayon			City			Aiyl		
	Total number of deputies	of whom women	% of women	Total number of deputies	of whom women	% of women	Total number of deputies	of whom women	% of women	Total number of deputies	of whom women	% of women
Naryn	35	4	11.4	138	11	8.0	21	4	19.0	824	130	15.8
Jalalabad	45	1	2.2	220	16	7.3	118	7	5.9	1101	106	9.6
Osh	35	3	8.6	183	48	26.2	68	5	7.4	1184	119	10.1
Batken	31	2	6.5	85	7	8.2	40	6	15.0	522	48	9.2
Talass	31	4	12.9	94	8	8.5	27	1	3.7	496	55	11.1
Chui	35	7	20.0	219	41	18.7	71	18	25.4	1272	317	24.9
Issyk-Kul	45	3	6.7	188	15	8.0				914	169	18.5
Bishkek city							36	7	19.4			
Total	257	24	9.3	1127	146	13.0	381	48	12.6	6313	944	15.0

Source: CEC data

601. The table shows that women are under-represented in all levels of government, and are not approaching the critical point beyond which their voices become audible in defining development priorities in local or national policy¹⁴¹.

602. In autumn 2003 a number of cities and rayons in the Kyrgyz Republic held elections and their results support the identified trend.

Table 56. The number of women versus men elected to Keneshes in 2003

Kenesh (election date)	Elected women	Elected men
Osh city Kenesh (12.10.03)	3	27
Karakol city Kenesh (21.09.03)	2	23
Tokmak city Kenesh (21.09.03)	3	25
Chui rayon Kenesh (21.09.03)	3	23

603. With so few women in a position to make critical economic and political decisions, much of the land reform policy was developed. At the level of local administrations and local self-governments women also did not participate in operational decisions. Moreover, one deputy head of a rayon administration in Southern Kyrgyzstan said that the number of women employed by the state has notably decreased over the past several years. One of the reasons for that decrease is the expanding Islamization of society.

604. Women are more involved in civil sector initiatives, primarily on behalf of NGOs, and from this sector women do participate in the promotion of or opposition to adopted government decisions. For example, the Congress of Women of KR receive requests from women from all over Kyrgyzstan., who apply for material support, legal advisory assistance, employment assistance, and loans.¹⁴²

E4. Comparative analysis of three oblasts

605. Women are active in the sphere of agriculture, though the surveys showed that their contribution varies from village to village, depending on its location, level of poverty, ethnicity and age.

Osh Oblast

606. Osh oblast is located in the southern part of Kyrgyzstan, and has a favorable climate for agriculture. Farmers can have up to 3 harvests during one season from one land plot. Livestock breeding is less developed than crop cultivation. Consequently,

¹⁴¹ Gender aspects of local self-governance. www.dgp.undp.kg

¹⁴² <http://congresswomen.host.net.kg/>

land shares and additional land shares allocated from the LRF are an important asset for the household and business development. After the reorganization of the kolkhozes and sovkhozes, agricultural production became more manual and less equipment-intensive.

607. Women actively participate in production activity on their own shares of land. On average women contribute 50-70% of total labor on the land plot. Men participate in harvesting and marketing. Only in Osh oblast there was noted employment of migrant women from Uzbekistan who are forced to work for a miserable fee (50-100 som per day) and food.

608. There are fewer pastures in Osh than in Naryn oblast, yet even those scarce pastures are often used as arable land. In Uzgen rayon pastures surrounding the villages are now cultivated and used to grow cereals.

609. Osh oblast has its boundary with Uzbekistan, and is mainly populated by Uzbeks who are citizens of the Kyrgyz Republic. Traditionally, Islam was a stronger influence in Uzbekistan, and this fact is supported by the norms of conduct practiced by both men and women. Uzbek women are more tolerant of polygamy, more family-oriented and genderally not as ambitious in their career. Women in the South use their land rights less than those in the North. They are more subjected to the norms of Islamic law and less and less are noted in public work (do not strive for employment in state and municipal service). They do not attend seminars and conferences because men are against this and men traditionally are the heads of the households.

610. A LARC lawyer from Aravan rayon said that there are disputes related to division of land shares upon a divorce, and among family members.

Naryn oblast

611. Naryn oblast is located in Northern Kyrgyzstan. Much of the land is at a high altitude, and the oblast has a severe climate compared to other regions. Agriculture is primarily livestock breeding and not crop production. (Kochkor rayon). An officer of At-Bashy state rayon administration stated that weekly, the local livestock market turned over about 10 mln soms. Due to the harsh climate even arable lands are now used to grow fodder crops, as seen from the table below¹⁴³: The population in Naryn is mainly ethnic Kyrgyz, with a lower out-migration rate of able-bodied people than in the other regions. There is inter-oblast migration, though.

Table 57. Source of household staples in the surveyed Rayons.

Rayon	Grow on my own land (%)	buy from neighbors (%)	Other (Bazaar) (%)
At-Bshy	92	6	2
Kochkor	70	30	0
Total	86	12	2

Source: own field research

612. Agriculture is more mechanized than in the South and women participate less in field work; they estimate their labor share as 30-40% . Following the introduction of private property the roles of men and women did not significantly change and

¹⁴³ Analysis of the Project's database

traditionally women are “helpers” to their men. Almost none of the surveyed women contest the men’s priority rights and consider it as normal. This lack of change can possibly be explained by the fact that livestock-breeders did not work in groups as they did in the kolkhozes and sovkhozes, and reorganization did not affect the traditional way of life of the livestock-breeders. Women are not as heavily influenced by Islam as they are in the south. Women in Naryn are active in public initiatives and many work in public offices.

Chui oblast

613. Chui oblast is the central oblast in the country with the largest area of arable land. The good climate allows for both plants growing and livestock breeding. The marker vicinity (Bishkek) makes agricultural production profitable. There are also other sources for income generation in this oblast such as production of construction materials, employment in processing industries, and public organizations.

614. The LRF lands are not fully used, and in this oblast are mainly subject to be transformed to another category of land. Land auctions tend to be more transparent than in the other areas.

615. Pasture lands are also tendered, but this is a small share of the land in Sokuluk rayon. In Kemin rayon the local administration distributes intensively-used pastures and much of that land is allocated directly without any tenders.

616. Chui oblast is populated by more than 30 ethnic groups that have an impact on each other. There resides a big diaspora of Kyrgyz-migrants from Tajikistan who have good skills in agricultural production. They manage to harvest several crops during one season thus demonstrating to the others the capacity of the use of arable land in the oblast. As participants of the round tables stated, many others began to copy their methods of production.

617. Survey respondents stated that both men and women are the decision-makers as regards to their land shares. Agriculture is primarily mechanized and the share of women’s labor is relatively small.

618. Women have more freedom to exercise their rights and are less subjected to the norms of customary law. This can be explained by the presence of the capital, and information that is more readily available. Many people work in Bishkek, radio and TV have good coverage in the oblast. There are easily accessible attorney offices, private notaries and other institutions capable of informing the population of their rights to land. The oblast is less influenced by Islam than in other regions. Women are active, have initiative, run their own business, and can be heads of larger agricultural cooperatives or companies. Participants of the regional seminar stated that in Chui, women are equal to men.

619. Land disputes were primarily related to the division of land shares and household plots¹⁴⁴.

¹⁴⁴ See statistic of Kalys (Consult) and LARC

F. Sustainable management of land

620. In terms of environmental impacts of the land reform it is only in the long term that direct effects can be conclusively evaluated. The major environmental problems in Kyrgyzstan at present are overgrazing, inappropriate plowing and significant slumping/landslides. Overgrazing is particularly present in nearby and intensive pastures, inappropriate plowing was recorded in pasturelands that should not be plowed because of erosive potential and/or climate factors such as low rainfall, and slumping and landslides appear to have increased as a result of grazing of steep slopes, improper irrigation, or other land uses (cropping of nearby areas influencing hydrology). It is not possible to categorically specifically affirm how much of the environmental problems observed were associated with land reform or how much was a consequence of the collapse of the heavily subsidized cropping and livestock system supported by the Soviet System and would have occurred under many different scenarios of land reform.

621. Current indications are that the private land ownership introduced by land reform engenders a strong motivation with the owners, often small and poor farmers, to care for their most valuable resource next to family labour: land.

F1. In the context of arable land

622. This study has not systematically collected information about degradation of arable land, be it of exhaustion, salinization or erosion. Each of these problems is important in the Kyrgyz Republic.

"The problem of land degradation is especially urgent. Presently more than 150 thousand hectares of land are withdrawn from agricultural use. Removal of nutrients from soil four times exceeds their application with fertilizers. Land-reclamation systems fell into decay; areas of saline soil are increasing."

Source: S. M. Tynaev, Ministry of Agriculture and Water Resources and Processing Industry.

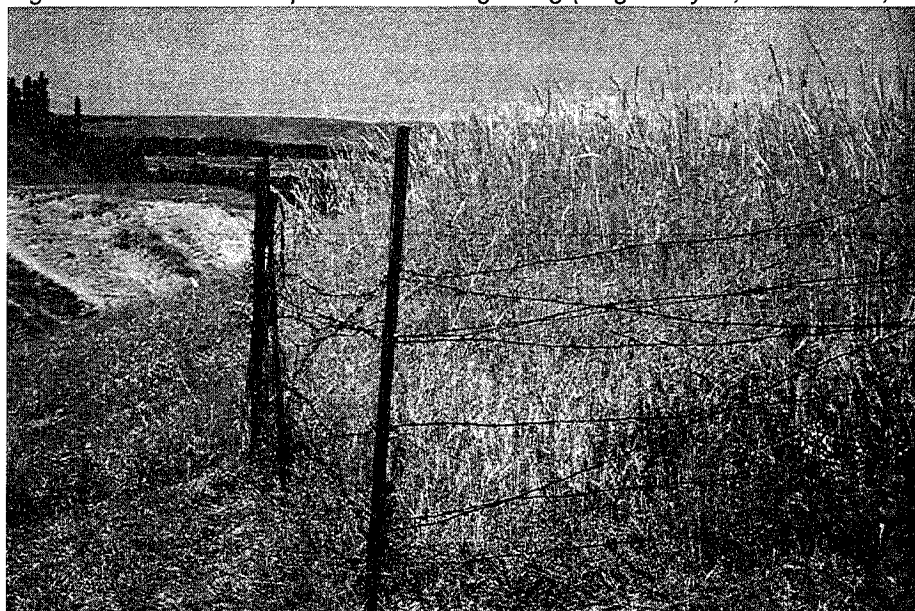
F2. In the context of pasturelands

623. An examination of livestock pressure on different pasture types during the Study corroborates the general view that there is overuse of nearby and intensive pastures (winter and spring/autumn seasonal pastures) and under-use of remote (summer) pastures. However, without specific inventories it is difficult to determine where pastures are overgrazed and where some are "under-grazed". In other words, while some intermediate pasture was observed to be in relatively good condition (for example, in Tegermenty village, Kemin Rayon for an individual 100 ha lease, leased for 35-years), other summer or remote pastures were observed to be overgrazed (photo 1a-1c) and exhibiting significant signs of degradation.

624. Without inventories of pasture conditions being updated at a regular basis it is impossible to determine which specific areas are being mismanaged and which areas are being managed properly. In addition, there is currently some seasonal rotation of livestock, but the same pastures will apparently be grazed at the same time each year and it is questionable if many of the pastures leased are large enough to allow for rotation of stock or if livestock farmers have the ability to rest/rotate pastures. Natural resource management plans are needed to help determine how pastures may be rotated and/or rested under the current situation, especially in areas of resource concerns (such

as, wildlife, water, fisheries, need for rehabilitation). Figure 51 shows an area excluded from livestock grazing and demonstrates the productivity of an area without grazing compared to the site adjacent. It also shows that productivity could be increased with a reduction in grazing pressure and rotation. A key factor is stocking rates: rotation is not effective if stocking rates are too high as you cannot simply correct overstocking by rotating stock if stocking rates are too high.

Figure 51. The effect of protection from grazing (Uzgen rayon, Osh Oblast, May 29, 2006).



625. All three oblasts studied have high-mountain as well as semi-arid pasturelands areas (referred to as desert in vegetation descriptions). Population pressure is least in Naryn and area per sheep unit is greatest. In general, the main livestock grazing problems are similar between areas and the environmental issues are also similar between oblasts.

626. The government decided to divide pastures into categories with the goal of putting management of pastures in order (photo 6). The following summarises the present environmental situation in the three oblasts.

Table 58. Qualitative characteristic of soil status of Naryn, Chui and Osh Oblasts

Soil type and area (in 1000 ha)	Naryn Oblast	Chui Oblast	Osh Oblast
Salty, total	674.1	286.1	77.3
of which Irrigated	16.1	160.0	7.7
Solonetzic, total	332.3	96.8	15.6
of which Irrigated	11.5	60.0	1.6
Waterlogged, total	28.1	18.6	9.8
of which Irrigated	0.5	0.3	8.8
Stony, total	1,210.0	314.5	685.3
of which Irrigated	44.7	38.6	26.7
Deflationary- dangerous, total	1,066.7	746.2	830.6
of which Irrigated	76.0	138.0	89.3
Subjected to water erosion, total	1,628.6	438.6	874.7
of which Irrigated	217.2	134.6	78.4

Naryn Oblast

627. The impact of the land reform on the environment of Naryn Oblast in comparison with other oblasts was low. Significant areas of pastures have meant that increasing stocking rates of cattle has had a less significant impact and areas of degraded pastures are fewer in Naryn Oblast than in Osh and Chui oblasts.

Table 59. Distribution of pasture areas in Naryn Oblast.

Type of pastures	Area, 1000 ha	Area, %	Average crop yield, kg/ha	Fodder resources 1000 mt
Spring-autumn pastures	900	32.2	280	2520
Summer pastures	1130	40.4	350	3955
Winter pastures	765	27.4	190	1454
Total	2795	100	280	7929

Source: Giprozem

Chui Oblast

628. The Impact of land reform on the environment in Chui is generally negative because of the loss of soil fertility of arable lands, a high percentage of salinization and decrease of pasture productivity. The quality of pastures continues to deteriorate. There is a decrease of arable land area from 488.5 thousand ha to 419.6 thousand ha (-14.1%) including irrigated from 301.0 thousand ha to 284.9 thousand ha (-5.4%).

629. The area of pastures has increased from 872.1 thousand ha to 885.6 thousand ha (+1.5%). There is an intensive unregistered cultivation of pasture areas especially in Kemin rayon. There is considerable pressure on pastures because of an increase of unregistered livestock and and absence of control of grazing.

630. The increase of the area of fallow land has had a negative impact on the environment. This land loses its productivity and becomes a source of weeds for neighboring pastures. The area of fallow land has increased from 0.3 thousand ha till 14.5 thousand (48 times).

631. Land reform played a positive role in some areas such as Sokuluk rayon in terms of providing possibilities for the development of low production land, such as degraded, shingled areas with a small cover of soil and vegetation and yield that is less than 100 kg per ha. Farmers, which have obtained such a land for development, were granted certain privileges: they so not pay taxes and after 5 years of development of a plot they are granted ownership. These plots are used for gardens and sown pastures.

In 2001-2002 the Government made an attempt to move southern people with small land shares to rayons of Chui Oblast where the area of arable land is larger. None of the farmers from the south have taken up the offer.

Table 60. Distribution of pasture areas in Chui Oblast.

Type of pastures	Area, 1000 ha	Area, %	Average crop yield, kg/ha	Fodder resources 1000 mt
Spring and autumn pastures	292	34.0	690	2041
Summer pastures	448	52.2	810	3629
Winter pastures	119	13.8	360	428
Total	859	100	710	6098

Source: Giprozem

Table 61. Economic condition of pastures of Sokuluk rayon in Chui Oblast

Season of use	General area, ha	Including				
		Clean	Bushed	Battered	Stoned	Weedy
Spring and autumn	12,691	1,015	-	6,853	1,396	3,427
Summer	24,777	3,221	2,726	7,185	743	10,902
Winter	22,964	6,660	1,837	1,837	5,052	7,578

Source: Giprozem

Osh Oblast

632. Land reform has had a major, mostly negative, impact on the environment of Osh Oblast. Over 60% of all lands are degraded and pastures are degraded more than in other oblasts. A milder climate allows good yields of grain, leguminous and industrial crops and vegetables. But such intensive use causes a removal of nitrogen, phosphorus, potassium and humus from arable land. Uncontrolled irrigation promotes erosion and wash out of the upper horizon of soil and illegal plowing promotes land slides and mud floods and loss of agricultural lands.

633. The pressure on pastures continues and is strengthened by the increase of unregulated grazing of livestock from Uzbekistan.

Table 62. Distribution of pasture areas in Osh Oblast.

Type of pastures	Area, 1000 ha	Area, %	Average crop yield, kg/ha	Fodder resources 1000 mt
Spring and autumn pastures	403	31,2	540	2176
Summer pastures	799	62,3	560	4474
Winter pastures	81	6,5	250	202
Total	1283	100	530	6852

Source: Giprozem

634. However, what is apparent is that pasture management that involves control of grazing is almost non-existent from regulatory agencies. Policy exists for pasture plans, monitoring and rotation associated with carrying capacity (regulation #360), but in practice there appears to be little or no effective management. The system of different government entities controlling different pasture types leads to confusion or at best ineffective use of strapped government resources and likely reduced community involvement in pasture planning. Presently, the nearby pastures are the responsibility of local government or the Ayil Okmotu, the intensive or intermediate pastures are the responsibility of the Rayon, and the distant pastures are managed at the Oblast level. Some livestock farmers have all three types of pasture; whereas, others may only use one or two types. Sometimes nearby pastures are grazed communally (actually more free-access as the community really has no or little control regarding these pastures) whereas for other villages nearby pastures are individually leased.

Photo 2a. Degraded and continually overgrazed summer pasture in Kochkor Rayon, Naryn Oblast (June 2006).



Photo 2b. High elevation summer pasture in Naryn Oblast (03 June 2006). This pasture was being grazed by sheep, horses and cattle (to the snow line) before vegetation has had any time to grow.

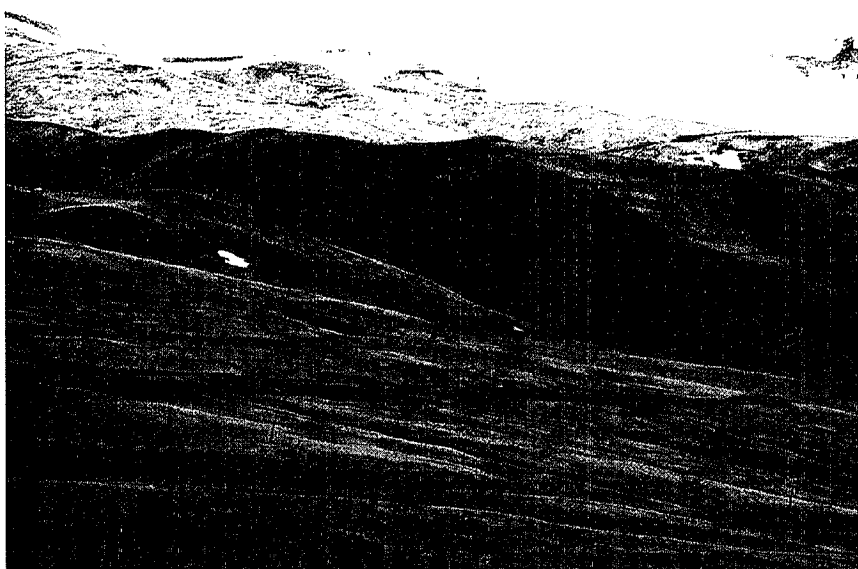
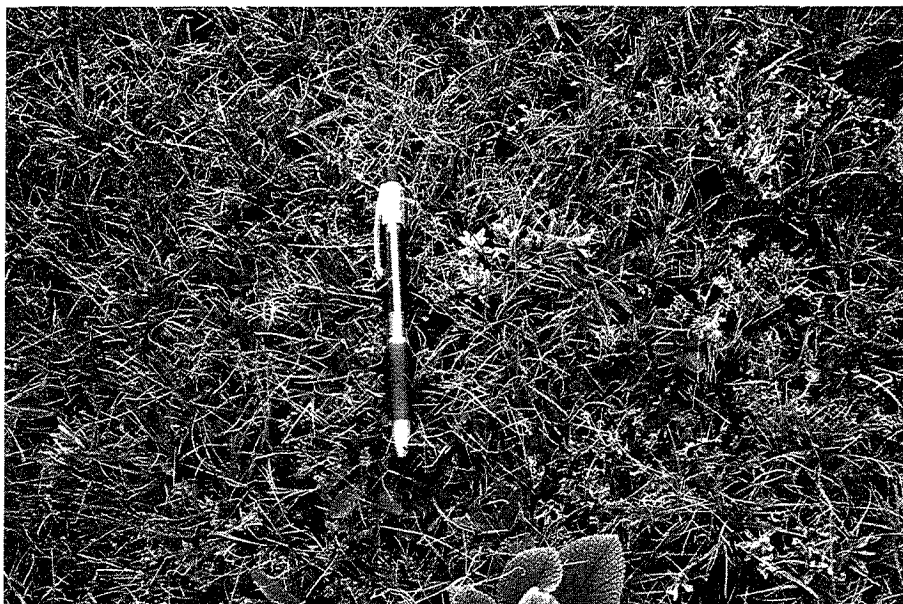


Photo 2c. Vegetation height of summer pasture in Naryn oblast.



635. No data was available on the extent of land slumps/slides and cultivation of pasturelands. Large areas of pasturelands were observed being plowed that appeared seriously inappropriate for cropland. While it is understood that there is a policy that pastureland can not be plowed without approval of local officials, it appears likely that since crop lands are taxed (rented) at higher rates than pasture lands, officials may be inclined to approve these practices. These marginal areas receiving cultivation will result in greater erosion, loss of carbon, and a reduction in available pastures. Photos 3 and 4 show areas in Uzgen Rayon, Osh Oblast where the practice of increasing plowed land even where inappropriate, seemed very common. Marginal areas were observed as having been recently cultivated in other oblasts, but field visits suggest it is more prevalent in Uzgen, Rayon. A related issue is the degradation of abandoned cropland areas and its potential for rehabilitation. Areas in Sokuluk rayon, Chui Oblast were observed that were cultivated during Soviet times that had a reasonable cover of vegetation and were being grazed by livestock. Other pastures were observed that had been relatively recently cultivated and now abandoned (in Uzgen rayon). The pastures were extremely weedy and in need of restoration to reduce erosion potential and increase forage.

Photo 3a. Cultivation of pastureland in Uzgen rayon, Osh Oblast. (May 2000. Note extent on hillsides and slumps.



Photo 3b. Ploughing of hillsides (pastureland) in Uzgen rayon, Osh Oblast (May 2006).



Photo 4a. Land slump likely caused by leakage of irrigation canal (Aravan Rayon, Osh Oblast, May 2006). Note power lines in foreground for scale.



Photo 4b. Same slump as 3a with picture taking from above.

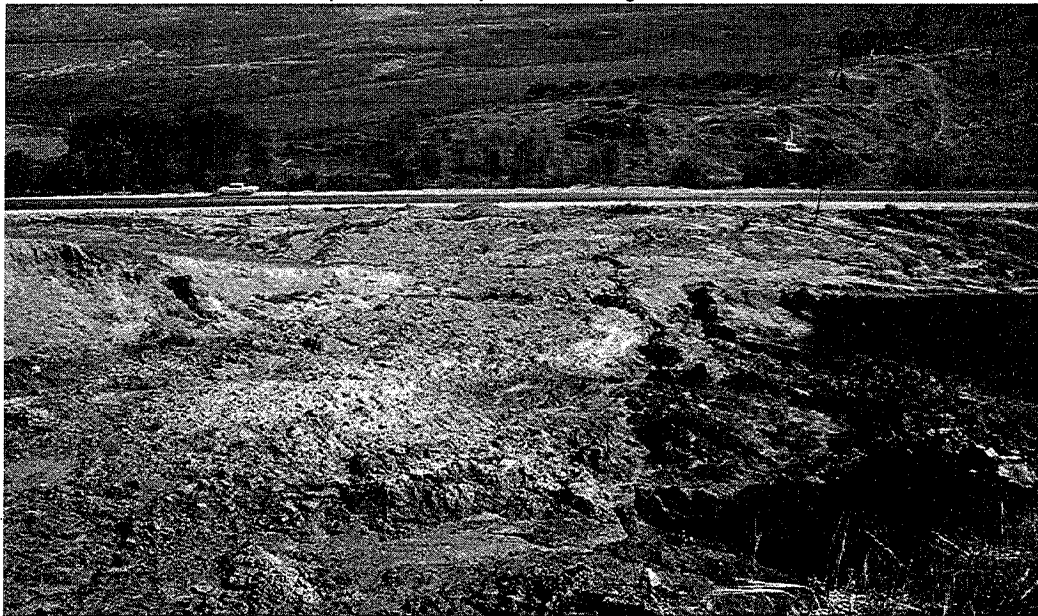


Photo 5. Land slump/slide in Uzgen Rayon, Osh Oblast (upper section or source).



G. Conclusions

⁶³⁶ The myriad changes in Kyrgyzstan especially since the mid 90s when people were issued with land shares has lead to a complex and inter-dependent set of factors that contribute to poverty. As the poor have land as much as do the non-poor in rural areas, it appears that land reform has reduced inequality but so far not succeeded in eliminating poverty. Access to land is a crucial factor for poor people in improving their livelihoods, but land in itself has not been sufficient in many cases to change their economic status. While land distribution was pro-poor and carried out in a reasonably equitable manner, it was not accompanied by measures to promote access to complementary resources to enhance the ability of the less skilled or able households to perform as farmers. Inability to fund inputs, absence of local organizations to provide an enabling environment and assist people to develop their land, lack of farming knowledge and marketing advice, a deteriorating environment often as a result of poor understanding of how to manage land, large families and dependence on farming, and deteriorating socioeconomic infrastructures in many villages making access to basic services such as health and education difficult for many, have hampered development efforts. In some cases, land shares have been unusable because they are located up to 50 km away from their houses. Lack of land management skills and inappropriate size and nature of the land plots have prevented traditional mechanisms of crop rotation or led to land degradation. In addition, the migration of young people to towns and cities in search of work and education has rendered some communities more vulnerable than before.

637. People surveyed in the land reform study perceive changes for the better as a consequence of land reform. In particular, they consider that since receiving their land share their ability to survive has increased as has their ability to support their family and improve their wellbeing. Children are better off, as old people in general. Mobility of those remaining in rural areas had increased for 30 percent of the poor and 46 percent of the non-poor but most think that they are as mobile as they were before land reform (although this may reflect the fact that those surveyed were those left behind). Agricultural knowledge has increased, mainly through the necessity of learning on the job and decision making has improved quality of life.

638. While it is not possible within the limitations of the study to make a direct correlation between land reform and poverty reduction, findings from the survey suggest that the distribution of land has been partly responsible for the slow but steady improvement in poverty levels particularly in rural areas.

VI. Implications, Lessons Learned, and Recommendations

A. Legislation

639. It is advisable to launch informational campaigns to support ongoing tenders for the allocation of LRF lands, and NGOs working in the sphere of gender can partake in such campaigns. Such organizations must be registered with rural administration, and the latter must inform participating NGOs of the rules and procedures for the campaigns. Information campaign funds should be provided by rural administrations from the revenues accumulated from commission fees. In order to institutionalize this procedure within rural administrations it is necessary to adopt new normative acts to regulate LRF lands and pasture lands allocation procedures for distribution.

640. In the cases of marriage and divorce it is necessary to obligate civilian registry offices and courts to provide information for both men and women on their rights to land. This obligation must be fixed in normative acts which regulate family relations. The same obligation must be fixed for notary offices which issue documents certifying the death of a spouse (husband).

641. Lending and other organizations which have their representative offices in regions must request from a borrower a written consent from spouse when entering in land-related agreements.

642. The participation of women in policy-making can provide new perspectives in decision-making, development of management and therefore enrich the political process by introducing new skills, visions and management skills. For this, it is necessary to increase the number of women employed by state organs and organs of local self-governance. State organs, in particular, State Agency of State Service, should elaborate a mechanism to implement Article 10 of KR Law “On state guarantees for gender equality”, which regulates warrantees of the state in gender equality for employed by state service.

643. In order to enliven political participation of women, support is required by social and economic structures, and the elimination of negative stereotypes towards women in education and mass media. For this, NCOs that provide information on gender equality, should introduce monitoring of the legal implementation and the results of such monitoring must be made public.

644. A clear mechanism of implementation of Article 8 of KR Law “On state guarantees for gender equality” must be developed pursuant to which the norms of customary law, traditions and culture containing elements of gender discrimination, must not be supported.

645. Many participants to the project’s workshops have stressed the need to stop allocation of LRF lands for extension of settlements and individual housing construction.

B. Institutional development

646. The Kyrgyz Republic is often applauded for the speed in which it initiated the land reform throughout the nation. The institutions responsible for the work can take the credit in double measure in that most had to learn as they were undertaking the work. The level of preparedness was not high, the amount of training provided was minimal and some of the issues caused enormous and difficult problems. The people of the Republic were even less prepared and often not clearly informed of the processes or the intended result of the processes within the land reforms and privatisations.

647. During the interviews and work undertaken during this project no evidence was found on significant differences among the Oblasts and Rayons. Some land reforms started as early as 1990 and by 1994 all Oblasts were fully involved. Chui Oblast attempted to implement some additional local Oblast regulations but these were overruled by the National Government. This activity caused Chui Oblast to appear to lag behind other Oblasts.

648. By 1994 one national legislative program controlled all land reform activities so it was not possible to consider any variation for local conditions and or farm size and activities and or profitability and or culture, and or topography, and or climatic conditions. It appears to have been a case of "one size fits all".

649. There was some evidence that individuals in administration position who opposed the land reform were removed from the process.

B1. Institutional Planning

650. It is difficult, and sometimes not possible, to obtain work plans or even management structure information from Government Institutions. Perhaps some of these poor management practices could be attributed to the change of Government in 2005 except some existed prior to that date.

651. The secrecy of some institutions is not aiding the workers to undertake their work or the public to know how to get information or assistance.

652. Government Institutions should undertake formal modern management planning and allow the workers and public to know how to get information and assistance. This should be compulsory for any project work undertaken by a Government Institution.

B2. Institutional Training

653. Institutional training should be compulsory in all new projects to ensure all project officers understand what the project is about and what is their personal role. It will enable them to support the public awareness campaigns for the project with reliable information.

654. 654. A classic example of the lack of training combined with the lack of detailed work instructions was observed in Sri Lanka and reported here as another example of

the lack of training. The agency given the responsibility of the land reform was the Commission of Title Settlement. This agency initially employed approximately 40 people with university training, provided each person with a copy of the relevant legislation and then told them to go the three remote sites of the project and to conduct land reform. Additional people were employed and set to work in the same way. Surveyors from another Government Institution were engaged again with no training or proper instruction of what was required. Senior staff never realised the legislation was faulty and contradictory. Junior staff were never trained or given an opportunity to share experiences. The result was an expensive catastrophe. All of the land reform work had to be re-done and most of the survey work was wasted. Corruption occurred and was not detected because there was no process to allow detection. The people owning the land where the work was performed were disillusioned and could not understand why they had been subjected to such a disastrous process in which some people lost land that had been in their family for generations.

655. In the Kyrgyz Land Reform the work was given to 470 rural administrations with very little skills or resources. Initially there was no training and there was confusion and improper processing of the work. To give such a work program to 470 government institutions completely trained and fully resourced without detailed work instructions would be tantamount to creating 470 different processes, some of which may resemble parts of the concepts of the person requiring the work to be done. To give such work to the rural administrations in 1991 and the later to the rural committees was a brave step.

656. In 1999 Gosregister was created and training of the field teams was given priority. Unfortunately later intakes of staff were not formally trained. Discussions with longer term Gosregister staff have indicated they believed it was this training which enabled them to achieve an output for the project that was more than double that expected by the World Bank.

657. Government Institution workers should be regularly trained to deliver services and provide accurate and reliable information to the public and other Government Institutions. Training for staff to be involved in projects should be a compulsory part of the project.

B3. Institutional Communication

658. Government Institutions do not appear to communicate well within their own organization or among other institutions. They do not appear to communicate well with the public at large. Communication to inform workers and the public is sparse at best and in many cases non-existent. This is believed to have been a major factor for the confusion about the Land Reform in the Kyrgyz Republic.

659. The Centre for Land and Agrarian reform tried to implement public awareness was media coverage together with training for political participants, workers and farmers. The effort was limited and it is widely acknowledged that the general public was not well informed.

660. From 1999 to 2001 Gosregister resisted the need to provide community based public awareness for its activities. Progress was slow and the work was proving expensive. In 2001 public awareness programs were implemented and the results assisted Gosregister implement the work faster and cheaper and to achieve a successful project. Internationally it is now accepted that well conducted public awareness campaigns, with opportunities for the community to participate in the project, provide great assistance to Land Reform projects and can significantly reduce overall costs.

661. Government Institutions should document their modern management practices, what services they offer to the public and how the public can communicate with the institution.

B4. Institutional Duplication

662. There is a deal of overlap and duplication of effort in the various Government Institutions involved in land matters. It is not easily understood by workers in the Government Institutions and much less understood by the public. Monitoring of land use appears to be undertaken by at least 6 Government Institutions some of which have no role in granting land use rights. How can they then monitor land use?

663. International Aid Agencies also duplicate effort and cause confusion with projects in the Government Institutions and the general public.

664. As the Study has shown it is necessary to exclude duplication both at the vertical and horizontal levels. The participants of the regional workshops have supported that step. For example, at the vertical level we have proposed to strengthen the role of the MAWRPI and identify it as the main body of executive branch of power bodies, responsible not only for implementation of land and agrarian reform but also development of a policy on implementation of land and agrarian reform. At the same time it is necessary to exclude corresponding departments at the administration of the President and the office of the Prime-Minister and on their base to establish one department at the MAWRPI, which could draft all main regulations and resolutions on land and agrarian reform. As far as duplication on the horizontal level is concerned, during the Study the main proposal has been to leave registration with Gosregister and all other responsibilities of Gosregister transfer to the MAWRPI in order to strengthen the role of this Ministry and it is also necessary to unite duplicating department of agrarian development of the MAWRPI and land survey of Gosregister.

665. In general a detailed examination should be undertaken of Government Institutions to define situations where duplication is occurring so that it can be eliminated. And a special state commission has to deal with it.

B5. Institutional Modus Operandi

666. Kyrgyz Government Institutions tend to see their role as one of control and enforcement rather than leadership and guidance.

667. With the modern management planning and training the focus of the Government Institutions could be directed to leadership and provision of services to customers.

Farm Based Co-operatives

668. There appears to be concentrated efforts by some Government Institutions and some international Aid Agencies to expedite the establishment of farming co-operatives. No evidence was found of any studies to show that such establishment would benefit either the farmers or the Republic. The definition of these proposed co-operatives is vague.

669. Some co-operatives in the last 15 years have been successful while others have failed. There needs to be a study undertaken to define the experiences so that future co-operatives can take advantage of lessons learnt.

670. Government needs to develop policies on financing provision of technical advice and marketing strategies which may encourage farmers to join together in voluntary co-operatives to take advantage of what is available and what is possible. A Government directive to farmers to join forces into co-operatives or any other legal entities will fail.

C. Implementation and enforcement

671. It is necessary to set up a mobile information communication network allowing for timely delivery of information to state organs and organs of local self governance. Probably, one such system is State Information System (SIS). Laws and other normative legal acts must be available in the regions by request by any persons and without fee.

672. Social mobilization must be encouraged in rural areas by way of allocation of grant assistance and long-term, inexpensive loans to construct new or reconstruct old physical facilities of social infrastructure in rural areas. Local state administrations and regional structures of line ministries must provide methodological support to rural administrations in construction and reconstruction of social infrastructure (hospitals, schools, irrigation networks, transportation etc).

673. Women must participate in company management. One of the ways to encourage women's participation in company management is to make available the necessary training at a time that is convenient for women. It requires development of training seminars to increase gender awareness and to realize the need for changes. To this end, such trainings would be provided by international NCOs when their work is aimed at SME promotion and entrepreneurship among women.

674. State organs must support and encourage work of international organizations and NCOs involved in information campaigns and increasing the awareness of rural residents.

D. Growth, poverty reduction, and sustainable environment

With a focus on pasture development

675. The sustainable use of pastures is endangered where stocking rates are high and resource management plans absent. Where this is obviously the case, groups of livestock holders must be stimulated to develop their resource management plan, possibly through the rural advisory service. The latter would need to be prepared for such a facilitating role through additional training and hands-on experience. The development of a management plan is a process rather than a product. A model for such planning is provided in Annex 13 of this report.

676. Associated with the need for natural resource management planning is a need to restructure how grazing lands are leased. These two aspects are discussed together in the next section. It is also recommended that further study needs to determine the extent of land use change from pastureland to cultivated land (including areas recently cultivated and abandoned), but this issue will not be discussed further. Related to sustainable management of pasture land, it is recommended to allocate some land area for "experimental farms" to demonstrate proper livestock management and pasture practices.

677. **Pasture Planning.** The current regulations regarding leasing of the three types of pastures based on location is cumbersome at best. Within areas and or communities a less cumbersome system be adopted. Communities (local, village) and/or rayon seem appropriate levels for leasing pastures. As the oblast is now responsible for leasing remote pastures this should be prescribed to the rayon for allocation. Related to simplification of leasing is a need for planning on a local basis (that would include regional aspects). "Pasture Stewardship Areas" could be established as a unit of planning. These should correspond to present aйл okmotu and rayon boundaries. These "pasture stewardship areas" would have the types of pastures used which in most cases would be nearby, intensive and remote pastures. Planning of pasture stewardship areas would consider broad management concerns and objectives that will require sound individual plans done with the livestock farmers or groups of farmers. It needs to be stressed that there is reluctance of many livestock farmers to join/establish grazing associations or cooperatives. Perhaps they see cooperatives or grazing associations as too close to the old Soviet system or as a loss of individuality. In any case, natural resource plans must be done with input from the livestock farmers and objectives for sustaining/improving pastures should be clear to all. It is impossible, especially under the current financial constraints, for the government to completely monitor/regulate pasture use for all of the Kyrgyz Republic. It will be necessary to have users agree on objectives and monitor their own pastures. Government would still need to monitor (but not on a specific pasture basis) to determine if land management objectives for different areas are being met. The resource planning approach presented in Annex 13 should receive further modification for different areas associated with different users or needs. The use of a GIS would allow for much greater efficiency in the development of plans. This is not to say that simple plans could not be developed with livestock farmers, but improved base maps and use of GIS systems to help delineate areas that should receive more conservative stocking rates because of resource concerns would

make work of planners much more efficient and more usable by policy makers. The base maps used by Giprozem are invaluable but should be added to a GIS system with base maps associated with aerial photography or more high to moderate resolution satellite imagery.

678. *Development of Experimental Farms.* Experimental farms, provided by the government, do not appear to be functional in Kyrgyzstan. It is suggested that several oblasts be allocated pasture areas for demonstration and study of pasture and livestock management. The experimental farms should interact with the Rural Advisory Service, and land institutes such as Giprozem. The importance of showing results, not just providing data, has been successful in many areas. One of the managers of the "Community Managing Pastures Project," Temir Village, Issyl Kul, Oblast suggested that "Kyrgyz people learn by seeing" and this is true in general. For example, Kerven and others (2005) showed that non-mobile livestock in Kazakhstan (grazed on nearby pastures) had significantly lowered productivity compared to mobile livestock. Sheep grazed on distant pastures over winter actually gained weight, while sheep kept in the village sheds for at least part of winter and given fodder lost significant weight. By springtime, the loss of weight will have a negative effect on lambing rates. Similar studies could be done in areas of Kyrgyzstan to demonstrate efficient management practices. These experimental farms would be important for research, demonstration /extension and education.

679. *Convergence of rules on construction.* The norm on construction of non-agricultural facilities (article 74 of the Land Code prohibits construction of buildings and constructions at valuable lands -except hydrotechnical facilities- whereas §38 of the Regulation #360 takes into consideration the possibility of construction of housing, industrial, storage and other buildings and constructions.

680. Introduce a single national system of registration of pasture lands.

With a focus on agriculture

681. At least five issues are regarded as requiring the attention of policy makers if continuing land reform is to be a catalyst for further improvements in agricultural productivity. The first of these is attention to the land market (see next section). The other four include:

682. *Review the Land Redistribution Fund* – about 25% of arable land is still held in collective ownership for the benefit of the poor and landless. The secondary intention of the LRF was to provide the AO with a source of funding. While the intentions of the LRF are sound, the consequences are problematic. Where demand for land is very high (especially in the south), there is evidence that AOs are charging excessively for LRF rentals. Lease terms are short, resulting in little real investment in land productivity. There is evidence that the poorest are not getting access to the LRF. There is anecdotal evidence that the LRF has become associated with arguments of access to rents, and with corruption amongst AO officials and bigger farmers. In short, the LRF has become a symbol of disharmony and greed. The LRF land could be handed back to the villagers, but using some open, equitable means, such as a ballot system for each LRF land parcel.

683. **AO revenue sources** must be protected – being closest to the villagers, the AO Government is best positioned to administer the land resources within its jurisdiction. These include arable rainfed land, arable irrigated land and all pasture lands (near, intensive and distant¹⁴⁵). As has been discussed, pasture lands administration is currently confused. There is anecdotal evidence that collection of grazing fees for pastures is weak – with up to 50% of grazing fees unpaid. Given that pasture lands comprise the vast majority of agricultural land, and that there is increasing interest in livestock production, the proper administration of this resource becomes increasingly important. Any review of pastures administration must recognize two sets of critical issues: (i) address the current confusion caused by 3 layers of administration on the three types of pastures (frequently over-lapping or in conflict); and (ii) the need to protect the productivity of pastures for future generations of young Kyrgyz farmers.

684. **The maintenance of irrigation schemes** is vital to sustaining Government investments in irrigation rehabilitation. There are insufficient resources within Government to fund the operations and maintenance (O&M) of irrigation schemes, especially the on-farm maintenance costs. While Government is currently introducing and developing farmer based Water User Associations (WUAs) to manage scheme O&M charges, the process of establishment is incomplete. As a result not all schemes have a WUA, charges levied are insufficient to cover adequate maintenance expenditure, and collection rates are still too low to ensure adequate WUA cash flows. Thus, there needs to be a review the long term feasibility of investing public funds in irrigation rehabilitation until the systems of cost recovery for operations and maintenance can be made more functional. Until this is achieved, there is a real risk that irrigation rehabilitation investments made today will simply require repeat capital investment in the next decade, representing poor use of scarce investment capital. There are other investment options in the agriculture sector which could offer sound returns. Improving the productivity and profitability of livestock, and investments in adding value to agricultural outputs are two alternatives with immediate benefits.

685. **Food security dominates crop choices on arable land.** Up to 85% of irrigated arable land is required to produce the basic staples of grain (wheat and maize) and cooking oil (sunflower and safflor) for home use. With irrigated holdings in the south being less than one hectare per household, farmers are risk averse and have very limited room to move in terms of alternative high value cash crops, especially those with value added potential. With land pressures mounting, there is an opportunity to review policies on imports of wheat with a view to providing food security from competitively priced imports of a similar quality standard.

E. Land market development

686. The land market is still weak and legislation does not entirely support its further development. For example, actually there are no legal mechanisms that regulate the land market, land collateral and mortgage and lease of land. One of the problems of land and agrarian reform in Kyrgyzstan is a shortage of capital investment into agriculture. At the same time the law “On management of agricultural land” has some restrictions on attraction of private industrial and trade investment into agriculture. This creates the

¹⁴⁵ An explanation of what is meant by distant, intermediate and near pastures is given in Annex 12

potential for the development of a shadow land market and it is considered that the law needs amendments concerning these restrictions.

687. While much progress has been made in establishing a land market, both for owned and leased land, there are currently significant restrictions on who may buy land. Buyers must come from the *ayil okmotu* or *rayon* in which the land is located. The reasons for these restrictions are understandable from an equity perspective, but further creative approaches are required. Such approaches should reconcile the desire to protect the villagers' rights to own land with the mounting need to bring in fresh owners, who have access to capital and a greater degree of risk tolerance. This discussion is not suggesting foreigners should be able to own Kyrgyz land. But it is suggesting people from beyond the *rayon* (district) should be free to enter into long term leasing arrangements (say 30-50 yrs) with existing owners. The lease agreement could include opportunities for rent reviews every 5 years, and an option to purchase the land for a mutually agreed sum at the completion of the lease term. Further, there could be easier access to outright purchase of less productive rainfed arable land. Outside investors could be allowed shorter leases, still with a right to purchase at completion of the lease term.

688. The introduction of the land market is likely to lead to the concentration of land ownership in the hands of wealthy land owners. Formation of the land market will encourage a net of financial and credit institutions (land mortgage and other banks and financial institutions) and production enterprises (national and joint ventures on processing of agricultural goods).

689. Ideally, establishment of a working market system should include a combination of state regulation with economic instruments and stimulus of the market, which includes, first of all, lease payment, fair market value, mortgage lending interest rates, land tax rates, taxes on land sale and land inheritance, penalties on economic damage, and compensatory measures for damage on intake and conservation of land.

690. A model should be developed of land turnover and accumulation of property at the different levels (*ayil okmotu*, *rayon*, *oblast*). This model considers land taxes for different land categories, land market funds, fees on registration of different land transactions, income from market turnover of state and municipal lands (lease, mortgage) as the main sources of land finance. Other sources of finance such as investments, donor support, income from other types of land market, are not excluded.

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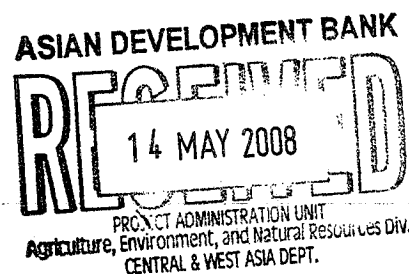


The Impact of Land Reform on Agriculture, Poverty and the Environment in Kyrgyzstan

Annexes

To the Draft Final Report

15 March 2008



Any views expressed in this document are those of the authors, not of the Asian Development Bank, unless specifically mentioned otherwise. The utmost care has been taken to collect authentic data and opinions. As this is a draft version of the final document, the authors welcome suggestions by reviewers for updates of data and opinions.

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Annex 1: Annotated Bibliography on Legislation

I. Introduction

1. The legislative history of the land and agrarian reform in the Kyrgyz Republic is long and rich. Much of the land and agrarian reform was initiated by the President of the Kyrgyz Republic and a handful of early reformers. Given the great opposition to the reform, there was virtually no chance of getting legislation passed through the Parliament. Between January 1992 and June 1999 the legislative framework for the reform was largely Presidential Decrees and Government Resolutions. In that time, distribution of individual rights to land went from being voluntary to mandatory, and the term of the use went from 49 years to full ownership.
2. In many areas of the country, farm reorganization and land share distribution occurred simultaneously. In other areas (Chui in particular), land shares were distributed but without the right to a specific parcel of land, and farms remained in collective ownership. The regulations describing the procedure for land distribution were sufficiently open-ended and the implementers uninformed so that the process of distribution of land varied greatly. In Naryn, for example, some farms distributed contours of land to clans, and the clans distributed the land into individual ownership. In Chui, contrary to law, farms distributed land shares to individuals rather than households.
3. One of the striking things about the Kyrgyz land reform is the frequency with which legislation was changed to fix a specific problem. (See chart below). These changes had both a positive and negative affect. On the one hand, the process aimed for fairness and the continual changes are a testament to that. On the other hand, it was impossible for people, including local leaders, to know and understand the legislation fully.
4. It should be noted that the legislation dealing with arable land was the focus. Little attention was paid to pasture or forest land. Moreover, the Water Code and Water User Association legislation was developed separately from the land legislation.
5. Once arable land could be held in ownership, many of the rights to mortgage and transfer the use right to the land were restricted. From 1999 forward, most of the land related legislation was passed through Parliament and focused on limiting land transactions. This legislation aims to protect farmers, but has over time come to be a hindrance.

II. Land Distribution, Farm Reorganization Legislation, Land Redistribution Fund

1.	The Kyrgyz Republic Law "On Peasant Farms" (February 2, 1991)	Invalidated (had no legal force) in accordance with the Kyrgyz Republic Law "On Peasant Farms" of June 3, 1999 N 47 (see II-29)	Encouraged private farm enterprises by allowing individuals to apply to the local Council of People's Deputies for unused land or land to be allocated from failing collective or state farms. Private farmers were able to receive inputs from the state at the same prices as a collective or state farm. Land for peasant farms was allocated on a competitive basis. Members of collective and state farms received plots from the public land of these collective and state farms, whereas non-members of the collective and state farms – from reserve lands
2.	Law "On Cooperatives in Republic of Kyrgyzstan" (December 12, 1991) No.647-XII	Invalidated (had no legal force) in accordance with the Kyrgyz Republic Law of June 11, 2004 N 70 (see VIII-7)	A member of a collective farm may withdraw from it and create a peasant farm on the basis of the land parcel withdrawn from the land of this collective farm irrespective of the consent of the general meeting of members of the collective farm.
3.	Law "On Land Reform" (April 19, 1991)	Invalidated (had no legal force) in accordance with the Kyrgyz Republic Law "Introduction in validation of Land Code of the Kyrgyz Republic" of June 2, 1999 N 46 (see III-3)	Sought to provide, among other things, a framework for the "equitable development of various forms of farming," and began the process of redistribution of land. Called for: (1) inventory and classification of all public and private land; (2) voluntary reorganization of "inefficiently operated" collective and state farms; and (3) creation of a special land fund, which was to contain unused and inefficiently used lands for redistribution to other land users.

			Inefficiently operated collective and state farms could voluntarily reorganize as cooperatives, other types of legal entities, associations of peasant farms, or private farm enterprises. Land commissions were established at the local level to consider requests for distribution of land within the locality. Similar commissions were to be created at the <i>rayon</i> , <i>oblast</i> and federal levels
4.	Presidential Decree "On Urgent Measures to Secure the Realization of the Laws of the Kyrgyz Republic Regulating Land Relations and Other Relations in Agriculture" (November 10, 1991) No. VII-369, and Government Resolution "On Realization of the Presidential Decree of November 10, 1991 "On Urgent Measures to Secure the Realization of the Laws of the Kyrgyz Republic Regulating Land and Legal Relations in Agriculture"" (December 2, 1991) No.562	Invalidated (had no legal force) in accordance with the Presidential Decree of the Kyrgyz Republic Law "Accessing of some decisions which had no legal force according to the President of the Kyrgyz Republic" February 16, 2002 Presidential Decree N 44 Invalidated (had no legal force) in accordance with Government Regulation of the Kyrgyz Republic February, 21, 2002 N 93	Start of the Land Reform by Presidential Decree. Mandated that those collective and state farms with less than 15 percent profitability be privatized , with redistribution of land and other assets to farm members to be used for creation of private farm enterprises and cooperatives. The farms that were to be privatized were to be chosen by the State Property Committee together with the Ministry of Agriculture and the <i>oblast</i> and <i>rayon</i> Councils of People's Deputies. Allowed individual members of non-reorganized state and collective farms to withdraw a share of land and property (non-land assets) from the farm to start a private farm enterprise. The property share of each member was to be determined based on the member's length of service and labor contribution. Called for 1.5 million hectares of agricultural land (out of a total of approximately 10.4 million hectares) to be added to the special land fund for redistribution to rural and urban citizens who wanted to create private farm enterprises, small cooperatives, gardens and private individual plots. No less than "50 percent of irrigated arable lands allocated for the organization of peasant farms" would be transferred to the newly created and separate land fund, the National Land Fund (NLF), to support the way of life of <i>ethnic</i> Kyrgyz peasants.
5.	Presidential Decree "On the Peculiarities of Destatisation and Privatization of State Farms and Other State (Municipal) Agricultural Enterprises in the Republic of Kyrgyzstan" (January 13, 1992) No. UP-10	Invalidated (had no legal force) in accordance with Presidential Decree of the KR " Adoption of some decisions which had no legal force according to President of the KR February 16, 2002, Presidential Decree N 44	Adopted Regulations for peculiarities of destatisation and privatization of state farms and other state (municipal) agricultural enterprises. Persons who have the right to obtain property of privatized state farms, other state (municipal) agricultural enterprises , including on a competitive basis, shall be: <ul style="list-style-type: none"> workers of those farms, including pensioners; invalids (of 1st and 2nd group of disability) who became disabled while working at those farms; workers of healthcare, education and culture, living on the territory of the privatized farms and their service staff
6.	Presidential Decree "On the Rural Committees on Land Reform in the Republic of Kyrgyzstan" (January 13, 1992)	Invalidated (had no legal force) in accordance with Presidential Decree of the KR " Adoption of some decisions which had no legal force according to President of the KR February 16, 2002, Presidential Decree N 44	Rural committees (village governments) were introduced and were responsible for the physical aspect of the on-farm restructuring
7.	Presidential Decree "On the National Land Fund of the Republic of Kyrgyzstan," (March 10, 1992)		Provided details as to the manner of the NLF's formation, distribution, and use
8.	Presidential Decree "On Measures for Further Implementation of the Land and Agrarian Reform in the Republic of Kyrgyzstan" (December 10, 1992)	Invalidated (had no legal force) in accordance with Presidential Decree of the KR " Adoption of some decisions which had no legal force according to President of the KR February 16, 2002,	Added: (1) a requirement that National Land Fund land be allocated to commodity producing private farm enterprises on a competitive basis (the reference to supporting the way of life of ethnic Kyrgyz was dropped); (2) a recommendation that collective and state farms divide their land into shares to insure that every worker or member has the right to a land plot. This right to a land plot is called a "land share."

		Presidential Decree N 44	<p>A land share represents a share of land on the territory of an agricultural enterprise and may be demarcated or undemarcated. An individual member or worker on the agricultural enterprise owns the use right attached to the land share.</p> <p>The <i>rayon</i> state administrations were given control over the implementation of this land reform system with input from the rural committees on land reform (village governments)</p>
9.	Resolution of the Government of RK and State Property Fund "On Realization of the Decree of the President of the Republic of Kyrgyzstan of December 10, 1993 "On Measures for Further Implementation of the Land and Agrarian Reform in the Republic of Kyrgyzstan"" (February 5, 1993) No.58 66	Invalidated (had no legal force) in accordance with Government Regulation of the KR "Adoption of some decisions which had no legal force according to President of the KR" November 13, 2002, Presidential Decree N 766	Approved the Concept of destatisation and privatization of agriculture in RK
10.	Constitution of the Kyrgyz Republic adopted on May 5, 1993	Validates	Land belongs to the State and cannot be privately owned. The purchase and sale of land is not allowed
11.	Presidential Decree No. 23 "On Measures to Enhance (Deepen) Land and Agrarian Reform in the Kyrgyz Republic" (February 22, 1994)	Invalidated (had no legal force) in accordance with Presidential Decree of the KR "Adoption of some decisions which had no legal force according to President of the KR" August 1, 2002, Presidential Decree N 202	<p>Guaranteed (rather than recommended) the right of members of collective and state farms to receive land share use rights (49-year), fully disposable and mortgagable.</p> <p>The decree authorized land plot users and land share owners to sell their plot or share immediately to other members of their collective or state farm, but prohibited sale to non-members until after January 1, 1995.</p> <p>Reduced the National Land Fund in half, to 25% of all arable land except pastures.</p> <p>A maximum size of land plot per family was established (20 hectares for intensive agriculture, 25 hectares for less intensive agriculture, and 30 hectares for mountainous areas).</p> <p>Transferred privatization powers from the State Property Fund to the Ministry of Agriculture and Food (MOAF)</p>
12.	Government Regulation "On Rural Committees on Land and Agrarian Reform" Adopted pursuant to Government Resolution No. 148 (March 25, 1994)	Invalidated (had no legal force) in accordance with Government Regulation of the KR "Adoption of some decisions which had no legal force according to President of the KR" November 13, 2002 N 766	Gave the village government a wide range of power over implementation of the agrarian reform and general development in rural areas. It permitted appointment of the head of a collective or state farm as the head of the village government that operates on the territory of that farm.
13.	Government Resolution No. 345 "On the National Land Fund" (May 19, 1994)	Invalidated (had no legal force) in accordance with Government Regulation of the KR "Additional objectives for further development and state support of land and agrarian reform" March 25, 1996 N 130	Called for the land to be distributed: (1) in lease to livestock breeders, seed producers, and rural household enterprises; (2) as land shares to collective and state farm workers not otherwise entitled to land shares from the farms they had joined; and (3) in lease or temporary use to other agricultural commodity producers. The rules set out in this resolution were still unclear as to what quality of land was to be selected for the fund, the use terms of the land in the fund, and who was to allocate the land
14.	Government Regulation "On the Procedure for	Validates	Central piece of legislation creating the land share system. Provided rules for the process of determining land share use

	Determining Citizens' Land Shares and for Issuance of Certificates Containing Land Share Use Right," Adopted by Resolution No. 632 (August 22, 1994)		<p>rights. All land within collective and state farms (with the exception of NLF land, village land, pastures and other well defined types of non-arable land) was required to be allocated as land shares. Land shares were to be distributed free of charge to farm workers, pensioners, invalids, and specified social sphere workers.</p> <p>Land share certificates were to be distributed, listing the names of each recipient's family members and providing an additional share for each family member. Certificates were issued to the head of the household and must be registered to be legally enforceable.</p> <p>Provided that with the consent of the <i>rayon</i> administration, the Ministry of Agriculture could delegate to the village government the right to lease out NLF land.</p> <p>Commodity producing agricultural enterprises must consist of at least 10 hectares of plowed land in intensive cultivation zones, 15 hectares in average zones, and 20 hectares in the mountains.</p> <p>While members of both state and collective farms have the right to claim non-land property assets, members wishing to claim non-land property assets from state farms have to purchase the property, while collective farm members do not have to purchase non-land property assets. State farm members have to pay for non-land property they receive, even when the entire enterprise is reorganized into some other legal form(s), and even if the debt of such state farm has been repaid.</p> <p>Workers and pensioners of the collective and state farms (but not their spouses and children if they are not members) had the right to a share of the non-land assets (property share) of the enterprise, such as buildings, machinery, fuel, and livestock. The size of each recipient's property share was determined by the length and nature of service on the farm, such that higher salaried and longer-working recipients receive larger shares.</p> <p>The village government was to allocate the property share out of the enterprise production fund.</p> <p>The village governments were given responsibility over objects of "production and technical purpose" (as well as social and cultural objects, repair shops, garages, gas storage, water supply, and common inputs) to render centralized services.</p>
15.	"Program of Land and Agrarian Reform in the Kyrgyz Republic for 1995-1996." (January 1995).	Validates	<p>Focused on whole farm break-up and called for the reorganization of all state and collective farms by 1996 into smaller management units created from land and property shares.</p> <p>Established committees to inventory the assets of farms to be reorganized, calculate land and property shares of members, develop a plan for reorganizing the farm, and then implement the plan.</p>
16.	Annex to Decision of the Board No. 3, Government Resolution "On Committee for Implementation of Land Reform and for Reorganization of Agricultural Enterprises" (January 23, 1995).	Validates	<p>Created a "committee for implementation of land reform and reorganization of agricultural enterprises" on each reorganizing farm enterprise. The committees were more broadly representative of those involved in the land reform process and more narrowly focused than the village government. Each committee is charged with inventorying the assets of enterprises to be reorganized, calculating land and property shares of members, developing a plan for reorganizing the</p>

			enterprise, and then implementing the plan.
17.	Ministry of Agriculture passed Decision No. 7, "On the National Land Fund" (February 8, 1995)	Validates	Provided that NLF land could not be divided into land shares unless the <i>rayon</i> administration, with permission from the MOAF, made such a proposal for the purpose of: (a) raising yields, making an enterprise profitable, increasing production of beef and milk, increasing employment; or (b) allocating shares to workers in specified fields of the social sphere. Other land in the fund could be temporarily leased to peasant farms with permission from the village government.
18.	Government Resolution No. 42 "On Debt of Reorganized State and Collective Farms" (February 16, 1995)	Validates	Mitigated this difference in treatment state and collective farms by providing that the payments for property by state farm members would be spread out over 10 years and effectively carry no interest. Reduced the debt of reorganizing state farms by 50 percent and reduced the debt of reorganizing collective farms by 25 percent. These debts were to be paid over a period of 15 years beginning on January 1, 1997.
19.	Government Resolution "On the Land Redistribution Fund under the Ministry of Agriculture and Food of KR" (September 21, 1995) No.394	Invalidated (had no legal force) in accordance with Government Regulation of the KR "Adoption of some decisions which had no legal force according to President of the KR" November 13, 2002 N 766	Created the Land Redistribution Fund (LRF), which would enable the government to buy out, at at market value, from citizens and legal entities, their land parcels (share) use rights for state needs and in an effort to form market land relations and develop peasant enterprises..
			Extended the 49-year use rights to agricultural land to 99-year use rights Abolished maximum size of land and reduced the minimum size of land plots to 5 hectares in all cultivation zones (and to 1 hectare for rural and suburban vegetable operations)
20.	Presidential Decree "On Measures for Further Development and State Support of Land And Agrarian Reform in the Kyrgyz Republic" (November 3, 1995)	Validates	Heads of <i>oblast</i> and <i>rayon</i> governments were instructed to complete the issuance of land share certificates by December 31, 1995. Abolished the National Land Fund and transferred the land remaining in the fund to the new Land Redistribution Fund (LRF) to be run by the Ministry of Agriculture. Provided that land parcels from the fund are to be used for expansion of rural settlements, creation of experimental agricultural facilities, auctioned as 99-year use rights for organizations of "peasant communities," and other purposes to be decided by the government. Provided that the payments for property by state farm members will be spread out over 10 years and effectively carry no interest. Moreover, Government Decision No. 42 reduced the debt of reorganizing state farms by 50 percent and reduced the debt of reorganizing collective farms by 25 percent. These debts are to be paid over a period of 15 years beginning on January 1, 1997. Government reduce debts of reorganized state farms by 100 percent and debts of reorganized collective farms by 75 percent, provided that the Ministry of Agriculture regarded the farm as reorganized as of December 31, 1995 Individuals that received their land parcels prior to 03.11.95 had to return the surplus - for land share redistribution.
21.	Presidential Decree No. 104 "On the State Agency on Land Management and Land	Invalidated (had no legal force) in accordance with Presidential Decree of the	Created the State Agency on Land Management and Land Resources (SALMLR) and transferred <i>Kyrgyzgiprozem</i> duties to this new agency

	Resources under the Government of the Kyrgyz Republic" (March 20, 1996)	KR August 1, 2002 "Adoption of some decisions which had no legal force according to President of the KR" Presidential Decree N 202	
22.	Government Regulation "On Categories of Subjects of Agricultural Enterprises in the Kyrgyz Republic" (adopted by Government Resolution No. 158 "On Adoption of the Regulation on Categories of Subjects of Agricultural Enterprise in the Kyrgyz Republic" (April 12, 1996))	Invalidated (had no legal force) in accordance with Government Regulation of the KR "Including the changes in some decisions of the KR Government in solved system, concerning the questions of simplifying register procedures from the beginning of enterprise activity and giving the license for trade January 31, 2000 N 47	<p>Defined seven new enterprise categories</p> <ul style="list-style-type: none"> personal household enterprise (household plot cultivated by family members); farm enterprise (farm operated by one family on at least 5 hectares of irrigated land or at least 1 hectare of suburban vegetable land); peasant enterprise (two or more families cultivating 5 to 100 hectares of irrigated land or 1 to 100 hectares of suburban vegetable land); collective peasant enterprise (cultivating more than 150 hectares of irrigated land); joint stock company (enterprise capitalized with shareholders' non-land property which uses shareholders' land shares); state enterprise (enterprise using state land and performing a state program); and <p>agricultural cooperative (composed of independent farm enterprises or peasant enterprises).</p>
23.	Presidential Decree No. 327 "On Measures Aimed at Introduction of Market of Land Use Rights and on Establishment of the Market Credit System in Agriculture" (November.25, 1996)	Validates	Called for (1) registration of land use rights transactions, (2) sale (tender and auctions) of use rights to 50 percent of land of the Land Redistribution Fund, and (3) one-year lease agreements for the remaining land in the Land Redistribution Fund
24.	Resolution of the Government of the Kyrgyz Republic No. 265 "On Questions of Land Tax" (May 2, 1997).	Invalidated (had no legal force) in accordance with Government Regulation of the KR "Adoption of some decisions which had no legal force according to President of the KR" September 20, 1999 N 506	Eliminated the Value Added Tax (VAT) for farmers and created the unified land tax. The unified land tax was based on soil quality and location.
25.	Government Resolution "On Adoption of Temporary Regulations for Leasing Land Plots to Land Users from the Land Redistribution Fund under the Ministry of Agriculture and Water Resources of the Kyrgyz Republic " (August 20, 1997) No. 480	Invalidated (had no legal force) in accordance with Government Regulation of the KR August 18, 2001 N 461 since April 15, 2002 see(II-31)	<p>Issues of distribution of the LRF land are determined by a commission on a competitive basis for a term of one year and in the following sizes to:</p> <ul style="list-style-type: none"> individuals: arable land – up to 25 ha, dry land - up to 50 ha; legal entities: arable land – up to 50 ha, dry land – up to 100 ha. <p>For foreign individuals and legal entities (foreign lessees) the rate of rent has been tripled.</p>
26.	Government Resolution No. 14 "On Measures Aimed at Introduction of the Market of Land Use Rights" (January 9, 1998) and accompanying Regulations "On Republican and Rayon Executive Commissions on Sale of Rights to Use Land Plots of the Agricultural Land Redistribution Fund Under the Ministry of Agriculture and Water of the Kyrgyz	Invalidated (had no legal force) in accordance with Government Regulation of the KR December 21, 2000 N 750 (see VI-8)	Procedures for sale of half of the land from the LRF through auction.

	Republic," and "Temporary Regulations on Auction Sales of Rights to Use Land Plots of the Agricultural Land Redistribution Fund Under the Ministry of Agriculture and Water of the Kyrgyz Republic" (January 9, 1998)		
27.	Presidential Decree UP No. 275 "On the Suspension of Sale of Rights to Use Land Parcels of the Land Redistribution Fund (September 9, 1998)	Invalidated (had no legal force) in accordance with Presidential Decree of the KR "Adoption of some decisions which had no legal force according to President of the KR" August 1, 2002 Presidential Decree N 202	Suspended the sale of rights to use the LRF land until the final decision on the issue of introduction of private ownership of land.
28.	Presidential Decree "On Concept of Introduction of Private Land Ownership in the Kyrgyz Republic" (October 13, 1998) №310	Validates	<p>Outlined the concept of private ownership of land and provided that seven laws should be promulgated (if the referendum passed) that would establish and encourage a land market (Land Code, Peasant Farm Law, Mortgage Law, Law on Cooperatives, Law on Registration of Land, and a law introducing land-related amendments to the Civil Code). One additional law was never passed.</p> <p>The referendum passed, and the Constitution was changed to allow for private ownership of land.</p>
29.	Law on Peasant Farms No.47 (June 3, 1999)	Validates	Distribution of property and land shares from land and property of former state and collective farms to individuals wishing to get their land and property shares to create peasant farms shall be fulfilled within two months from the moment they submit their applications.
30.	Government Resolution #10 "On the Reform of Local Governance Structures," January 11, 2000	Validates	Responsibility for the LRF was devolved from the Ministry of Agriculture to each of the 454 aiyl keneshes.
31.	Government Resolution No. 461 "On Standard Regulations on Terms and Order of Leasing Land from the Land Redistribution Fund" (August 18, 2001)	Validates	<p>New regulations relating to lease of land from the LRF. Authorized body, i.e a lessor – the executive body of the Aiyl (Settlement) Kenesh, i.e. aiyl okmotu.</p> <p>A commission decides who is eligible to bid on the land plot at a public auction. There are two types of tenders foreseen under the new regulations: a commercial tender and an investment tender, but a majority of the land is to be distributed through the tender process.</p> <p><u>Lessors</u> are able to make certain decisions based on local circumstances within the limitations imposed by the law. They are responsible for determining the ceiling on the size of land parcel to be leased and the term of the rental agreements.</p> <p>10 percent of the LRF land may be rented to low-income citizens living on the territory of the given aiyl okmotu, without tender, for a term no more than 5 years. The land must be high quality land.</p> <p>Land from the LRF can be rented out for 5-7 years or up to 10 years.</p>
32.	Standard Regulation, "On the Terms and Order of Providing Land from the Agricultural Land Redistribution Fund for Rent," approved by the	Validates	Arable land must be rented out for 5 years under the law. Physical persons are able to lease in up to 25 hectares of irrigated land and up to 50 hectares of dry land. Juridical persons can lease in up to 50 hectares of irrigated land and up to 100 hectares of dry land

	Resolution of the Legislative Chamber of the Parliament, April 15, 2002, L No 702-II		<p>The aiyl okmotu has the right to use a land parcel from the LRF to give to low income citizens in the territory of the aiyl okmotu.</p> <p>Increased the term and size of the LRF land parcels to be allocated to low-income citizens – 20 percent and up to 7 years.</p>
33.	Standard Regulations on Procedure of Allocating Land Plots for Ownership or Rent by Tender (Approved by Government Resolution of August 8, 2002 No.538)	Invalidated (had no legal force) in accordance with Government Regulation of the KR " Confirmation of provisions, regulating the order of granting property right or mortgage on land plots in the settlements and realization of invest-building intentions. February 5, 2004 N 57	<p>Describes the types of tenders: an open auction and a tender with the terms in sealed envelopes.</p> <p>Land can be either sold or leased at the tender.</p> <p>Therewith, the ownership right to agricultural land (except for LRF land and pasture land) may be put up for tender as well as the right of temporary use (rent) of a land parcel</p>
34.	Government Resolution, "On Allocation of Land Shares to Citizens of the Kyrgyz Republic," (January 15, 2003).	Validates	<p>Conceded that there was a shortage of land outside of the LRF and ordered the Jogorku Kenesh to accept proposals from the local keneshes for free allocation of land shares from the LRF to citizens who were entitled to obtain land shares as of the time of reorganization of collective and state farms and failed to receive them as of the time of introduction of the Land Code.</p> <p>This Resolution has been adopted by the Resolution of LA of the Jogorku Kenesh of the KR of February 20, 2003.</p>
35.	Government Resolution "On Draft Resolution of the Legislative Assembly of the Jogorku Kenesh of the Kyrgyz Republic " On Allocation of Land Shares to Citizens of the Kyrgyz Republic"" of October 2, 2004 No.623	Validates	<p>Specified lists of citizens not included in Summary Data on the number of citizens of the Kyrgyz Republic eligible for allocation of land shares approved by the abovementioned Resolution of the Government of the Kyrgyz Republic of January 15, 2003.</p>
36.	Resolution of the LA of the Jogorku Kenesh of the KR "On Allocation of Land Shares to Citizens of the Kyrgyz Republic" of April 2, 2004 No. Z 1528-II	Has not entered into force.	<p>Delegated the Government of the Kyrgyz Republic to specify by June 1, 2004 the lists of citizens not included in Summary Data on the number of citizens of the Kyrgyz Republic eligible for allocation of land shares, and submit them for approval of the LA of the JK.</p>
37.	Government Regulation of the KR "Granting the land shares for the Kyrgyz citizens" February 8, 2006 N 80	Not confirmed by Jogorku Kenesh of the KR	<p>There is a list of people who have the right for getting land shares (18056 people), who are needed in getting the land shares for the benefit of Land Re-distribution Fund</p>

III. Land Code

1.	Land Code of the Republic of Kyrgyzstan, April 19, 1991	Invalidated (had no legal force) in accordance with Law of the KR "Including (introduction) Land Code in force of the KR" June 2, 1999 N 46 (see III-3)	<p>Land is under exclusive ownership of the State.</p> <p>The right of citizens of the KR to a land plot shall include a right of ownership and a right of use.</p> <p>The purchase and sale, donation, mortgage and unauthorized exchange of land plots shall be prohibited.</p>
2.	Land Code of the Kyrgyz Republic, June 2, 1999	Validates	<p>The first major land law that was passed by Parliament.</p>

3.	Law on Effectuation of the Land Code, June 2, 1999	Validates	<p>Required privatization of state animal breeding farms, seed-growing farms, experimental farms, testing stations, educational institutions, and scientific research institutions and other state entities of agricultural profile.</p> <p>These state farms and institutions were to transfer 75 percent of their agricultural land (except pastures) as land shares to citizens working and residing on the territory of the farm.</p> <p>One-fourth of the remaining 25 percent of agricultural land in the LRF was to be distributed for the operation of seed growing, pedigree animals breeding, testing /selection and experimental farms.</p> <p>Three-fourths of the remaining 25 percent was to be used for extension of rural settlements, for sale of use rights at auction; for transfer to rural manufacturers for lease; for citizens working and residing outside the farm (including those from that farm) who permanently resided on the territory of this farm before July 1, 1996; and for other purposes envisaged by the decision of the Government of the Kyrgyz Republic</p> <p>Provided that title to a land plot be acknowledged belonging to citizens of the Kyrgyz Republic without any re-formalizing of documents, free of charge and without payment of additional fee, if they were granted the right to land plot in the established procedure for the permanent, temporary use or for life-time inheritable possession before effectuation of the Land Code of the Kyrgyz Republic, in particular:</p> <ul style="list-style-type: none"> the right to land share; the right to household, dacha land plots; the right to land plots attached to the residential and dacha houses; the right to land plots for construction of residential and dacha houses.
4.	Amendment to the Effectuation of the Land Code (May 11, 2002)	Validates	<p>Added three additional categories of recipients for land from the LRF.</p> <ul style="list-style-type: none"> • allowed (but did not require) additional LRF land to be provided on favorable terms to seed producing, breeding, experimental, teaching and experimental entities, and pilot stations independent of their organizational-legal form and type of ownership. • citizens of the Kyrgyz Republic living permanently in a rural area, who had the right to receive a land share but due to various reasons did not receive a land share at the time of the enactment of the Land Code, had a right to a free land share from land that was abandoned, left without heirs, voluntarily refused, withdrawn in compliance with legislation, or low-productive land. However, if, in exceptional cases, there was a shortage of such land, unclaimed land from the LRF could be distributed in land shares with approval from the Jogorku Kenesh. • The amendment gave a priority to receive free land from the LRF to citizens of the Kyrgyz Republic, living permanently in rural areas, who received their land share in due time, but due to various reasons relinquished them to the Agricultural Land Redistribution Fund. For these land shares, the ceiling size shall be determined by ayl keneshes and approved by rayon keneshes

IV. Law on Administration of Agricultural Land

1.	Law on Administration of Agricultural Land of January 11, 2001 #4 and Regulation #427, "On the Procedure of Purchase and Sale of Agricultural Land" (approved by the GOK Resolution of 08.13.01).	Validates	<p>Only in exceptional cases can LRF land be transferred to citizens' ownership according to the local keneshes' proposals, based on a decision of Kyrgyz Republic Government approved by the Legislative Assembly of the Jogorku Kenesh (national parliamentary body).</p> <p>Household land shares are indivisible under the law, no matter how large they are or whether or not they are one contiguous plot.</p> <p>Foreigners, legal entities, and urban dwellers cannot own or purchase agricultural land. Must live in a rural area for two years before purchasing land.</p>
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V. Law on Registration

1.	Government Resolution "On Ratification of Regulations on Implementation of Land and Agrarian Reform" of August 22, 1994 No.632	Validates	<p>Certificates on the right to use a land share must be issued to a household, and are issued by the rural committees for land and agrarian reform after registration in the land cadastre files of the <i>rayon</i> land tenure service.</p> <p>Certificates can be bequeathed, sold, exchanged, and mortgaged to the bank.</p>
2.	Presidential Decree "On Measures for Further Development and State Support of Land and Agrarian Reform in the Kyrgyz Republic" of November 3, 1995 No.UP-297	Validates	Employed the Ministry of Agriculture to start from January 1 st , 1996 a single system land registration of all categories of agricultural land for ensuring the protection of use rights for land parcels (shares).
3.	Regulations on the State Agency for Land Tenure and Land Resources under the Government of the Kyrgyz Republic (adopted by the Government Resolution of July 8, 1996 No.310)	Invalidated (had no legal force) in accordance with Government Regulation of the KR "The questions of State agency on land tenure of cadastres July 9, 1998 N 455	The State Agency for Land Tenure and Land Resources under the Government of the Kyrgyz Republic (Goszemagenstvo) is responsible for land registration, including registration of a use right to land.
4.	Government Resolution "On the Course of Implementation and Deepening of Land and Agrarian Reform" of August 14, 1997 No.475	Validates	Provided that Goszemagenstvo, jointly with the local state administrations, exchange the temporary certificates on the right to use a land share to permanent certificates at the expense of local budgets.
5.	Law on State Registration of Rights on Immovable Property and Transactions with It of December 22, 1998 No. 153	Validates	Established the legal basis and the order of implementation of the single system of state registration of rights to immovable property, including specially valuable agricultural land, and transactions in land. Gosregister was created as the Registration Agency.
6.	Government Resolution "On the Issuance of Land Right-Certifying Documents for Agricultural Entities" of February 2, 1999 No.68	Invalidated (had no legal force) in accordance with Government Regulation of the KR August 9, 1999 N 432 (see V-7)	<p>Adopted the form of the Certificate on the Right of Private Ownership of a Land Parcel.</p> <p>The former Certificates on the Right to Use a Land Share retain their legal force with the availability of the corresponding stamp of the State Agency for Land Tenure, Geodesy and Cartography under the Government of the Kyrgyz Republic.</p>
7.	Government Regulation of the KR "Terms of giving the certificates for the right of	Validates	Ministry of Agriculture and Water Economy of the KR, Kyrgyz Agrarian Academy and Gosregister jointly with oblast, rayon, state administrations are necessary to accept the reformation of

	using land shares in the KR" August 9, 1999 N 432		state, seed, experimental households, stations, polygons institutions, establishments and research institutions and other state establishments of agriculture and distribute the land plots (shares) of collective-peasant farms by the end of 1999, indicating the boundaries on location Certificates on the Right to Use a Land Plot (share) have a status of certificates on the Right of private property on land plot (share), issued in local printing-office and given for the citizens in their hands with stamp of Gosregister in 1995-98 Charged to Gosregister to issue the forms (blanks) concerning the Certificates on the Right of private property on land plot (share)
8.	Government Resolution "On Adoption of Forms of Documents Certifying the Right to a Land Parcel" of December 27, 1999 No.717	Invalidated (had no legal force) in accordance with Government Regulation of the KR July 3, 2002 N 457 (see V-9)	Adopted the single national forms for the following documents certifying the right to a land parcel: <ul style="list-style-type: none"> - State Act on the Right to Private Ownership of a Land Parcel; - State Act on the Right to Termless (without indication of term) Use of a Land Parcel; - Certificate on the Right to Temporary Use of a Land Parcel; - Certificate on the Right to Private Ownership of a Land Parcel.
9.	Government Resolution "On Adoption of Document Forms Certifying the Right to a Land Parcel" of July 3, 2002 No.457	Validates	Adopted new forms of documents for land parcels to be issued by the Gosregister. However, the documents issued earlier to individuals and legal entities retained their legal force and did not need to be re-registered.
10.	Law on Introduction Amendments to Some Legislative Acts of the Kyrgyz Republic of December 19, 2003 No.237	Validates	The state registration of rights to immovable property can be carried out by way of: <ul style="list-style-type: none"> • Systematic registration; Sporadic registration.

VI. Land market

1.	Regulations on the Procedure for Determining of Citizens' Land Shares and Issuance of Certificates of the Right to Use a Land Share (Adopted by the Government Resolution of August 22, 1994 No.632)	Validates	The certificate on the right to use a land share may be bequeathed, sold, exchanged, or mortgaged to the bank. This provision has generated certain difficulties while appraising.
2.	Presidential Decree of the KR "Measures on issuance the market of the right to use a land and creation the market system of credit in agriculture" November 25, 1996 Presidential Decree N 327	Validates	Charged to Government of the KR to introduce the register of sale, exchange, mortgage, transfer the right to use land plot (shares) in inheritance since January 1, 1997 Commission on sale of the right to use land plots of LRF is formed by the representatives of Ministry of Agriculture and provisions of the KR, State agency on land tenure and land resources under the Government of the KR and local state administrations. Commission should provide the right to sale for nature and legal entities about 50 percent of using lands of LRF on the basis of competitive selection and auctions with the creation of primary terms for the citizens of ayl okmotu to March 1, 1998
3.	Government Regulation "Measures on issuance the	Invalidated (had no legal force) in accordance with	Confirmed: <ul style="list-style-type: none"> - Provision concerning Republic and Rayon executive

	market of the right to use land" January 9, 1998 N 14	Government Regulation of the KR December 21, 2000 N 750 (see VI-8)	commissions on sale right to use LRF's land plots; - Temporary provision concerning the auction sale's right to use LRF's land plots
4.	Presidential Decree of the KR "Halting the sale's right to use LRF's land plots September 9, 1998 Presidential Decree N 275	Invalidated (had no legal force) in accordance with Presidential Decree of the KR "Declaration of some decisions which had no legal force according to the KR Government August 1, 2002 Presidential Decree N 202	Halted the sale for nature and legal entities of the right to use LRF's land plots till the accepting of the final decision of the question concerning of private property on land
5.	Law of the Kyrgyz Republic on Mortgage of May 29, 1999 No.41	Invalidated (had no legal force) in accordance with the KR Law "Mortgage" March 12, 2005 N 49 (see VI-12)	The ownership or use rights to agricultural land parcel may be the subject of mortgage. Consolidated the peculiarities of foreclosure of agricultural land parcels: <ul style="list-style-type: none"> • foreclosure is allowed only if a mortgagor does not have any other mortgaged property within this contract of pledge; • in the event of certain circumstances (crop failure, natural calamities, floods, hail, and other extreme weather conditions), at the request of a mortgagor, the court has a right, in its decision on foreclosure, to postpone the disposal of the land for a term of - up to three years. Mortgagor has the priority right to lease or purchase the agricultural land plot after its foreclosure and disposal through sale.
6.	Land Code of the Kyrgyz Republic, June 2, 1999	Validates	Imposed a 5-year moratorium on the sale of agricultural land. All sale of land from the LRF was halted The right to a land plot may be the subject of mortgage. Mortgage to the right to a part of a land parcel shall not permitted if this part is not apportioned as a separate land parcel.
7.	Presidential Decree(PD)of the KR of 13.06.00 PD №151 «Conducting the research projects on creation of land market and registration the rights on agricultural land plots»	Invalidated in accordance with Presidential Decree of the KR «Adoption of some decisions which had no legal force according to Government of the KR»of August 1 2002 roq Presidential Decree N 202	Included the researches in Sokuluk and Issyk-Atinskii rayons of Chui oblast and Kara-Suiskii rayon of Osh oblast Prepared and conducted projects on forming land market, registration of the rights of owners and land users of agricultural land plots on June 15, 2000, if they sale, mortgage and make another operations concerning the land
8.	Government Regulation of the KR "Confirmation of temporary provisions, regulating the land rights in research and registration zones of December 21 N 750	Invalidated (had no legal force) in accordance with Government Regulation of the KR «Adoption of some decisions which had no legal force of Government of the KR of November 13, 2002 N 766	Confirms the given temporary provisions, regulating land rights in research and registration zones: <ul style="list-style-type: none"> - Temporary provision concerning sale of agricultural land plot; - Temporary provisions concerning the conducting of auction on sale agricultural land plots; - Temporary provision concerning the conducting of competition on granting the agricultural lands and Land Redistribution Fund (LRF) in middle-term and long-term lease; - Temporary provision concerning the determination of lease payment for using agricultural lands having the state property.
9.	Law on Administration of Agricultural Land of January 11, 2001 No.4	Validates	Lifted the moratorium on the sale of agricultural land. LRF and pastures may not be sold into ownership

			<p>Agricultural land may be the subject of rental contracts, exchange, purchase and sale, mortgage and inheritance.</p> <p>However, there are certain restrictions on transactions: fragmentation of plots in the event of their purchase and sale is not allowed; there is a limit for the maximum size of land that can be owned by a citizen; only specialized agricultural financial institutions having a license from the NBKR can be mortgagees; exchange is allowed only within one aйл okmotu; succession to only one heir.</p>
10.	Regulations on the Procedure for Purchase and Sale of Agricultural Land Parcels of August 13, 2001 (Adopted by the Resolution of the Government of the KR No.427)	Validates	<p>Provided the procedure for auction sales of the state-owned agricultural land.</p> <p>Privately-owned land may be sold through auction at the discretion of a land owner.</p>
11.	Temporary Requirements on Mortgage to Agricultural Land Parcels (Adopted by Government Resolution and Resolution of the National Bank of the Kyrgyz Republic of September 4, 2002 No.605)	Validates	Established requirements for the commercial banks and specialized agricultural financial institutions, licensed by the National Bank of the Kyrgyz Republic, regarding mortgage to agricultural land parcels.
12.	The Kyrgyz Republic Law on Mortgage No.49 (March 12, 2005)	Validates	<p>Agricultural land may be the subject of contract of pledge.</p> <p>The mortgagees of agricultural land may only be the banks and specialized agricultural financial institutions which obtain a license from the National Bank of the Kyrgyz Republic.</p> <p>Article 66 introduced the following change in the procedure of foreclosure of agricultural land parcels:</p> <ul style="list-style-type: none"> in the event of certain circumstances (crop failure, natural calamities, floods, hail, and other extreme weather conditions), at the request of a mortgagor, the court has a right in its decision on foreclosure to postpone the disposal of the land for up to <u>one</u> year.
13.	The State Program "Development of Land Market and Immovable Property in Rural Areas till 2010". Adopted by the Government Resolution of February 11, 2005 No.76.	Validates	Directed not only the development of a sales market but also the development of a lease market for agricultural land, improvement of procedure of registration of transactions with land parcels, and enhancement of development of appraisal and realtor activities and mortgage crediting in rural areas.
14.	Government Resolution "On Introduction Amendments to the Government Resolution No.427 of August 13, 2001 "On the Adoption of Regulations on Purchase and Sale of Agricultural Land Plots" of September 9, 2005, No.422	Validates	Repealed provisions that a land plot consisting of the land shares of members of one family are considered indivisible .

VII. Pasture Legislation

1.	Regulation on Give near by and distant pastures in the KR (Approved by Minister's Cabinet Regulation of the KR of September 12, 1991 №448)	Invalidated in accordance with Government Regulation of the KR of November 29, 1999 N 649 (see VII-2)	<p>There are two kinds of pastures: near by and distant.</p> <p>Pastures are given for permanent (without indication of term) and temporary use.</p> <p>Considered the following transfer order (re-distribution) of pastures: suggested the special land draft which is included many aspects, for instance, along with technical characteristics and measures which are necessary for improving the pasture's condition.</p> <p>This draft is considered by farms (kolhoz, sovhoz, cooperatives, leshoz and so on) in general meetings, the decision of it is confirmed by rayon or oblast (if it concerns of interests of several rayons) and by Council of deputies or Minister's Cabinet of the KR (if it concerns of interests of several oblasts)</p>
2.	Regulations on Rent and Use of Pastures of November 29, 1999 No.649	Invalidated in accordance with Government Regulation of the KR of June 4, 2002 N 360 (see VII-4)	<p>Pasture allocation and management decisions are dispersed from three different levels of government, creating a lack of integrated ecological management, and complicating access for producers.</p> <p>In case of allocation of pastures from the Forest Fund, representatives of forestry enterprises must be the part of local representatives considering applications.</p>
3.	Law on Administration of Agricultural Land of January 11, 2001 No.4	Validates	Pasture land is under exclusive ownership of the State and may be only transferred for rent.
4.	Regulation #360 On the Procedure of Lease and Use of Pastures of June 4, 2002 by resolution of the government	Validates	<p>Introduced the tender procedure for pasture allocation (commercial and investment tenders)</p> <p>Pastures shall be allocated without competition to socially vulnerable citizens.</p> <p>Establishes a set of procedures for pasture allocation based around a written plan for "re-allocation, use and protection of pastures" to be elaborated jointly by, <i>rayon</i> and <i>aiyl okmotu</i> officials (article 9).</p> <p>The plan is to specify an overall use and management plan of the pasture within the oblast, rayon or <i>aiyl okmotu</i> based on a quantitative assessment of the pasture areas available, and their forage productivity. A plan for pasture rotation and other information concerning water, road access and infrastructure also needs to be developed.</p> <p>On the basis of these plans, competitive tenders are to be held for livestock holders who wish to rent pasture land (article 10).</p> <p>Allocation of pastures from the Forest Fund shall be decided with the participation of forestry bodies.</p>

VIII. Business Entities

1.	Law on Peasant Farms of February 2, 1991 No. 362-XII	Invalidated in accordance with the KR Law "Peasant Farms" of June 3, 1999 N 47 (see VIII-5)	<p>Two types of peasant farms were established: inherited and leased. Inherited peasant farms are based on land transferred to it for lifetime inheritable possession; leased peasant farms are established based on land transferred to them by the local Councils of Peoples' Deputies. The rental term can be no less than five years.</p> <p>Land of peasant farm may not be subject to purchase and sale, donation, mortgage, unauthorized exchange, or division.</p>
2.	Law on Cooperatives in Republic of Kyrgyzstan of December 12, 1991 No. 647-XII	Invalidated in accordance with KR Law "Cooperative" June 2, 1999 N 42 (see VIII-4)	<p>The main type of a cooperative in rural areas is an agricultural production cooperative.</p> <p>Land is allocated to agricultural production cooperatives for permanent use for farming and forestry. They are created after allocation to them or their members of a land parcel, in accordance with the established procedure, into ownership or for use.</p> <p>Collective farms qualify as agricultural production cooperatives.</p>
3.	Government Regulation "On Categories of Subjects of Agricultural Enterprises in the Kyrgyz Republic" (adopted by Government Resolution No. 158 "On Adoption of the Regulation on Categories of Subjects of Agricultural Enterprise in the Kyrgyz Republic" (April 12, 1996))	Invalidated in accordance with Government Regulation of the KR "Introduction of amendments (changes) in some decisions of the KR Government in solved system part, referring to the questions of simplifying of register procedures from the beginning of enterprise activity and giving the license on the right for trade January 31, 2000 N 47	<p>Defined following enterprise categories:</p> <ul style="list-style-type: none"> • personal household enterprise; • farm enterprise; • peasant enterprise; • collective peasant enterprise; • agricultural cooperative; • joint stock company; <p>state enterprise.</p>
4.	Law on Cooperatives of June 2, 1999 No. 42	Invalidated in accordance with KR Law "Cooperatives" June 11, 2004 N 70 (see VIII-7)	<p>Defined the main types of agricultural cooperatives: production, processing, marketing, service, purchasing, horticultural, and livestock cooperatives.</p> <p>Land parcels (shares) may be contributed to the cooperative as a share. They remain in the ownership of a cooperative member and are transferred to the cooperative for use only on condition of returning of the given land plot (share) in case of withdrawal from the cooperative. They may be mortgaged by their owner only after notifying the cooperative.</p> <p>As a share contribution, the right to use a land parcel (share) may be transferred to the cooperative— This norm has caused difficulties while appraising.</p>
5.	Law on Peasant Farms of June 3, 1999 No 47	Validates	<p>Peasant farms can function as a legal entity or as an individual entrepreneur.</p> <p>A peasant farm (established as an individual entrepreneur) can have in ownership land plots transferred by its members (based on a contract) as well as land plots purchased for the peasant farm using the common funds of its members.</p> <p>The right of ownership of a land plot or the right of use (rent) shall be transferred to a peasant farm on condition of return of the same land plot in case of withdrawal of the peasant farm member from the farm.</p>
6.	Government Resolution "On the State Program for Developing Agricultural	Validates	Adopted the State Program for Development of Agricultural Cooperative Movement in KR and an Action Plan for Development of an Agricultural Cooperative Movement in KR.

	Cooperative Movement in KR" of December 24, 2002 No.875		
7.	Law of KR on Cooperatives of June 11, 2004 No.70	Validates	Land parcels (shares) of agricultural production cooperative members shall remain in their ownership and may be transferred to the cooperatives only for lease - they cannot be contributed as a share. Changed the rules of admission and withdrawal from a cooperative membership.
8.	Law "Introduction of amendments (changes) and additions in Tax Code of the KR" February 1, 2006 N 32	Validates	Regulated that the delivery of home agricultural production by agricultural producer and the delivery of the converting agricultural and growing production by trade producers are the deliveries exempt from Value Added Tax

IX. Water Legislation

1	Law on Water of January 14, 1994 No. 1422-XII	Validates	The first major document regulating legal relations in the sphere of water resources. Totality of all water bodies and land occupied with water comprises the State Water Fund of the Kyrgyz Republic which is the State's property. Water infrastructure may be state property or the property of legal and natural persons as well as the property of foreign individuals or stateless citizens who obtained licenses in the established order.
2.	Water Code of the KR of January 12, 2005 No.8	Validates	As in the previous Act, established state ownership over land of the Water Fund. Land of the Water Fund may be allocated for temporary use to construct hydro-technical facilities subject to the decision of the Government of the Kyrgyz Republic. Defined the basics of the State policy on water, determined the competence of governmental bodies, as well as the Regulations on use and ownership of land of the Water Fund, etc.
3.	Law on Water Users' Associations of March 15, 2002 No.38	Validates	Determined the organizational principles for creation and activities of non-commercial organizations – associations of water users established to act for public interests and to manage and maintain irrigation systems in rural areas. Any individual or legal entity which owns an agricultural land parcel located within the WUA's operation area or which has a right to use this land parcel for a term over three years may become a WUA member.
4.	Procedure of gratuitous transfer of water maintaining facilities into the ownership of Water Users' Associations and their formations (Adopted by the Resolution of the Government of the KR of April 6, 2004 No.234)	Validates	The state irrigation systems have been transferred free of charge from <i>oblast</i> and <i>rayon</i> state administrations, <i>aiyl okmotus</i> into ownership of Water Users' Associations Peasant farms, agricultural cooperatives and other economic entities located in the Water Users' Associations operation area, shall also transfer free of charge their irrigation facilities to WUAs.

X. Forest Legislation

1.	Resolution of the Cabinet of Ministers of the RK "On Adoption of the Regulations on Order of Use of Agricultural Land Located on Lands of the Forest Fund" of September 12, 1991 No.449	Validates	<p>Local councils of people's deputies in agreement with the state forestry bodies shall allocate land of the Forest Fund for temporary use. The land user must pay a fee.</p> <p>Land of the Forest Fund shall be allocated to citizens of the RK, collective and state farms, other agricultural state, cooperative, and public enterprises, and organizations for:</p> <ul style="list-style-type: none"> • cattle grazing (except goats), • hay-making, • beekeeping, <p>other purposes.</p>
2.	Forest Code of RK of May 7, 1993 No. 1199-XII	Invalidated in accordance with Forest Code of the KR July 8, 1999 N 66 (see VII-3)	<p>Parcels of the Forest Fund shall be allocated into permanent ownership for forestry purposes to the state and other forestry enterprises, establishments and organizations.</p> <p>The use of agricultural lands within the Forest Fund shall be performed by way of field farming, hay mowing, cattle grazing, beekeeping, gathering of wild-grown food resources and medicinal herbs, technical raw materials, etc.</p>
3.	Forest Code of KR of July 8, 1999 No.66	Validates	<p>The State Forest Fund is under exclusive ownership of the State. Land parcels - out of the category of unused land – may be allocated into private ownership for the purposes of artificial forestation.</p> <p>The Forest Fund parcels can be allocated for use both to organizations and citizens of the KR and foreign legal entities and citizens as well as to international organizations.</p>
4.	Regulations on Procedure of Leasing and Use of Pastures. Approved by the Government Resolution of June 4, 2002 No.360	Validates	<p>Economic entities (natural and legal persons) willing to lease pastures from the Forest Fund shall apply to the forest service bodies.</p> <p>Representatives of the State Forest Service shall be a part of the land tender commissions.</p> <p>The documents for leasing pastures of the Forest Fund are the lease contract, the certificate on the right to temporary land use, the forest ticket for leasing (side-use) of pasture land of the Forest Fund.</p> <p>70 percent of rent shall remain under the authority of forestry enterprises and be used for rehabilitation, preservation and protection of forests.</p>

Annex 2: Key Resource Person's Papers

6. In this Annex four papers on Land Reform and its Effect on the Economy, written in the autumn of 2006 for this study, by:

- **T.E. Omuraliev**, the President of the Congress of Local Communities;
- **E. Aliev**, the retired Head of the Ex- Centre of Land and Agrarian Land Reform;
- **S.M.Tynaev**, Deputy Minister of Agriculture and Water Economy;
- **A. Abdiev**, the Head of the of Technical Department at the KyrgyzGizprozem.

1. T.E.Omuraliev: Land Reform in Kyrgyzstan

T.E.Omuraliev is the President of the Congress of Local Communities of the Kyrgyz Republic

A. Introduction

7. The whole history of mankind shows that the issue of landownership and improvement of land relationship always was, is and will be one of the main problems of any state, of any public, political, social and economic system.

8. It is not by accident that theoreticians and experts of various positions, while saying about main factors of social production, mention, first of all, the land as eternal driving force, since carrying out economic activity on land always represented one of the most acute issues for any human society. At the modern stage of development of mankind the urgency of this issue may not be reduced by special attention paid to development of industry in general, to development of high technology and backbone industrial branches, high-technology structures and intellectual and information spheres, since a human being must always live on land. That is why land issues always were and always must be a priority subject of national policy of any state and these issues must be in the focus of interest of the society, so that a village could become convenient, rich and perspective residence for rural communities.

9. It is especially true in respect of Kyrgyzstan, which already in Soviet times specialized on sheep breeding and production of technical agricultural cultures, and at that time already it became an **agrarian** Republic. After collapse of the Soviet Union and acquirement of sovereignty in 1991, the young Republic had to solve urgent problems, first of all, in the agrarian sector, since the former socialist Republic suddenly lost huge subsidy from the Union's budget, on which account the agriculture of the Kyrgyz SSR was functioning. In these circumstances the Republic had to settle promptly the most urgent problem of that time – whether to continue the practice of collective farms and collective use of land on the basis of existing kolkhoz-sovkhoz system or to change the course and start the policy of privatization of the exclusive state ownership to land and transfer of the agrarian sector to the multistructure market economy.

10. The progressive and democratic part of State officials and political elite of the Republic of that time proceeding from the policy of restructuring of land relationship, which started in the USSR at the end of 80-ties, has chosen to reject the socialist method of agriculture based on the principles of collective land use. Nevertheless, at that time few people could realize that restructuring of the whole system of economic, land, and agrarian relations in the country, formed during 75 years of Soviet power, is an extremely complex task. Moreover, it was revealed that there is no possibility to study any other experience in carrying out the land reform. For Eastern Europe countries and Baltic Republics, which - before being Soviet countries - were bourgeois states with developed institute of private landownership, this task was much easier, since they used a right of restitution, - that is restoration and renewal of right of private ownership for former landowners. Among post-soviet countries the most difficult task of choosing the way of further development of agriculture had to be

solved by Central Asian Republics and Kazakhstan which “jumped” from nomad and semi-nomad feudal system to socialism and which used during 75 years of soviet power to collective property in respect of everything. Probably, this is the reason, why none of Central Asian Republics, except Kyrgyzstan, dared to start radical reform of land relationship, since it was not only very complicated but also very risky task.

11. Naturally, many Kyrgyz people, who were educated in the spirit of collectivism and State paternalism, also were in doubt and were afraid of the incoming reforms, and they did not believe that the young Republic would be able within a short period of time to settle the problem of radical reformation of land relationship and to settle the issues of providing good life for rural population.

12. At the same time the active part of rural workers, being tired of administrative and command relationship in the kolkhoz and sovkhoz production, strived to free and independent creative work at land in order to achieve material well-being and independence. Refusal from collective maintenance of agriculture was facilitated also by fast process of obtaining sovereignty by former soviet republics. This process led to breakup of existing production and economic links among former soviet republics, and that extremely negatively influenced all the sides of life of the Kyrgyz Republic. First of all, agricultural production of Kyrgyzstan started to encounter extremely big difficulties, which, as we mentioned earlier, earlier has been developed mainly on the account of big subsidies from the Union's budget and on the account of material and technical supplies from other Union Republics.

13. In these circumstances, the young independent Republic had – without long preparation - to start land and agrarian reforms. These reforms have passed number of extremely complicated and difficult stages of development during the years of independent development of the country.

14. Despite the fact, and may be because of the fact that reforms in the sphere of land relationship were carried out often by method of “shock therapy”, - this reform, aimed to cancel monopoly of state ownership to land, took place in the whole of the territory of the Republic without big political cataclysms, collisions and excesses. It made it possible to transform land relationship and distribute farmlands among those who worked on it permanently, and to add the constitutional status of a citizen of Kyrgyzstan by ***the right to have farmland in private ownership***.

15. According to the results of land-agrarian reform in agriculture, more than *2596 thousand people* (52% of 5 million of the population of the Republic) or ***510 thousand families*** have got not only land shares due to them, but also have acquired a right of private ownership to the land shares without any re-registration of documents, free of charge and without any additional fee. (See: the Law of the Kyrgyz Republic “On Introduction of the Land Code of the Kyrgyz Republic” of June 16, 1999).

16. At the same time, we have to admit that due to number of reasons of objective and subjective nature serious defects, omissions and mistakes were made in the course of land reforms, and all this negatively affected tempo, quality and efficiency of the reforms. These factors negatively influenced and continue to negatively influence state of agriculture and the level of life of rural residents, giving a good ground to opponents of innovations in the country not only to criticize but also to reject completely the whole idea of land reforms by representing the land reform as an irreparable mistake in the agrarian policy of the State.

17. Since the past is the basis of the future, there is the need not only to study the history of passed events in the country, but also to analyze objectively the reasons for positive and negative factors in the sphere of held legal land relations and their reflection in the state of agricultural production and level of life of the rural population. Especially, it must be done these days, after the events of March 2005, when assessment and re-assessment of everything - achieved in all the spheres of life of the State and society during 15 years – takes place in order to develop new approaches and directions for further development of the country. In this connection, the study of reforms held in the sphere of land relationship and their influence to poverty reduction in the country will make it possible for the government bodies, local governments, political and other public organizations of the Republic to obtain good experience in order to avoid mistakes in the future.

18. Since the analysis covers the basic stages of the land reform the passed events are considered stage by stage on the basis of their chronology, mass character and importance.

B. The Initial Stage of the Land Reform (1990 – 1993)

19. In order to provide historical integrity and objectiveness of the picture of the passed changes in the sphere of land relationship it should be noted that first attempts to reform the existing socialist principles of landownership and land use in Kyrgyzstan were made already in the soviet times. Under influence of so called "Gorbachev" restructuring processes the Supreme Soviet of the USSR in 1990 adopted the Fundamentals of Land Legislation. These Fundamentals introduced lifetime inherited land possession, rent of land and other important innovations in the sphere of land relationship.

20. In this connection, Jogorku Kenesh (Parliament) of the Republic in order to fulfill the Union laws adopted in the beginning of 1991 the laws of the Republic of Kyrgyzstan **"On Land Reform"**, **"On Peasant Farm"** and the **Land Code** of the Republic of Kyrgyzstan. These unique in the conditions of socialism legal acts adopted just before the collapse of the Soviet Union, made it possible to liberate to a certain extent the kolkhoz peasantry and to develop their creative initiative based on democratization of land and administrative-command relationship.

21. Under the influence of the mentioned laws first small farms as well as associations of peasant farms, like "Kyzyl-Tuu" in Kemin rayon and "Ornok" in Jumgal rayon formed on the basis of the corresponding kolkhozes, appeared in certain regions of Kyrgyzstan. Number of progressive leaders of party and soviet bodies resolutely supported these innovations considering them as the key to implement the Food program of the country and reformation of obsolete land-production relations. But most of the party and soviet elite and bureaucracy of that time, being aware of the fact that democratization of the land processes and administrative-command system in agriculture will reduce the sphere of their influence and direct command, secretly committed sabotage of implementation of the legislation on land and peasant farms.

22. In addition to that the laws "On Land Reform", "On Peasant Farm" and the Land Code of the Republic of Kyrgyzstan - adopted in the conditions of socialism without account of specific features of transition period from socialism to capitalist relations – bore mainly declarative nature. That is why these laws had no mechanisms for their implementation, and, secondly, they in many respects contradicted to the current legislation of the Republic.

23. The situation changed after introduction in the Republic of the institute of presidency and election by the Supreme Soviet of the Republic of the first President of the Kyrgyz Republic - Askar Akaev - on 27 October 1990. It should be noted that establishment of the post of the President of the Republic, one of the main goals of which was development of political and socio-economic reforms, indeed gave a powerful incentive to process of reformation of many spheres of life of the young Republic and especially in the agrarian sector of the economy.

24. To this testifies the fact that already in three months after assuming his office the head of the State on 15 February 1991 signed the Decree "On Measures to Implement Land Reform in the Republic of Kyrgyzstan". The Decree has assigned, for the first time, specific tasks to central and local authorities on organization of initial stage of land reforms for the period from 1991 to 1993. Under this Decree the local Soviets of peoples deputies (hereinafter – local Soviets) were ordered to form at their territories a special land fund on the account of non-used and improperly used lands of kolkhozes and sovkhoses in order to provide land plots to newly formed peasants' and farmers' enterprises and to individuals for maintenance of their subsidiary households. The Cabinet of Ministers in its turn had to find ways to transform ineffective kolkhozes and sovkhoses into associations of peasants' enterprises, cooperative societies, and to allocate the lands of such kolkhozes and sovkhoses to farmers, peasants' enterprises and to other land users. At that, it was agreed that coercive dismissal of kolkhozes and sovkhoses shall not be allowed.

25. Based on this Decree an inventory of farmlands has been started, and that inventory allowed to reveal non-used land plots and to register them in the special land fund of the local Soviets. Nevertheless, since many land plots not used by the kolkhozes and sovkhoses were located far from settlements and by number of reasons such land plots could not be used for effective farming, - many rural citizens at that time were not eager to rent these land plots or to take them for maintenance of a peasant enterprise.
26. For these reasons the President of the Republic on **14 May 1991** published his Decree "On Formation of Peasants' Enterprises in the Republic of Kyrgyzstan in 1991" which recommended the Oblast and Rayon Soviets of Peoples Deputies to consider at special sessions in May-June 1991 issues of formation of peasants' enterprises on the basis of current land law. The Decree also stated that - taking into account special conditions of **Naryn and Talas oblasts** characterized by low density of population per unit of land area - the land plots to those willing to form a peasant enterprise shall be allocated not from **the stock of lands of little use**, as it was earlier, but from **arable lands** of the mentioned kolkhozes and sovkhoses. At that, the area allocated for growing forage was established at the level from 15 to 26 hectares, while the area for growing potato and vegetables - up to 2 hectares. These provisions have arisen great interest among members of collective farms in Naryn oblast, and active discussion of the ways and methods of withdrawal from kolkhozes and formation of peasants' enterprises started at their general meetings. But, in connection with that the Decree was promulgated in May, when all the arable lands were already sown by kolkhozes and sovkhoses, it was decided to start allocation of lands for the peasants' enterprises in autumn after harvesting.
27. Exactly at that time on the political arena of the USSR and Union Republics there was vehement strife between followers of the old communist system and of the new democratic system, and that strife ended by victory of the latter. Having obtained sovereignty on **31 August 1991** the Kyrgyz people first time in his history started to build a democratic state and its new economy, including the agrarian economy, which had to be based on market relations.
28. The choice of the new economic policy was facilitated first of all by the fact that after collapse of the USSR the kolkhoz-sovkhoz system of the Kyrgyz Republic having lost huge subsidies from the Union's budget started to move to deep system crisis. As a result of sharp breakup of economic links among former Union Republics the inevitable reduction of supply of oil-products, combustible-lubricating materials, fertilizers, herbicides, veterinary medications, seeds, spare parts to agricultural machinery to the Republic took place, and that negatively affected the state of agriculture in the Republic. Crop capacity has dropped considerably and loss of cattle became extremely dangerous. The way out of such situation was only hope for initiative of free peasants who got rid of the forced labor and who had at their disposal land, cattle, machinery and other basic facilities.
29. In these circumstances the new Presidential Decree "On Urgent Measures to Provide Implementation of the Laws of the Kyrgyz Republic Regulating Land and Other Relations in Agriculture" has been issued on 10 November 1991. The title of the law itself and the volume of the law consisting of 23 points showed all the seriousness, purposefulness and large scale of the State arrangements to push forward land reforms at the local level.
30. First of all, the local Soviets of Deputies were charged to form before **1 February 1992** land fund with the volume not less than **1.5 million** hectares of farmlands for general allocation to rural citizens and townspeople for formation of peasants' enterprises and agricultural cooperative societies, as well as for vegetable gardens and for subsidiary households. Secondly, it was planned to form the **National Land Fund** of the Republic in the amount of **50** per cent of arable lands and withdrawal farmlands from loss-making and low-profitable kolkhozes before 1 February 1992 with reorganization of the kolkhozes into agricultural cooperative societies. Third, members of the kolkhozes and workers of the sovkhoses were granted the right to leave these organizations and form peasants' enterprises on the basis of allocation to them **means of production** with the account of their share in the common property **irrespective of availability of consent to that from the general meeting of the collective** of the kolkhoz or sovkhos. At that, it was established that

peasants' enterprises and cooperatives formed on the basis of loss-making kolkhozes and sovkhozes **shall not be considered their legal successors** and shall not be answerable for the debts of those kolkhozes and sovkhozes. The Government was ordered to take number of important and urgent arrangements providing implementation of the mentioned tasks, which included also issue before 1 February 1992 of not less than **50 thousand** copies of State acts and certificates for the right to possess and use the land.

31. Such resolute and purposeful decision of the head of the State, who put the interests of creation of independent peasants' enterprises higher than the interests of collective enterprises, which prevailed earlier, inspired rural workers who were yet in doubt about seriousness of intentions of the State power in respect of pushing forward the land-agrarian reforms. Especially active movement for creation of peasants' and farmers' enterprises on the basis of former kolkhozes and sovkhozes started, for example, in Jumgal, Tian-Shan and Ak-Tal rayons of Naryn oblast.

32. In Tian-Shan rayon, where the author worked at that time as the Chairman of Tian-Shan Rayon Soviet of Peoples Deputies, the mentioned Presidential Decrees were discussed **in November 1991** at the first in the history of Kyrgyzstan **Rayon Kurultai** of Deputies of local Soviets of all the levels. In accordance with the new policy of the State in the sphere of land-agrarian relations the Kurultai approved the Rayon Regulations on principles and procedure for formation of peasants' and farmers' enterprises on the basis of abrogated kolkhozes and sovkhozes, and division of lands, public cattle and means of production to shares with the account of specific features of every village Soviet.

33. Due to its thorough preparedness taking into account difficulties and nuances of the transition period, the mentioned Rayon Regulations contained number of important principles and specific features which at that time **were not yet provided in the decisions of the head of the State and the Government of the Republic**. First, it contained more accurate and flexible mechanism for distribution of land and public cattle among members of collective farms and other village residents making it possible to observe **social fairness** and avoid discontent with the results of privatization among village residents. Second, the Regulations obliged the authorities to determine the actual area of all the land plots, quantity and quality of movable and immovable property, as well as the cattle stock being in the balance of abrogated kolkhozes and sovkhozes in open and transparent way. It was made in order to prevent fraud, misappropriation, other negative phenomena **in the process of determination of shares, their distribution** among members of former kolkhozes, and other categories of rural population. At general meetings held in all the **14** kolkhozes and sovkhozes of the Rayon in the very beginning of 1992, collectives of **7** farms decided to form peasants' and farmers' enterprises on the basis of total abrogation of the kolkhoz and State ownership to land, cattle and other means of production.

34. In accordance with the requirements of the Rayon Regulations public commissions developed recommendations on establishment of the size of land and property shares in the abrogated farms. On their basis, the general meetings of the abrogated kolkhozes and sovkhozes approved the norms of land and property shares to be allocated to every member of a collective farm and his family, and the terms and procedure for their allocation. As a result of this purposeful work the mentioned 7 farms managed already by 1 April 1992 complete privatization of kolkhoz and sovkhoz (state) property, and that **differed substantially** from the processes held in the sphere of land-agrarian reforms in other rayons and business entities of the Republic.

35. The difference, first of all, was in that in Tian-Shan rayon the right to receive a land share was granted not only to members of kolkhozes and workers of sovkhozes, but also to **teachers, workers of public health service, specialists working in the sphere of culture and to employees of other governmental organizations** residing in their territories and rendering services to their workers. In addition to that land plots were also granted to former members of the kolkhozes and workers of sovkhozes who have retired or who become disabled (The Presidential Decree on the possibility to grant land shares to the workers of such categories and to pensioners

was issued only on 10 December 1992, that is in one year after the initiative of Tian-Shan rayon authorities.

36. Secondly, while the legislation of that time provided for allocation to peasants of land plots only, the Rayon Kurultai's decision established that all the members of kolkhozes and workers of sovkhoses, who leave these organizations, shall also have the right for obtaining their shares **from the cattle stock and stock buildings** for maintenance of peasants' (farmers') enterprise.

37. Third, organization of open and transparent public registration and inventory of all the land, cattle stock and property, being in the balance of the abrogated kolkhozes and sovkhoses, made it possible to avoid their loss, misappropriation and embezzlement, which later took place in the course of reforms in many other regions of the Republic.

38. Another specific feature of land and agrarian reform in Tian-Shan rayon was in that in the course of abrogation of the kolkhozes and sovkhoses the agricultural machinery, auto transport, garages, mechanical shops, granaries and other means of common use **were not divided into individual shares and were not distributed** among the peasants. All of them **were transferred in full to newly formed Associations** of peasants' and farmers' enterprises. The Association's duties included ploughing and harvesting of all the shared land plots, preparation of seeds for the peasants' (farmers') enterprises, as well as all other general agricultural works held based on schedules and prices approved at the peasants' meetings. For the Associations to have their own funds for carrying out the mentioned general works and for maintaining of technical and other facilities designed to serve the peasants' enterprises, the Associations had in their disposal certain part of arable lands, cattle and pastures. On the account of that the Associations also rendered assistance to old people, invalids and to other indigent people not able to conduct their own peasants' enterprise, and the Associations also provided assistance in repair and maintenance of objects of social infrastructure of villages.

39. The same purposeful work in 1991-1992 was also carried out in Jumgal rayon, where a radical reorganization of all the kolkhozes also took place on the basis of complete distribution to rural population of the land, cattle, cattle buildings, technical and other facilities. Nevertheless, this process in that rayon was accompanied by formation of **agricultural cooperative societies** serving peasants' and farmers' enterprises. Approximately one half of their kolkhozes were also abrogated in Ak-Tal rayon of Naryn oblast where peasants' enterprises were formed on the basis of those kolkhozes with the account of local specific conditions.

40. Unfortunately, central agencies - dealing with the issues of development of strategy and tactics of rural reforms at that time - did not study, analyze and use the experience of these rayons of Naryn oblast. That led to slowing down the process of reforms, to number of serious omissions, shortcomings and mistakes. Thus, according to the Resolution of the Government # 562 dated 2 December 1991 an individual in order to receive a land plot to life-time inherited possession in addition to availability of higher or secondary special agricultural education and working experience in this field had to obtain recommendations from administrations of kolkhozes and state enterprises in respect of his abilities and relations to agricultural production. Naturally, using this provision most of administrators of kolkhozes and sovkhoses prevented issue of the said recommendations in every way. (If delegates of peoples Kurultai in Tian-Shan rayon followed this decision of the Government, there would never be any land reform).

41. On the other hand, many local Soviets of Peoples Deputies and their governing bodies, which had many opponents of land-agrarian reforms, intentionally delayed implementation of decisions of higher governing bodies of the Republic or because of their low professionalism and for other reasons made serious mistakes which also negatively affected the tempo and quality of the reforms. To this testifies, for example, unsatisfactory work of local governing bodies of Talas oblast which failed to use possibilities provided to them (as well as to Naryn and other oblasts) by the Presidential Decree. (See Resolution of the Government of the Kyrgyz Republic # 271 dated 23 June 1993 "On Progress in Implementation of the Decree of the President of the Republic of Kyrgyzstan dated 10 December 1992 "On Measures for Further Implementation of Land and Agrarian Reform in the Republic of Kyrgyzstan" in rayons of Talas oblast").

42. Taking into account absence in villages of any bodies designed to address in detail and professionally the issues of land reforms on initial level, **village committees on land reform** were formed on the basis of the Decree of the President of the Republic of 13 January 1992. These committees were financed on the account of the corresponding local Soviets. It was explained by the fact that these village committees were recognized as **territorial public self-government bodies** and were subordinate to the meetings which took the decision on their formation.

43. Based on generalized working experience of these village committees in the sphere of land-agrarian relations the Presidential Decree "On Measures for Further Implementation of Land and Agrarian Reform in the Republic of Kyrgyzstan" was issued on **10 December 1992**. Significance of this legal act consists in its recommendation to divide **conventionally** the lands belonging to kolkhozes and sovkhoses into shares so that they would provide a right to a land plot to every their member. For social fairness it was also established that the right to a land share, value of basic and revolving funds of kolkhozes and sovkhoses shall also have pensioners and disabled people who worked in them, as well as workers of public health service, workers in the sphere of culture residing in their territories and serving their workers.

44. At the same time this Decree established for the first time that objects of social infrastructure (houses of culture, clubs, school buildings, etc.) in the course of their privatization or reorganization could be transferred free of charge to common ownership of members of a working collective acquiring basic and revolving funds or they may be transferred to the balance of local authorities. (See Decree of the President of the Republic of Kyrgyzstan of 10 December 1992 "On Measures for Further Implementation of Land and Agrarian Reform in the Republic of Kyrgyzstan").

45. Summing up the results, a special land fund was forming in the country on the account of lands not used by their targeted designation and of inefficiently used lands at the first stage of the land reform that is within the period from 1991 to 1993. This special land fund was used to provide land to newly formed peasants' enterprises, agricultural cooperative societies and farmers. In spite of the fact that the peasants' enterprises received the worst lands in the Republic by the end of 1993 there was already 18.3 thousand farmers' and peasants' enterprises, which had in their possession 183 thousand hectares of arable land, that is 12 per cent of all the arable lands of the Republic. Although rather slowly but, nevertheless, low-profitable enterprises have been reorganized, since in kolkhozes and sovkhoses suffered huge and irreplaceable loss of public cattle, and agricultural production there continued to be sharply reduced.

46. At the same time the first stage of land reforms characterized in many aspects by chaotic character of actions of government bodies in the center and at a local level, by their confusion and by secret ignoring or sabotage of decisions of the President and the Government. Naturally all this negatively affected not only the process and quality of implementation of the declared reforms, but also the state of development of the State policy in this sphere. To this testifies the fact that in the first Constitution of the sovereign Kyrgyz Republic adopted on 5 May 1993 paragraph 3 of article 4 states that: "... land plots may be transferred to citizens and their associations **for their use**. Purchase and sale of land shall not be allowed". Thus, the first "legendary" Kyrgyz Parliament while having made a historic step – by introducing in 1993 national currency – at the same time did not dare to introduce private ownership to land having left decision of this key issue to discretion of its future successors.

C. Stage of Intensification of Land Reform (1994-1998)

47. The beginning of 1994 in the agrarian sector of the young State has been marked by symbolic by its essence and significance Decree of the President of the Kyrgyz Republic of 22 February 1994 "On Measures to Intensify Land and Agrarian Reform in the Kyrgyz Republic". This act established that citizens and legal entities of the Republic **may be owners of the right to use** a land plot (land share) and **have the right to sell**, exchange, demise, pledge and rent out their right to use a land plot (land share). At that, 49 years term of land use was established for the said land users who could prolong this term, provided they were working at their land plots.

48. While taking this political decision in the conditions of absence in the Republic of the Constitutional right of private ownership to land, the head of the State this way tried to convince peasants and farmers, which number has been more and more increasing, that they are the true masters and managers of their rights to the land plots (shares). To this also testifies the fact that the government bodies were prohibited to interfere into economic activity of the owners of the right to use a land plot.

49. On 25 March 2004 the Government enacted very important Resolution # 148 "On Urgent Measures to Intensify Land and Agrarian Reform" obliging the corresponding ministries, departments and local administrations to develop and approve normative documents regulating the issues of land management, improvement of soil fertility, land evaluation, etc. The Ministry of Agriculture was charged to prepare draft of the **Republican Program for Land and Agrarian Reform** before 1 June 1994 and to coordinate the activity on formation of enterprises of various forms of ownership dealing with material and technical support, repair and maintenance of irrigative and collector-drain networks, agro-chemical service, stocking up, processing and sale of agricultural products.

50. By its Resolution # 632 of 22 August 1994 the Government approved the Regulations on the procedure for establishing land shares for individuals and issuing of a Certificate for the right to use a land share, and also approved the Regulations on reorganization of agricultural enterprises. (As pointed out above, in Tian-Shan rayon the Regulations for procedure of establishing land shares and reorganizing kolkhozes and sovkhoses were developed and implemented already in the beginning of 1992).

51. Meanwhile, the incoming reports and real situation at the local level showed that decisions of the Government of the Republic not always and not everywhere were fulfilled timely and accurately, and, as a result, the process of the land and agrarian reforms was slowed down. The Government of the Republic upon considering on 3 October 1994 the process of implementation of the Presidential Decree of 22 February 1994 "On Measures to Intensify Land and Agrarian Reform in the Kyrgyz Republic" had to point out **insufficient work** of the Ministry of Agriculture, oblast and rayon state administrations and obliged them to take decisive measures to further intensify the reforms in agriculture. (See Resolution of the Government of the Kyrgyz Republic # 743 of 3 October 1994 "On the Process of Implementation of the Decree of the President of the Kyrgyz Republic of 22 February 1994 "On Measures to Intensify Land and Agrarian Reforms in the Kyrgyz Republic").

52. In 1995, as distinct from previous 3 years filled with the problems of formation of peasants' and farmers' enterprises, Government paid main attention to issues of legal and socio-economic support of the land reforms. To this testifies the Presidential Decree of 3 November 1995 "On Measures for Further Development and Governmental Support of the Land and Agrarian Reform in the Kyrgyz Republic". First of all, under this Decree, the term of land use for owners of land plots (shares) has been extended from **49 to 99** years. Secondly, the Government had to submit to the Parliament for its consideration the issue on **introduction of private ownership to land**. Third, heads of local state administrations had to complete before 31 December 1995 issue of unified Certificates for the right to use land, while the Ministry of Agriculture was ordered to start from 1 January 1996 registration under a uniform system of all the categories of land in order to protect the rights to use land plots and formalization of legal documents on purchase and sale, exchange, pledge and rent of the right to use a land plot. Heads of local state administrations also had to provide **transfer of objects of social infrastructure** in rural area **to the balance of village committees** on land and agrarian reform; these committees had to be financed on the account of land taxes to be collected in the corresponding territory.

53. In addition to that based on the decisions of the President, the National Land Fund was **abrogated** and instead the **Land Redistribution Fund (LRF)** was formed under the Ministry of Agriculture. In this connection, the earlier formed oblast and rayon centers for land and agrarian reforms were also subordinated to this Ministry.

54. The arrangements to strengthen the political and legal basis for the land and agrarian reforms made it possible to stir up the process of land reform, and as a result of that **399** kolkhozes and sovkhozes out of **504** were reorganized within the period from 1994 to 1996. By that time substantial changes took place in the forms of ownership to land and methods of agricultural production, as well as in the mentality of the rural residents themselves. Comparative analysis showed that crop capacity and labor productivity in many peasants' and farmers' enterprises found to be 1.5 – 2 times higher than in kolkhozes and sovkhozes. Most important is that market prices for basic food products started to have tendency to reduction, especially in respect of bread and potato, and that considerably improved life of indigent part of population.

55. Nevertheless, the results of the land and agrarian reforms could be much better if the arrangements - provided for in the decisions of the head of the State and of the Government of the Republic - were more timely and more circumspect, and the actions of ministries, departments and local authorities, aimed to implement those decisions, were more coordinated and more responsible. One of the examples of such not well thought-out policy is the **destiny of village committees** on land and agrarian reforms, which were considered as the main driving force in implementation of the said governmental decisions.

56. However, because of primordial wrong approach to the issue of organization of this institute these committees failed to fulfill their mission in the sphere of transformation of land and social relations in the country. According to the Presidential Decree on Village Committees on Land Reform of 13 January 1992, they were **legal** entities being at the same time just the bodies of territorial **public** self-government subordinate only to the meetings, which elected them. The mistake here, first, consisted in that they received status of just the body of territorial **public** self-government, which, according to the current law on local self-government, may not be a legal entity and exercises any **administrative and executive powers**. Second, funding of these village committees had to be provided on the account of **the budget of village Soviets** of Peoples Deputies, but at that, they for some reason **were not considered accountable to these Soviets**. This circumstance became the reason for confrontation between these two entities. Third, offering and approval of the nominees for the position of chairperson for more than 400 village committees, being the bodies of territorial **public** self-government, was imposed on the State Committee of the Republic of Kyrgyzstan on Land Reform. Fourth, the Republican, oblast and rayon centers on land and agrarian reforms were giving uncoordinated and ambiguous orders and instructions directly to the village committees considering them as their own structural units. The reason was that all these governmental bodies were interested only in the issues of reforming land relations, although their duties covered also the functions **for settlement of social problems of the rural territories** in the course of privatization of objects of social infrastructure and reorganization of kolkhozes and sovkhozes. It is confirmed by the fact that under the Presidential Decree of 22 February 1994 it was expressly established that 50 per cent from the sum of land tax for use of farmlands shall be transferred to the local budget and shall be used **by the corresponding village committee exclusively for social development** of that territory.

57. However, the village committees - being by the mentioned reasons "servant of number of masters" - did not pay enough attention to social problems of rural territories and to the issues of poverty reduction, and became the **bodies of self-government only formally**. As a result, almost all the objects of social designation, which could bring any profit to the local budget (shops, bath-houses, Houses of Culture, etc.), were privatized or misappropriated in the first place. Village Soviets of Peoples Deputies and later ail keneshes, which replaced them, could not prevent the process of "squandering" of these objects since the village committees, as it was mentioned above, were not subordinate to the representative bodies of village authorities. As a result, such socially important objects as village schools, hospitals, first-aid and obstetric posts, water supply and sewerage networks, and other objects - which, because of lack of budget funds, were often being repaired and maintained on the account of "friendly" assistance from kolkhozes, sovkhozes and other governmental enterprises, - suddenly found themselves in the position of an "orphan".

58. Such approach of village committees to the social issues of rural development threatened in future by unpredictable social consequences in the sphere of life support of the rural population. In

order to provide uniform policy in implementation of land and agrarian reforms and reform of the local self-government in the country qualitatively new bodies – ail okmotu (village councils) – were formed by Decree of the President of the Kyrgyz Republic of 20 March 1996 “On Measures to Increase the Role and Responsibility of Heads of Local State Administrations and Local Authorities” **on the basis of village committees abrogated by the same Decree**. Unlike the village committees the mentioned new bodies were **administrative-executive** bodies **under** ail keneshes, to which jurisdiction the functions and powers of assistance to implementation of governmental arrangements on land reform have been transferred.

59. Such combination of the process of reforming land relations and restructuring of management at the local level made it possible to decide simultaneously the urgent social problems of rural territories. Based on the Resolution of the Government # 531 of 11 November 1996 “On the Procedure of Transfer of Objects to Communal Ownership of Local Communities of the Kyrgyz Republic” list of objects to be transferred to the new type of ownership was approved; the list contained information about residual value of the objects with the account of specific features for each oblast of the Republic. Based on this decision the process of commission transfer of schools, hospitals, kindergartens, day nurseries, libraries, sport and other installations to the ownership of local communities started throughout the country, and that process made it possible to put an end to the phenomena of abandoned property and mismanagement in the rural areas.

60. 1997 and 1998 were interesting and ambiguous years for the land reform. By Presidential Decree of 25 November 1996 “On Arrangements to Introduce Market of Land Use Rights and Form Market Crediting System in Agriculture” the Government was charged to introduce from 1 January 1997 registration of sale, exchange, pledge, renting, demise of the rights to use land plots (shares) in order to protect rights of peasants to land and reduce poverty. It was caused by the fact that hidden market for purchase and sale of farmlands was acting in the Republic among individuals leaving the Kyrgyz Republic or moving for permanent residence from one region to another. At the same time, the Commission for sale of rights of use of land plots from the Land Redistribution Fund was charged to sell rights for use of **50 per cent** of lands of the said Fund by **1 March 1998**.

61. However, already on 6 October 1997 the Government of the Republic by its Resolution “On State of Collection of Rent for Use of Lands of the Land Redistribution Fund under the Ministry of Agriculture and Water Economy of the Kyrgyz Republic” pointed out **unsatisfactory** work of oblast and rayon state administrations in providing effective use of LRF lands and targeted spending of funds received from the land rent. This decision of the Government showed that transfer of the Fund's lands spread all over the Republic to jurisdiction of bureaucratic Ministry was not a right approach, because that Ministry failed even to establish borders of the LRF lands at ail okmotu level and failed to inform the land users about terms and mechanisms for renting out the lands of the Fund.

62. Despite the taken measures, bad situation continued to remain with the sale of rights to use LRF lands and with the sale of rights to use lands of peasants' enterprises because the current Constitution of the Republic of 1996 expressly stated that **purchase and sale of land is not allowed**. Because of absence of constitutionally guaranteed rights of private ownership to land, many citizens did not believe in lawfulness of purchase and sale of rights to use a land plot. As a result, in 1998 only 30 auctions were held on sale of land use rights. At these auctions in the whole of the Republic approximately 2 thousand hectares of land were sold for the total sum of **6.8** million Som, and the average price for one hectare made **3.3** thousand Som (exchange rate at that time was 20.91 Som for 1 US dollar).

63. In these circumstances by Presidential Decree of 9 September 1998 sale of land use rights to individuals and legal entities was **suspended** pending final settlement of the issue on introduction of **private land ownership**. It was also explained by the fact that at that time in the Department of local self-government and agrarian policy (headed at that time by author of this article) of the Administration of the President of the Kyrgyz Republic intensive work was carried out on development of Draft of the **Conception for Introduction of Private Ownership to Land in the Kyrgyz Republic**.

64. Based on Recommendations of National Commission on Protection of Rights of Citizens in the Field of Land Relations, Rational Use and Protection of Land Resources, which approved the draft of the said Conception, the President by his Decree of 13 October 1998 approved **the Conception for Introduction of Private Ownership to Land in the Kyrgyz Republic**. Based on results of National Referendum held on 17 October 1998, Jogorku Kenesh of the Kyrgyz Republic adopted the Law "On Amendments to the Constitution of the Kyrgyz Republic" on 21 October of the same year. Article 4 of the Main Law of the State stated that: "Land may be in State, communal, private and other forms of ownership. Limits and procedure for exercise by landowners of their rights and guarantees for protection of the rights shall be established by law".

65. Thus, as a result of 8-years reforms of socialist land relations based on exclusive State ownership the right of private ownership to land, including farmlands, was introduced in Kyrgyzstan, which became one of the first post-soviet Republics where such right had been introduced, and that became a big achievement for the young sovereign Republic which had chosen democratic and market way of development. From that time the Kyrgyz Republic became in the Central Asia "the only island of private ownership to land", since neither in Kazakhstan, nor in any other republics of that region private ownership to farmlands has been introduced till now.

D. Formation of Legislative Basis and Organization of Registration and Protection of Rights to Land

66. As a result of the constitutional recognition and guaranty to the right of private ownership to land, the need has arisen in the Republic to develop and form broad legislative basis, since within the period from 1991 to 1998 the land reform was conducted based on Decrees of the President and Resolutions of the Government of the Kyrgyz Republic. Now it was required to fix legislatively the constitutional rights of new class of landowners and land users by enactment of a set of laws regulating such complex issues as land succession, terms for purchase and sale of land, land rent, exchange of land, establishing rights and duties of landowners, principles and mechanisms for formation of associated and cooperative forms of land ownership, mortgage of land, etc.

67. As a result of intensive work the Parliament has adopted the Land Code of the Kyrgyz Republic and the laws "On Introduction of the Land Code of the Kyrgyz Republic", "On State Registration of Rights to Immovable Property", "On Peasant Enterprises", "On Mortgage" and "On Cooperative Societies" at the end of 1998 and within the first half of 1999.

68. It should be noted that the constitutional introduction of private ownership and enactment on such basis of the new Land Code and the Law "On Introduction of the Land Code of the Kyrgyz Republic" convinced Kyrgyz people that peasants finally would become real, true and legitimate owners of their lands. To this testified article 6 of the Law "On Introduction of the Land Code of the Kyrgyz Republic" according to which the right of private ownership to a land plot shall be recognized **in respect of all the citizens of the Republic who received in accordance with the established procedure** the right to the land plot as permanent, temporary or life-time inherited possession **before** the new Land Code became effective. At that, the said right of private ownership was recognized by the State **without any re-registration of the documents, free of charge and without any additional fee**.

69. As a result of that legislative decision in the total of the Republic automatically that is **without any re-registration** of documents the right of ownership has been acquired by **510 thousand** rural families which have got land shares (**2596.3 thousand** people), **604.5 thousand** families (more than **2.0 million** people) having **homestead land**, **35.8 thousand** families having **dacha (summer house)** land plots. Such free of charge and mass recognition of the right of private ownership to land shares and land plots with peasants, other rural residents, gardeners and dacha residents, for whom these land plots often were the only source of living, - played big role in poverty reduction.

70. At the same time it should be noted that under pressure of conservative majority in the Parliament of the Republic the new Land Code (paragraph 2 of article 35) established **5-years**

moratorium for purchase and sale of farmlands, and that substantially hampered development of civilized land market.

71. Since the Constitution of the Republic did not provide for the said moratorium which limited constitutional rights of the owners, the **5-years moratorium for purchase and sale** of farmlands **was cancelled before the appointed time** through introduction of changes into article 35 of the Land Code. To establish new rules for transactions with land as a specific object of civil legal relations, the Law "On Farmlands Management" establishing main "rules of play" at the farmlands market was adopted on 11 January 2001.

72. However, in order to provide that the rights - resulting from land transactions and related to establishment, origination, change or termination of civil rights and obligations in the sphere of land relations – became effective and protected, they have to pass **mandatory State registration** in accordance with the requirements of the **Civil Code** of the Kyrgyz Republic.

73. In addition to that the Comprehensive Development Framework and National Strategy for poverty reduction provided for large scale arrangements throughout the Republic on **mass legalization of ownership rights** of citizens since many of them did not have the documents certifying their rights even to the dwellings where they lived for many years. Especially difficult situation with the right-certifying documents was in the rural territories, because in the soviet times no documents certifying the rights to real estate, including homestead lands, were issued to rural residents.

74. In connection with the land reform the rural citizens, who have got land plots, in 1991-1995 started to receive **temporary** Certificates for **the right to use** the land shares; the Certificates specified all the members of their families having the right to their land shares. These temporary Certificates at that time **did not have a uniform form** and they **were not registered** by the State, because there was no single registration system and there was no agency, which would do this important work in the Republic. Another serious defect of those temporary Certificates was that many of them **did not contain maps of land plots**, and that in future could lead to many disputes and conflicts in respect of the size of the land plots, registered and actual borders of those land plots.

75. Certain systematization and improvement in this sphere started only in 1996 after the State Agency for Land Management and Land Relations has been formed. The Agency started to replace the former temporary Certificates of various shapes and forms by **uniform Certificates** approved by the Government of the Kyrgyz Republic. However, because of remoteness of the land plots, low level of legal awareness and poverty of most of the peasants, the process of replacement of old Certificates by new ones with mapping of the land plots **has not been completed in most of the regions** of the Republic. In connection with introduction of the institute of private ownership the Republic has to legalize the rights of citizens to land in order to prevent raise of disputes and excesses in the course of regulation of the new land legal relationship.

76. In connection with these factors and implementation of the State registration and protection of rights to land and other real estate, the State Agency for Registration of Rights to Immovable Property (hereinafter – GosRegistr (State Registry) of the Kyrgyz Republic was formed in February 1999.

77. In accordance with article 31 of the new Land Code the Government by its Resolution # 717 of 27 December 1999 "On Approval of Forms of Documents Certifying Right to Land Plot" has introduced uniform forms of the State act and Certificate for the right of private ownership to land and the forms of the State Act on the right for permanent use of a land plot and the Certificate for the right of temporary use of land. The GosRegistr (State Registry) of the Kyrgyz Republic has developed all these forms. In this connection the task was to provide by new right-certifying documents not only new landowners and land users but also all those who failed to receive for some reason the uniform Certificates approved by the Government in 1996. However, in the Republic there were too many such "not having documents" landowners and land users among more than 2 million citizens who received land shares or those having homestead land and dacha

land plots, and who had the right to the land plot without any re-registration of documents in accordance with article 6 of the Law “On Introduction of the Land Code of the Kyrgyz Republic”.

78. Since most of citizens of the Republic had no corresponding documents certifying their rights even to the **dwellings** where they lived and live, the need has arisen to carry out **overall mass registration** of rights to land and real estate. Taking into account poverty of most of the population of the Republic not able to pay for the registration of their rights, it was decided to carry out this mass registration - aimed to legalize and formalize the rights of ownership – on the account of the State, that is **free of charge for the citizens**.

79. For this purpose the Government of Kyrgyzstan had talks with the World Bank and entered into “Land and Real Estate Registration Project” Credit Agreement with it. For realization of the Project the World Bank extended to Kyrgyzstan the **lax long-term credit** in the amount of **9.42** million US dollars for the period of **42 years**.

80. The social importance of the **system** (overall) registration held within the said Project consisted in that hired and specially trained specialists of the GosRegistr carry out field inspection on the spot of land plots and real estate of all the citizens, individuals and legal entities without exception on the basis of approved schedule. After carrying out of the complex and open legal and topographic inspection of the land and real estate by the specialists, finding out any possible disagreements and disputes and after considering these disputes by special commissions, the local office of GosRegistr (State Registry) makes **free of charge State** registration of rights to the land plots and real estate.

81. But the social importance of this Project is not limited by this. As a result of mass legalization of the rights to land the most poor categories of population, who earlier had no possibility to participate in market relations, have got the chance to make all the transactions not prohibited by law with their land plots, including the possibility to receive credits under pledge of their land plots.

82. Originality of this Project consisted also in that after its completion in the Republic there will be formed fully computerized **Single Information Center** making it possible for all the participants of market relations to receive quickly and cheaply necessary information about corresponding land plots at the real estate market. Moreover, the reliability, accuracy and transparency of information about rights to land contained in the database of the Gosregistr (State Registry) prevent development of **fraud and speculation** at the land market, which is important in poverty reduction and organization of environmental protection.

83. As the founder and first Director of the GosRegistr (State Registry) of the Kyrgyz Republic the author of this article notes that none of other post-soviet states have such complete system of State registration aimed to register and protect rights of **private ownership** not only to immovable property but also to **farmlands**. Having called the Credit Agreement “**Land** and Real Estate Registration Project” the World Bank thereby emphasized **specific feature** of that Project in Kyrgyzstan.

84. Naturally, implementation of such original Project turned out to be very complicated since nobody in Kyrgyzstan had the experience in organizing mass system registration of ownership rights to farmlands in the conditions of transition period from exclusive State ownership to private ownership to land. Since nobody may guarantee that in the course of the reform peasants, farmers and other rural residents have all the necessary documents certifying their rights to land, the GosRegistr specialists have to visit land plots of every family out of **510** thousand families having the mentioned land rights. Based on revision of actual area of the allocated land, state of land survey, availability of the map of the land plot and observance of other requirements the specialist have to prepare initial registration cards and registration files for every unit of land, and put them for public information in the place established by local authorities. Taking into account that organization of such large-scale system registration requires a lot of time, material and technical, financial and other resources, pilot projects have been carried out in 2003-2004 on the basis of two large agricultural regions of the Republic. These projects made it possible to develop practical and rather

chip methods of organization and implementation of mass State registration of land rights for other regions of the Republic.

85. According to the information of the GosRegistr (State Registry) as of 1 April 2006 out of 564 thousand units of farmlands 444.2 thousand units have been inspected on the spot throughout the Republic. Information about 290.7 thousand units of land was displayed in the established places for public information. Out of these units after settlement of disputes **200.2 thousand units are already officially registered**. The calculations show that - taking into account remoteness and dispersion of the land plots especially in high-mountainous regions of the Republic – the mass system land registration may be completed only by the end of **2008**.

86. Note that the taken measures on mass system registration made it possible to stir up considerably the farmlands market, improve land rent and other land relations. If by end of 2002 there were only 612 facts of purchase and sale of land plots with the total area of 1724 hectares for the total amount of 10.9 million Som, then as of 1 January 2006 there were around 8 thousand transactions with 20.4 thousand hectares of arable land for the total amount of 173.1 million Som. At that, the average price for one hectare made 8.5 thousand Som as compared with 6.3 thousand Som in 2002.

87. Analysis of transactions made in Kyrgyzstan shows that positive tendency is seen also in the sphere of **lease** transactions, since most of 5164 transactions on rent of immovable property refer to transactions with farmlands.

88. Thus, the constitutional recognition of the private landownership, development and strengthening of the land legislation and implementation of the Law "On State Registration of Rights to Immovable Property" made it possible to broaden the scope of land relations and push forward the agriculture of Kyrgyzstan in the direction of market economy.

E. Conclusion: Main Directions Of Further Development Of Land Policy And Poverty Reduction

89. The new land policy of sovereign Kyrgyz Republic - aimed to cancel State monopoly to land and to provide farmlands to those who work on it - has gone the path full of hopes, doubts, achievements and disappointments during the passed 15 years.

90. The indisputable achievement of the land reform, being one of the first implemented among the post-soviet states, is decentralization of land relations inherited from socialism, distribution of land shares among rural population without big social shocks and cataclysms, establishment of private ownership to land and free disposal of land rights as the basis for development of market economy. As a result, landowners process presently more than 75 per cent of arable lands. Some of the landowners are united in various forms of economic entities. The landowners also rent main part of lands of the Land Redistribution Fund. The most active peasants' and farmers' enterprises have good knowledge of fundamentals of market economy, many of them achieved growth of agricultural production.

91. However, the most important is that as a result of the land reform the nature of the rural work itself has been changed; this work became more reasonable, purposeful and free. In our opinion, exactly this factor helped rural residents - who make the most of the population of Kyrgyzstan - to overcome all the difficulties of the transition period and not only stop the sharp fall of agricultural production, which started with the collapse of the USSR, but also stabilize situation in that most important sector of economy of the Republic. Now nobody would reject the fact that in the Republic after 1996 there are stable signs and factors for guaranteed provision of the population with food products. Kyrgyzstan is already the country where **youth does not know such soviet terms like "deficit of food products" or "stay in line" for bread, milk, meat and for other food products**. Moreover, the Republic exports many food products to the countries of near and far abroad, and Kyrgyzstan is ready to increase such export provided the transit issues are settled. These simple but obvious and convincing results of the 15-years stage of land reform disprove doubts in appropriateness of the chosen general policy of the Republic, and this policy may not be changed.

92. Unfortunately, we have to admit that the results of the land and agrarian reforms for that period could be much better if:

- the arrangements taken by the government bodies on political, legal, financial, economic, social and organizational support of the land reform were more thought-out, complex, calculated and were accompanied by strict control;
- the actions of ministries and departments responsible for the reforms and the local state administrations did not lack initiative, persistence, cooperation, resoluteness and responsibility in implementation of the laws and decisions of the higher authorities.

93. Exactly for these subjective reasons the general formation of peasants' and farmers' enterprises was not accompanied by timely and persistent actions on their cooperation, organization at the local level of the corresponding services and enterprises providing repair and maintenance, agrochemical, veterinary, financial and crediting, economic and scientific service, purchase, storage, processing and sale of agricultural products. Having paid main attention only to the process of breaking up kolkhozes and to land distribution, reformers of the agrarian sector of the economy and authorities **failed to provide in time close cooperation** of three basic factors of agricultural production: **land, labor and capital**. The result of that approach was that most of peasants' and farmers' enterprises have been left alone with their land, being not able to cultivate the land in accordance with modern agro-technical requirements and turning out into **subsistence farming** able to support needs in food products of just one family.

94. Meanwhile, Baltic Republics managed to closely unite all the three factors; they develop not only agriculture but the whole agro-industrial complex. Raw material model, which has been established gradually in the agriculture of Kyrgyzstan within the period of the reforms, started to slow down economic growth of farmers' and peasants' enterprises and of the whole rural area.

95. As a result the modern state of land and agrarian development of Kyrgyzstan is characterized by uncertainty and non-stability because of increasing loss of production potential. Irrespective of the measures taken by the State, rural economy remains in difficult position, and as a result of this the number of indigent people among rural population continues to increase, and degradation of peasants' and farmers' potential takes place. Migration in rural area also increases as a certain form of protest against present rural life conditions and present conditions of agricultural production, which do not satisfy certain part of rural youth.

96. All these factors which has been formed gradually in the agrarian sector of the Republic within the period of reforms point out that - despite more or less successful completion of the first most complicated stage of the land and agrarian reforms – the agriculture of Kyrgyzstan is still in the state of transition. The question is – transition from what and to where?

97. The fact that many people received their land shares and became their true constitutionally recognized owners is indeed great and historic achievement of the Kyrgyz people. However, a Kyrgyz farmer (peasant) after introduction of private landownership is not so independent in his real life as it may be imagined. In severe conditions of mountainous Kyrgyzstan a peasant is completely dependent on not only weather conditions and problems of non-civilized market but also on **insufficiently considered land and agrarian policy of the State** which led to lack of machinery, equipment, spare parts, fuel, seeds, fertilizers, herbicides and a lot of other things. For these reasons most of landowners are in the state of uncertainty in respect of their future because their property does not bring any substantial income or profit on which basis one could provide well-being to a peasant's family.

98. Rural residents have certain hopes and expectations for future in connection with the change of the State power in 2005 but the new leadership of the State so far failed to specify clearly their new policy. Therefore, the new leadership has to comprehend positive and negative factors of the reforms in the agrarian sector and develop a **new agricultural policy** for Kyrgyzstan. In our opinion, at the heart of this policy must be **urgent measures for rendering specific governmental assistance** to peasants and farmers who were left alone with their problems in organization of cultivation of land and sale of agricultural products.

99. While developing the new land and agrarian policy the authorities have to bear in mind that during the whole previous period of independent development of the Republic peasants were unsparingly cultivating their lands, at the same time **not rebelling** and not setting up any claims to the State. The peasants survived exclusively on the account of their patience, staying power and their belief in bright future of the agriculture. It would not be exaggeration to say that the young Republic and its people have survived during hard years of the transition period only thanks to staying power and self-sacrificing work of peasants and farmers. It is not pathos and it is not overestimate of the peasantry's role, it is objective assessment of its work done for the sake of provision of food independence of the country, formation and strengthening of new Kyrgyz State system. Unfortunately, none of State officials managed to give official appreciation to what has been done by new class of peasants and farmers of Kyrgyzstan for their country and for their people. In our opinion, it is high time to classicize the figure of experienced rural worker, who saved his people from famine, and make him exemplary for all the people of Kyrgyzstan. Exactly this meant the third President of the USA Thomas Jefferson when he said, expressing his attitude to farmers developing huge American prairies: "Those working on land are the most valuable citizens. They are the most active, most independent, most beneficial, and they are linked to their country and to its interests with the strongest ties".

100. Thus, the primary basis for the **new policy** must be review of the Law on peasants' (farmers') enterprises and enactment of the new Law on regulation of agricultural production, which will enable, first, to regulate this process in order to prevent both underproduction and overproduction of agricultural products. Secondly, this law will provide stable prices for certain basic products with the help of State subsidies. Third, it is needed to establish "planned" or compensation prices for basic products in addition to the stabilizing prices. In addition, what is most important, not just pretentious but effective **Law on Crediting Peasants and Farmers** shall be enacted which will provide free access to advanced network of lax crediting.

101. For this purpose the State has a **National Bank** which by decision of the President and Parliament of the country may and must extend funds to private, cooperative and specialized banks lending money to farmers and peasants under low and long-term per cent. The State has to provide certain funds for preservation of lands being in private ownership in order to sow them with legumes in the areas with expanding soil erosion on the account of State budget. In other words the new policy of land and agrarian reforms must differ from the previous one by that the Government and Jogorku Kenesh of Kyrgyzstan must refuse the role of spectator and strengthen its cooperation with the biggest class of owners in the Republic by rendering assistance to it in its worst time.

102. In this connection, the State needs to create free environment for development of **rural entrepreneurship**. This term has not yet obtained our recognition, but, nevertheless, every private farmer, peasant or other rural commodity producer in the conditions of market economy must be first of all an entrepreneur, that is , a generator of his own well-being (and hence the well-being of the country). Here the role of the State and its bodies is very important, and their mission is to promote formation of rural entrepreneurship without which it would be impossible to revive industry of such agrarian country as Kyrgyzstan.

103. All the developed countries, including the USA, organize annual trade fairs for farmers and peasants to be able to improve efficiency of their work and become entrepreneurs. These trade fairs make it possible for farmers to exchange their experience, demonstrate their achievements and win prizes for their achievements, for example, for the best cattle, poultry, etc. At such trade fairs farmers were acquainted with new agricultural machinery, equipment, fertilizers, etc., and entered into contracts for supply of all these goods. Unfortunately, in Kyrgyzstan such fairs and other agrarian arrangements of such kind - providing good effect and results - are held very rarely. That is why one of the tasks of the Government of the Republic, scientific centers and local authorities is to learn how to stimulate and keep up interest of farmers and peasants to all the new, effective and useful things.

104. Unfortunately, results of scientific studies carried out by State scientific institutes do not become a property of farmers and do not find their use in practice, since many farmers are

prejudiced against recommendations of the formal scientists. Therefore, it would be expedient, first, to form model farms following experience of number of countries. Second, it would be expedient to use for these purposes available rural trade schools (RTS) turning them not formally but actually into agricultural and technical colleges while improving their material and technical basis and providing to them more land from the Land Redistribution Fund. By this the State will achieve two goals. First, in the course of the training the collectives and students of these colleges will create model farms and agricultural production. Second, qualified specialists will be prepared from representatives of rural youth who will introduce the latest achievements of science and advanced practice in their native villages.

105. Another problem to be settled is the place and role of peasantry in the public and political life of the country. It is amazing that in such democratic but at the same time agrarian country like Kyrgyzstan there are no **strong** political parties or public organizations able to represent and protect interests of peasantry and agriculture at all the levels of government. The ambiguous situation in the rural area of the Republic shows that settlement of problems of the new class of landowners may be delayed for uncertain period of time without effective organization of public and political support of its interests. That is why, if the political forces continue to appeal to the problems of peasantry only for their populist purposes as it was done before, the peasantry will be forced to organize themselves politically in order to gain their own place in the political life of the country.

106. While discussing the issues of land and agrarian reforms in Kyrgyzstan we have to note big role of international donors and donor organizations in the process of land reforms and democratization of land relationship, in training the personnel and rendering practical assistance in implementation of the reforms. There is hope that they will continue their active assistance in development of the new land and agrarian policy of the State and its implementation in practice.

107. As a conclusion, I may say that view of peasants and farmers cultivating their land - during the years of sovereign development of Kyrgyzstan irrespective of all the peripetia taking place in the young developing country - embodies the essence of that State. By this the peasantry of Kyrgyzstan shows high spirit of free individual labor on their own land causing astonishment and admiration of peasants from neighbor Republics who still work under kolkhoz-sovkhoz principles.

108. History of mankind shows that political, economic and social guiding lines for the State power and the State power itself may and must be changed, but not the vital role of land, peasantry and of all the agriculture. Presently there is hope and confidence that in the course of incoming changes in the strategy and tactics of the State policy the role of peasantry – which irrespective of incredible difficulties continues to satisfy basic needs of the population of the country - will be adequately appreciated.

109. However, the role of land consists not only in satisfaction of material needs. The Kyrgyz land is a link between past, present and future. It links the new generation with dreams of their ancestors about better life. Our ancestors believed that exactly peaceful labor on the land inherited by their successors will bring happiness and well-being to the people of Kyrgyzstan. That is why the land must preserve its quality for next generations, and we must take care of that right now.

2. E. Aliev: On the Agrarian and Land Reform

Esengul Aliev is the retired Head of the Ex- Centre of Land and Agrarian Land Reform

A. Introduction

110. The Kyrgyz Republic gained independence in pursuance of the document of the Soviet Union dissolution signed by Yeltsyn, Shushkevich and Kravchuk at the Byelorussia Belovezhskaya Pushcha. Strange as it may seem, by the republics which proclaimed the formation of the Soviet Union in the year 1922.

111. After dissolution everybody was caught unawares. Nobody knew what to do and how to govern the republic.
112. At the time there existed the legendary Parliament which was formed by the then first secretary of the Central Committee of the Communist Party of Kirghizia A. Masaliev who turned down the idea of a president-ruled republic.
113. With disruption of inter-republican links the All-Union fund stopped providing the livestock farming with hundreds of thousands of tons of mixed fodder, machinery, fuel and lubricants, fertilizers and chemicals at low prices. As a whole Kyrgyzstan was deprived of assistance worth two billion roubles. It should be noted that at the time the rouble purchasing power in respect of this circulating capital was by far higher than that of the dollar. From year to year the agricultural production volumes as well as means of production curtailed. Beginning the year 1991 the annual reduction of agri-product production constituted 14 to 17%. Such recession in agriculture caused unemployment in the agricultural sector and migration of rural youth to cities in consequence of which the criminal situation in the republic still aggravated. Under the pressure of such circumstances there was nothing for the government but to launch a land reform in Kyrgyzstan..
114. As regards the agricultural sector it became unmanageable. Before degradation of the Soviet Union Kyrgyzstan was quarterly supplied with all material and technical facilities, nails inclusive. The republic produced nothing of the kind. The Union republics were economically tied. This fact was given publicity by the Academy of Social Sciences under the Central Committee of the Communist Party of the USSR where I was trained from 1982 until 1984. For example, Kyrgyzstan did not manufacture hay balers. It only assembled them. Machinery parts and rubber bearings were supplied from 34 cities of the Soviet Union. The Union Gosplan deliberately planned economy in such a way that none of the republics could claim independence. That is why after degradation of the Soviet Union all republics excepting the Baltic ones and Byelorussia had to build up their own production base anew.
115. The critical issue at the time was lack of petrol. As to tractors and other agricultural facilities they were still available. It was the time I heard the words "barter" and "racket" for the first time.
116. As it turned out, the Chu Valley farms bordering on Kazakhstan practiced to exchange (barter) cattle and agri-products for poor diesel fuel. I personally was a witness to managers of collective farms trading the community cattle and crops. In short, all traded whatever they owned to have cash to buy fuel. It is for this reason that the community property was squandered and appropriated. All who managed the communal property including the officials from the White House became rich. Kyrgyzstan was in a less advantageous position compared to the neighboring republics (Kazakhstan, Uzbekistan), which, being more rich in mineral resources, continued to develop their economy as before. In the wake of such events the total number of livestock, swine and poultry critically decreased. Members of collective farms were not remunerated for their labor. The dairy-and-meat processing enterprises and agri-product procurement organizations did not compensate collective farms for their products. Many banks went bankrupt. In a word, it was the time of anarchy rule. It would be unwise to blame anybody for the way things were. And good for the people who were not aware of what a scrape they got into.
117. At the time I was in the Zhumgal rayon with a mission to instruct the population in farm restructuring regulations. I remember a head of a collective farm turning to me asking, "Do you mean to say that the Central Committee of the Communist Party will leave us to the mercy of fate?" Poor things, they still hoped against hope.
118. On January 27, 1992 I was assigned to a position of Director General of the National Land Fund by the President Edict. In March 1992 the edict "On the National Land Fund of the Kyrgyz Republic" was issued. The said edict approved regulations of the National Land Fund regarding the principles of formation of the land fund, allotment and use of land parcels. The first paragraph of the regulations specified that with a view to promoting and supporting the national farming entrepreneurship with due regard for traditional forms of farming there shall be formed a national land fund within each rayon. Such fund shall constitute no less than 50% of plough land allotted for

the purpose of forming individual farms. The national land fund is formed by decision of the rayon soviet of people's deputies in agreement with a head of a rayon local administration which is supervised by the directorship of the National Land Fund of the Kyrgyz Republic. The regulations also specified that persons willing to launch their farms on land parcels allotted to them by the National Land Fund shall be also entitled to benefits and material and technical facilities. The said edict was stipulated by the fact that a large proportion of unemployed youth started to migrate from rural areas to cities in search of work. It should be noted that at the time there were misgivings that in consequence of such a policy residents of

119. rural areas would be entitled to a larger share of land as compared to local ethnics. It is true that at the time such misgivings were to a certain degree grounded because in the territory of the Chu Oblast alone 27% or 750,000 of the rural population were primarily Russians who disposed of 34% of the total plough land. As a whole the proportion of Russians in the total rural population constituted 13%.

120. I can't help recalling a meeting which was held at the assembly hall of the Ministry of Agriculture where the youth of the Republic met with President Akayev. Besides Akayev the Presidium of the Meeting was composed of the Minister of Agriculture K. Asanov, the Deputy Minister B. Talgarbekov and J. Akimaliev. The young people attending the meeting criticized the President for the land reform policy. To relieve the tension I took the floor and spoke on behalf of the Board of Directors of the National Land Fund. I made it a point the ethnic Kyrgyzes would be entitled to 72% of plough land from the funds of the National Land Fund which were not subject to re-allotment, the rest of the ethnicities (Russians, Uzbek, etc.) being entitled only to 27% of agricultural land. I was rewarded with applause from the audience and the Presidium.

B. Land Reform

Stage I (1991-1993)

121. On 15 February 1991 the KR President issued the Edict titled "On Measures Regarding the Land Reform". Pursuant to said Edict the local soviets were authorized to form special land funds out of the irrationally used or unused land. These funds were meant for allotment to those persons who were willing to launch their own farming business. Farming in Kyrgyzstan was largely promoted thanks to the edict of the President "On the National Land Fund". Thus, in 1991 there were formed 4,561 individual farms, in 1992 their number increased to 8,695 and by the end of 1993 – to 18,269. On the whole they had 183 thou. ha of plough land at their disposal or 12% of total plough land. Those were the times when the land quota was unlimited. For example, a certain Mr. Isaev of the Kochkor rayon along with 3,000 heads of sheep was allotted 600 ha of plough land and machinery. Such policy triggered off the radical reforming of the entire agrarian sector.

122. To further promote the land reform the President issued another three edicts (February 1991 – March 1992) to the following effect:

- "On Measures Regarding the Land Reform in the Kyrgyz Republic" of 15 February 1991;
- "On Formation of Farms in the Kyrgyz Republic: of 14 May 1991;
- "On Immediate Measures Aimed at Effecting the KR Laws Regulating the Land and Other Relationships in Agriculture" of 10 February 1992.

123. Said edicts provided for allotment to citizens land parcels for individual farming, gardening, cattle-farming, construction of country cottages.

124. Residents of the Talass and Naryn Oblasts who were willing to terminate their membership in collective farms were allotted land parcels of 15 to 26 ha for cultivating fodder grass and up to 2 ha for growing potatoes and vegetables. Besides, farms with low profitability (15-25%) were to be restructured, the members of such farms being allowed to terminate their membership without the consent of the general meeting. In the event of privatization of such farms its former members were entitled to their share in the communal (community) property free of charge and, as not assignees, had no liability for farm debts. As you can see, said regulations were privilege-oriented. To still the

people the government spared no efforts to create jobs and promote entrepreneurship. Unfortunately, the population missed such a unique opportunity. Partly it was due to the fact that both the President and government authorities failed conduct publicity campaigns to this effect. As to the rural population they were completely incompetent in such matters. As a result only more competent benefited from the situation. The President who lacked administrative and managerial experience did not see to it that his edicts were materialized. As it happened, this job was executed by foreign experts.

125. The local authorities completely ignored the adopted documents. Those members of collective farms who decided to terminate their membership and asked for an unused parcel of land were condemned and labeled provocateurs subversing the collective farm system. The arbitrary rule of local officials had no limits. There was nobody to defend the citizens' legal rights. So it is only natural that good laws were not effected.

126. For the majority of the rural population the collapse of the kolkhoz system was unthinkable and beyond understanding. Those who admitted of such a possibility were not allowed to leave the collective farms. The then government did not support the President initiatives. On the contrary, the former officials, administrators, heads of farms and chief specialists seized the availed opportunity with the result that the best land parcels, machinery and other agri-facilities were appropriated by them.

127. Since gaining independence the sovereign republic has proclaimed the following as matters of priority: the strengthening of the state system, the land reform, economy decentralization, property privatization, support of entrepreneurs in cities and rural areas, social protection of economically vulnerable categories of people.

128. To overcome economic (food) crisis it was decided to launch a land reform, decentralize and privatize the agri-sector because in those years nearly 60% of Kyrgyzstan population were rural residents (cf. the USA-3%, Canada-4%, Japan-7%, Great Britain-4%, France-10%). The policy of land reforms and privatization of state and kolkhoz property was not approved by some of the deputies who criticized us for liquidating the collective farm system, pedigree cattle farming and curtailment of agri-production. But there was no way back.

129. Many of the rayon authorities were too prompt "to liquidate" inefficient collective farms in order to form the so-called "Farmers' Associations" and "Agri-Cooperatives". The restructure was conducted hurriedly without economic substantiation and feasibility studies in consequence of which instead of inefficient collective farms there were formally formed cooperatives and joint – stock societies whose land share was not determined. Structurally they did not differ from their predecessors – the collective farms. However, administratively they largely extended. As a rule, they were based on the earlier consolidated farms. One, perhaps, remembers the widely advertised kolkhoz managed by Bazhan. Under Brezhnev it was widely practiced to hand over inefficient collective farms under the authority of well-to-do farms. Such an act was called "a consolidation". While rich collective farms consisted of Russians the poor ones were predominantly Kyrgyz. The history of this phenomenon goes back to Urkun times when ethnic kyrgyzes were coerced to live in the ante-hill areas and Russians were let to dispose of rich dry-farming land. In fact, the first to reform were none but poor farmers who after two years either consumed or sold all they were allotted claiming they were deceived by Bazhan.

130. Originally it was decided to allot land parcels of 0.30 ha to all rural residents who were covered by the 1989 census. However, in 1994 the National Land Fund was liquidated. In spite of its liquidation the quota of 0.30 ha still persisted in the minds of rural residents. The government authorities failed to competently elucidate the idea of the national land fund to the World Bank officials and foreign experts who did not understand why the national land fund was designated only to Kyrgyz ethnics. To answer the question of Prof. Prosterman of the USA we had to attach to our estimates the report by Yusup Abdrakhmanov, the then Chairman of the Council of Ministers of the Kyrgyz Autonomous Soviet Republic of 1931 made on the occasion of the 15th Anniversary of the Urkun. As followed from the report in consequence of the Urkun policy Kyrgyz ethnics occupied the territories at the foot of hills which were poor in plough land. As to rich plough land it was at the

disposal of Russian migrants. I made it clear to Prof. Prosterman that thanks to re-allotment of the national land fund all rural residents would be entitled to equal shares of land parcels irrespective of their ethnicity. Eventually he supported our policy. Unfortunately, the arguments of government authorities were not convincing enough for the World Bank officials. Now that the National Land Fund has been liquidated the issue of equal allotment of land parcels remains unsettled. Hence the Aksy sad events.

131. When I became Director of the National Land Fund I received many invitations to attend the events arranged by the World Bank and the Asian Development Bank. As a rule, the venue of such conferences was the office of the State Property which was headed by A.Muraliev, a high rank official. One had to register in advance to be admitted to his office. Privatization of all sectors of economy (commerce, consumer services, agriculture, etc.) was the competence of said Committee of which A. Muraliev was big boss. These seminars were attended by foreign experts who spoke about the existing privatization approaches. The information about the object of privatization was to be promulgated in the mass media a month in advance. As to me I never came across an advertisement to this effect. Yet later I came to know that during the year nearly all commerce and consumer facilities had been sold. The fact that the best of production facilities in Bishkek City belong to the rich is the result of business transactions of those times.

132. That time the Central Agency for Land Reform was accommodated in four rooms of the office of the Ministry of Agriculture and Water Resources. We established contacts with 124 farms in the Chu Oblast and mapped their land. We found out that the rural population of the Oblast constituted 27% of the total rural population which had at their disposal 34% of plough land. So we started with allotting land to the National Land Fund. 50% of the land of said farms were divided and plotted on the map which was sealed with the seals of respective collective farms and by the seal of the National Land Fund. Thenceforth all the land parcels which were mapped now belonged to the National Land Fund. However it was the rural committee and the head of the local administration that were competent to allot said land parcels. In my opinion it was a good policy, otherwise we would have a lot of trouble and problems. The applicants to the National Land Fund were mainly young people and migrants. We filed their applications and supplied them with letters requesting the allotment to them parcels of up to 10 ha. Besides, we forwarded letters to rayon authorities requesting them to evenly assign the applicants to all farms. In this way there were formed 4,561 individual farms in the Chu Valley which were allotted land parcels out of the national land fund and specially formed funds. By the end of 1992 there were about 8,695 farmers in this republic which made the President confident that the land reform was on the right track. On February 02, 1992 the Parliament of the Republic enacted the Law "On Individual Farms" which provided the farmers with the perpetual title to property in land and its succession in consequence of which more than 15,000 certified land owners emerged in this country.

133. However, as the land reform progressed, the local authorities and chairmen of many collective farms went out of their way to sabotage the reform. They pretended to be reforming. In fact, they only renamed the collective farms into cooperatives, farmers' associations, joint stock companies and what not, without essentially changing the line of their activity. Instead such farms increased the number of their chairmen from one to four. The number of agri-specialists employed with such farms inadequately grew. In his speech at the 8th Session of the Supreme Soviet of the Republic of Kyrgyzstan of March 16, 1992 the President drew the deputies' attention to this fact.

134. Those were the years when farms primarily formed in rural settlements the residents of which were Kyrgyz ethnics. Frankly speaking such farms were a sorry sight. They looked as if robbed and plundered. In one of his speeches the President strongly criticized the collective farms for their poor performance alleging that a single farmer was able to produce as much as a whole collective farm. Seeing that the legendary parliament does not support him, he took back his words saying, "Judging from the long-time experience of countries throughout the world I must tell you that unless we promote farms in every way we shall not be able to materialize the food program. Therefore, I am strongly convinced that the farms –orientation is the only correct course we shall further pursue. Many specialists in this country and abroad maintain that to have our agri-program materialized we

need as many as 80 thou farms. For the time being we have only 12,500 farms. As to production cooperatives they are only underway.

135. As to me I have always been against the unreasonable restructuring of collective farms. The strong and profitable collective farms have always played a significant role in agri-production and I do not doubt for a moment that they will continue to contribute to the development of the entire agri-sector. We only have to consolidate them as an instrument of state monopoly. The same goes for the fine-fleeced sheep-breeding, tobacco cultivation, dairy-farming. There shall be no question of restructuring pedigree cattle and seed-growing farms".

136. Eventually the Session resolved that 30 million soms be annually allocated from the state budget for supporting pedigree animal and seed farming. To those who drafted this document it was evident that such a policy was all wrong and imposed by interested parties. My misgivings proved justified when I took part in the grand meeting held in Osh City on the occasion of Agriculture Day which was attended by 500 participants. It was then and there that the policy of monopoly of pedigree farming was strongly criticized and it was resolved that it be abandoned

137. Article 4 of the Constitution of May 5, 1993 reads that land and natural resources, including waters, forests, plants and animals shall be the state property which is at variance with the Law "On Farming" of 1992 which explicitly means that while we made a step forward we made two steps backward.

138. STAGE II starts in 1994 when the President, having taken into consideration the shortcomings of the land reform, issued Edict #23 of February 22, 1994 "On Measures Aimed at Further Progress of the Land Reform in the Kyrgyz Republic". The government was assigned to effect said Edict within three months. In spite of the fact that all the documents required for the Decree to be issued the latter promulgated it only after six months (Decree #632 of August 22, 1994).

139. It is interesting to note that the Decree was promulgated without notifying thereof the Government.

140. I strongly suspect that Mr. B.Talgarbekov acted under the guidance of the smart Son of the Jews someone Levitin, though to do Mr.Levitin justice, his contribution to drafting laws on privatization is difficult to overestimate. In his Edict the President authorized the Government with specifying measures pertaining thereto and determining the role of the Ministry of Agriculture and Food in implementing the land reform. Pursuant to this instruction the land reform matters became the jurisdiction of said Ministry. Formerly they were the competence of the State Property Fund. Being staffed with officers who were not proficient in agriculture, the Fund's activity was limited to evaluation of the farms' property and issuance of certificates of title to property. The Fund did not attend to forming new entities in place of the restructured ones. Nor did it determine the land and property shares. As a result it was nothing but pseudo-privatization.

141. Privatization as such started only when it became the jurisdiction of the Ministry of Agriculture and Food. The latter had to mend many violations committed in the process of reforming agri-entities. According to the Fund's documents 161 farms were reformed. In fact, they were only renamed and continued to operate using the same principles as collective farms. Such being the case, there were devised "Regulations of the Commission for Land Reform and Restructuring Agri-Entities" The Commission's Responsibilities were as follows:

- Analysis of financial and economic performance of agri-entities;
- Taking inventory of property and its evaluation;
- Determination of citizens' share in land and property;
- Elaboration of projects concerned with restructuring of agri-entities;
- Supervision of the process of land reform and restructuring of agri-entities.

142. The Commission is composed of chairman of aiyi okmotu ,who chairs the Commission, and of representatives of the Central Agency for Land Reform, local financial and statistics authorities, members of agri-entities elected at the meetings of the work collective who decided to restructure.

143. After approval of the regulations we elaborated a number of instructions and regulations which were included in the Land Reform Program for Years 1995-1996" which was forwarded to the Government for approval. Being ignored by the Government we had them approved and signed by the Minister of Agriculture and Water Resources.

144. The said program was published and disseminated among heads of rayon and oblast –agri-authorities and included the following items:

- Evaluation of social and economic situation and the tentative results of the land reform.
- Land reform strategy
- Executive authorities responsible for land reform implementation
- Regulation of land relationships in the agri-sector:
 - title to land use;
 - formation of land market;
 - the national land fund;
 - land tax and rational disposal of land;
- Restructuring of agri-entities;
- Procedure for reforming pedigree animal and seed farming;
- Liquidation and restructuring of insolvent agri-entities;
- Economic independence of manufacturers of agri-products;
- Government policy regarding the land reform:
 - a) Land reform campaigning;
 - b) Procedures of granting loans to manufacturers of agri-products;
 - c) Formation of marketing services;
 - d) Procurement of material and technical facilities and production servicing;
 - e) Irrigation and water disposal
 - f) Zoo-veterinary servicing;
- Science of Agriculture and education.

145. As you see, the reformers had good intentions. In any case, the dull looking book could be seen on the desks of all local reformers.

146. The experimental (pilot) base for the land reform was the collective farm "Tamga" (Issyk-Kul Oblast JetyOguz Rayon) which became the venue for the 1995 conference which was attended by President Akayev, speakers of both Assemblies, heads of oblasts and rayons, representatives of mass media. Among the participants was even a journalist from Russia who came to highlight Kyrgyzstan's land reform experience.

147. The President called the year 1995 a turning point in reforming agri-entities. The participants of the workshop arranged within the framework of the conference wanted to know how the newly formed entities were doing. Alas, they had nothing to write home about, i.e. to boast of., because land was all they got. They had neither machinery nor money to launch their business.

148. In the wake of said seminar the process of reforming agri-entities somehow stirred up. However, as before, the main impediment on the way to reforming was the problem of repayment on credits. Farmers were not willing to undertake liabilities which they were to repay during 40 years beginning January 1, 2004 at an annual interest rate of 0.75%. To promote the reforms process the government issued another Decree dated February 16, 1995 "On Restructuring Debts of the Reforming State Agri-Entities and Collective Farms ". Thanks to this Decree the Central Agency for Land Reform in 1995 alone restructured 204 agri-entities on which base 13,779 farms, 5,633 peasant households and 1,171 agri-cooperatives were newly formed. On the whole the reformed farms were allotted 295,352 ha of plough-land, 23,970 heads of horned cattle, 475, 889 heads of sheep and 18,349 heads of horses.

149. The land reform process was more dynamic in the Osh Oblast (Kadamjai and Karasu Rayons), Talass Oblast (Manas Rayon) and Naryn Oblast (Kochkor Rayon). Summing up the land reform results for the year 1995 we have come to the conclusion that the process was irreversible.

150. Further the land reform proceeded as follows:

- the rural residents were de facto assigned the title to property in land and the right to independently dispose of it, to convey it by inheritance or lease it out; in other words, a land market was underway;
- a new system of farming formed (peasant households, farms, agri-cooperatives); a new mechanism of supporting manufacturers of agri-products was introduced;
- rural residents engaged in manufacturing agri-products were assigned the title to extra land parcels by the Land Re-allotment Fund through the auction procedure;
- the land reform covered the plough-lands which were located in the proximity of areas where mud-flows (torrents) most frequently occur and the local pasture-lands which were allocated to citizens engaged in manufacturing animal produce, the priority right to such lands being assigned to citizens who resided in the territory where a rural committee for land reform was situate;
- the remote pasture-lands are leased out only to peasant households and agricooperatives;
- with a view to regulating land market relationships by the state and supervising the formalization of documents pertaining to granting the title to land disposal all categories of the republic lands were included in a land cadastre; also, the land tenure documents were updated;
- the state registration of land and the land cadastre make the basis for effecting payments for land disposal and supervising transactions concerned with the title to property in land use.

151. I can't ever tell how thankful I am to Mr. John Pell, a representative of the Asian Development Bank, not only contributed to the formation of the Central Agency for Land Reform but managed to get \$ 40 million dollars for extending credit for Kyrgyzstan agriculture. He gave the money to the Ministry of Finance on the condition that the latter would fund the Agency and its 287 staffers.

152. We started to establish the Agency offices in 42 rayons. It should be noted that 161 agri-entities had been restructured prior to the formation of the Central Agency for Land Reform.

153. All the six oblasts, except the Chu, closely cooperated with us. The thing is that F. Kulov, the then head of the Chu Oblast, disagreed with the policy of the Ministry of Agriculture in respect of land reforms in the Chu Oblast. He insisted on allocating land parcels with machinery only to those families which decided to cease membership in collective farms. He objected to issuing a single (universal) certificate of title to property in land for the whole family and demanded that each family member be entitled to his/her own certificate. As we see now, Kulov's approach was absolutely correct. If we had followed his advice, we would not have problems with women's title to property in land. Our policy was wrong in that it violated the lawful right of divorced women and their children to their share in land and community property. The position of women

154. Is still aggravated by the fact that under the Law " On Management of Agricultural Land" no land in one region shall be exchanged for land of equal worth in another region.

155. In the Chu Oblast those, who are willing to separate from collective farms, were allotted land parcels which were not irrigated and were far away from villages. Naturally very few people could cultivate them. The heads of farms gloated over the misfortunes of "renegades"

156. When A.Jumagulov, K.Bakiev and T. Kasymov were governors of the Chu Oblast the President formed a Commission for Examining Citizens' Complaints which was composed of 25 members. The President criticized the said governors' policy of land reforming on TV and promised to supervised the reform process personally. The government formed a commission chaired by the Minister of Finance Koichumanov which included opponents to the reform. According to this commission the land reform in the Chu Oblast was being satisfactorily implemented. The Commission's report was filed with the Office of the President Administration just to forwarded to the attention of Mr. Kasymov, the reform opponent.

157. The reform opponents had every reason to impede it. As it became known, heads of cooperative leased out land parcels to Koreans at a rate of 4,000 soms/ha though formally the lease documents registered the price of 670 soms/ha. Thus, by leasing out 20,000 ha 50 heads of cooperatives and their associates earned one million soms each. Naturally they were against the land reform.

158. What is most interesting is that the opponents including the Vice-Premier B. Talgarbekov and the company were awarded the Title of Honoured Agriculture Workers while the promoters of the reform were completely ignored. Such are pluses and minuses of the reform. If the government had undertaken to supervise the land reform from the very beginning the results would be more reassuring. Strange as it may seem, at first the people did not support the reform. So, to get heads of collective farms more interested in reforms the Government the Decree titled "On Debts of the Reforming State Agri-Entities and Collective Farms" (February 16, 1985 # 42). Under the said Decree the Ministry of Agriculture and Foodstuffs was granted the authority to sell the property and cattle of the reformed state agri-entities to farms and agri-cooperatives.

159. 50 per cent of liabilities of the reforming state agri-entities to the state and 75 per cent of liabilities of the collective farms to the state were allowed to be reassigned to the newly formed peasant farms and agri-cooperatives to be settled by equal installments within 15 years beginning January 01, 1997, the remaining liabilities being assigned to the state debt of the Kyrgyz Republic. Many heads of state agri-entities "swallowed the bait" with the result that during the period of 10 months 204 entities were formed. But as it happened, such entities were reformed only on paper. Simply it was a good occasion for them to write off their debts. If you care, I could name one of such crooks. It is the notorious Mr Varshakidze of the Chu Oblast of Issyk-Ata Rayon.

160. It might be interesting to know that in 2004 the anti-reformer T.Kasymov was awarded a State decoration for his contribution to the land reform.

161. Those, who are interested to know about the land reform state of the art in Kyrgyzstan may read a 90-page book which is available at our office.

162. Those were the years when we did not spare ourselves because we were confident that we were working for a happy future. Actually, if it were not for incompetence of the government officials the fruits of our labor would be more impressive.

163. As to to-day's government it had not yet had its say. At least judging from the fact that my letters to Bakiev and Kulov published in the Erkin Too newspaper have remained unanswered they do not consider the issue of land reform a matter of priority. Instead they negotiate the cultivation of derelict land in Russia with the Russian Government as if we had nothing to cultivate in Kyrgyzstan. In my opinion they have not yet realized the importance of land reform as an instrument through which the issue of employment could be handled.

164. It is common knowledge that many families in rural areas survive only thanks to their land parcels. As a rule, the households whose heads are proficient in machinery are doing better because they can cultivate their own land and offer their services to neighbors for adequate remuneration. The market laws are very tough. They spare nobody. If there is nobody in the household to cultivate the land, the family can hardly make both ends meet. There is nothing for them but sell their land parcel or, at the best, lease it out.

165. My heart is bleeding when I think about the land reform. That is why I occasionally sent letters to the White House in the hope of "being heard" My articles are about the Fund for Land Re-Allotment" (see my article in the Erkin Too of May 23 titled "The Grazing Land Shall be in the Hands of Individuals, Not in the Government's").

166. I noted the fact that out of 328 thou ha allocated to the Fund for Land Re-Allotment there were 303 thou ha to be allocated. I insisted on allocating at least 50 thou ha to residents of local rural centres and privatizing the state-owned land. I even wrote a letter to President Akayev to this effect. However, instead of looking into the matter he assigned it to the Ministry of Agriculture and Foodstuffs which resolved that local land funds shall be the competence of aiyl okmotus (local administrations). The latter, having no its own budget portfolio, decided to lease out the land to

settle their financial issues. In fact, such a decision gave rise to corrupt practices. The local authorities the land allotment regulations prescribed by the Parliament. Instead of using such an instrument as bidding they allotted land parcels to their relatives, cronies and superiors.

167. For your information the tragic Karasuu events were associated with unfair allotment of land parcels. Having learnt that one of the heads of the rayon assigns plots on a crony principle the people revolted.

168. According to the 2005 Report of the Fund about 50 per cent of land were not leased out for lack of demand. The leaseholders of 45-50% of land did not pay land rent for many reasons: some plots were very far from their villages, others were boggy. Altogether such land covered 17 thou ha. So, I suggested that it be divided among 17 thou families (1 ha per each family). Said I, "Let people plant whatever they choose : apple trees, apricots or fir trees.

169. The 2,730 ha of boggy land could be planted with poplars. I quoted the example of my neighbour Mambetov who made poplar-planting his business. He brings seedlings from Kazakhstan which after one year time grow 5 meters high. I know of such a boggy place in the Kochkor Rayon and I also know of a wise man who took this boggy land on a lease of 49 years. He planted 5,000 poplars on it and hired people for that matter.

170. Unfortunately, in some rayons the Fund for Land Re-Allotment has no land to dispose of. However, when the people strongly insist on having it, as was the case with teachers, doctors and pensioners in the Alamedin Rayon, they get it.

171. The people' deputy S. Zhe'enbekov gave a very useful piece of advice in one of his TV-interviews. For example, he strongly recommended American dwarf apple trees which yield 150 tons per one ha. If we could yield even 50 tons per ha and trade them for 10 soms per kg we could earn 500 thou soms. We do not need to sow 600 thou ha with grain crops, which we yearly do, just to sell them at a price of 4 soms per one kg and earn only 8,000 soms. Instead, it would be more reasonable to concentrate on growing fruit trees and vegetables. In this way we could save money on fuel and seeds and offer jobs to many people.

C. Grazing Land

172. Our forestry fund is estimated at 2,686 thou ha of which one million ha are grazing forests. They do not include 9 million ha of officially registered arable land. According to forest-guards 291 thou ha are not forested. When we went to the USA we visited a family which owned 200 ha of forest plantations in the canyon. Instead of each tree cut down they plant two trees What makes them do so? Because the land is theirs. So, we should allocate those 291 thou ha of forest land for private property use. We might just as well allot to each family, say, 3 to 5 ha for five years on a tax-exempt principle.

173. Under the law the state-owned land in this country is not subject to privatization. We have lots of non-productive land including the sandy land which is registered as grazing land. Besides, there are lands where nothing grows. They all shall be assigned to the category of arable and privatized. Kazakhstan had enacted a new Land Code whereby the land of former collective farms, including grazing, may be allocated for private property use.

174. In Kyrgyzstan, along with the Land Code there is still in force the KR Law "On Agricultural Land Management" which shall be repealed as not complying with land market principles. When the said law was underway the then parliament objected to allocating land for private property use. In their opinion such a policy was defective in that the Uzbek, Chinese and Uighur men by marrying the Kyrgyz women might appropriate their land parcels. Nor does the said law comply with the UN Convention on Gender Policy, which condemns all forms of women's discrimination, as,

- Article 14 provides rural women with the right to access to agri-credits and loans, marketing facilities and appropriate technologies and entitles women to equal treatment in the event of agrarian reforms.

- The Convention provides for all women equal rights to economic resources and the title to property in land and other property by right of succession;
- Article 16 guarantees everybody's right to being a subject of law;
- Article 23(4) requires of member-states to ensure equal rights for spouses in marriage and after divorce;
- The Committee for Human Rights made it a point that the right to being recognized as a subject of law, in particular in respect of women, means that they are entitled to own any property, to enter into any transactions and enjoy all civil rights which shall not be abused by their family status;
- Article 23(4) provides for equal rights of the spouses in the matrimonial mode in respect of property ownership, be it a community property or the exclusive property of one of the spouses. The Committee for Human Rights recommended that the member-states shall review their legislations in respect of the rights of married women to property and its disposal.

175. To prevent the transfer of the title to property in land to aliens Kazakhstan amended its Land Code by adding thereto two provisions. Provision 1 expressly specifies that foreign nationalities shall not be entitled to the title of property in land. Provision 2 specifies that in the event of changing citizenship and nationality a citizen shall surrender his parcel of land to the state. Under KR laws land plots allocated to a family shall not be divided, exchanged, traded or given as a gift. I think that we shall amend our law too. When I was employed with the Project "On Protection of Women's Rights" I forwarded my suggestions to the KR Chamber of People's Representatives. Having looked through my recommendations Speaker A. Erkebaev visited it

176. and promised to have them studied at the Jogorku Kenesh Session. However, the matter was suspended because of the coup d'état.

177. STAGE III is the time of introducing the land market. According to reports of the authorized bodies all land in the Kyrgyz Republic has been completely privatized. As at August 01, 2002 land parcels were allotted to 510, 551 families, 2,612,306 have a share in land, the average share is 0,37 ha, altogether 975,554 ha were allotted as shares, including 863,315 ha of arable land, 17,610 ha of green plantations and 58,007 ha of hay land.

178. As we see, though slowly, the land reform is in progress. According to verified data about 30 thousand people, mainly women, entitled to their share of land, have not yet got it.

3. **S. Tynaev: Results of Agrarian and Land Reform**

S.M. Tynaev, is a Minister of Agriculture and Water Economy

179. Ideology of the land and agrarian reform - taking place for more than 15 years already - from the very beginning was aimed to transfer the economy to market principles, liquidate bankrupt kolkhozes and sovkhoses, and provide rural residents by land and by other property.

180. I am not going to discuss now how many and what decrees of the President of the Kyrgyz Republic were issued in due time, but these decrees have played a key role in speeding up the reform in the country, they have led to transfer from one form of economy, where everything belonged to the State, to another, more liberal, which took into account the interests of the producers themselves.

181. As a result, private landownership has been introduced in constitutional order, more than 77% of all the arable lands were transferred free of charge to rural residents. Within the period of the land and agrarian reform, almost 2.8 million people or 90% of rural residents have got land shares.

They became true masters of land and of other means of production, which stimulated them for effective independent management. Hundreds of remarkable farmers, heads of peasants' enterprises have appeared in all the regions of the Republic. They achieved much success in growth of the cattle stock, productivity of crops and increase of personal incomes.

182. In general, the life proved the need in the land and agrarian reform. Only the reform prevented rural residents from their migration to urban areas in search of jobs, and such large-scale migration could result in social conflicts in the society.

183. In addition, according to experts' opinion, the land reform played positive role in stabilization of the economy of the Republic during the complicated period of social and political transformation. The official statistics states the same. From 1996, the fall of agricultural production has been stopped and it started to grow by 6% on average.

184. Presently in the Republic there is no deficit of food products, especially of meat and milk products, fruits and vegetables. Production of potatoes and of certain other types of vegetables 2.5 – 3 times exceeds annually the demand of the inner market.

185. We may also consider the following factors as basic achievements of the reform:

- in the conditions of political and economic crisis the reform in agriculture has been carried out not so oversensitively, as it was supposed earlier;
- production and economic relations have been changed radically, the market of agricultural products started to work, this market provided the population of the Republic with necessary food products and the enterprises with raw materials;
- land market has been formed with introduction of the private landownership;
- process of decentralization and demonopolization of power in economy takes place;
- small and medium business in rural areas and entrepreneurship based on private ownership and competition have been developed;
- from year to year peasants and farmers get experience in management and become good specialists in agriculture;
- and, what is most important, number of indigent people in rural areas is gradually reducing.

186. At the same time, it should be noted that the reform in agriculture of the Republic tactically has been carried out in the conditions close to anarchy.

187. For example, before 1993 I headed one of rayons of Chu oblast. First Presidential Decree on the reform established that only bankrupt and loss-making kolkhozes and sovkhoses shall be subject to reorganization. Nevertheless, in fact, even successful enterprises have been liquidated in order to please certain ideologists. "Progress" kolkhoz in Chu rayon was a rather successful enterprise with good natural and climate conditions, fertile soil, excellent fleet of machines and tractors, etc. The head of this enterprise - without any approval from higher instances and contrary to the Presidential Decree - had gathered residents of the village and divided the land, cattle and machinery among them. That is, he made the reform in violation of law, without any specific plans for preservation of the level of production, genofond of cattle, crops, organization of servicing of the newly formed peasants' and farmers' enterprises, etc.

188. Somewhere unfair approach to distribution of lands took place. In certain enterprises of Chu oblast members of kolkhozes and sovkhoses received 100% of the established land share, while non-members, for example, doctors, builders, teachers, received only 50% of the land share established for all the residents of the village. Later it led to multiple complaints and discontents. This circumstance hampered to a certain extent their work, their development as farmers, created psychologic instability and uncertainty in future.

189. Even worse, starting from 1993 there was an impression that some sort of competition in liquidation of kolkhozes and sovkhoses takes place in the Republic. Rayon akims (administrators) one after another submitted reports to the central bodies on completion of the reform in their regions. Many rural citizens did not know what they have to do with the received land shares and

property shares, where they may obtain seeds, when they have to plough, to sow and what they have to sow, how they may use the received agricultural machinery and equipment, etc.

190. The result was very poor. By 1996, the level of production dropped significantly. The volume of production of certain types of products has been reduced up to the level of 60-70%, the cattle stock has been cut by one third.

191. All that was accompanied by absence of any measures from the State to support the newly formed peasants' and farmers' enterprises. Only starting from 1996 the Government of the Kyrgyz Republic started to organize their support by allocation of budget funds, commodity credits in the form of seeds, fertilizers, chemicals and agricultural machinery.

192. According to official statistics, from the same year the level of agricultural production started to increase by 6% per cent annually on average. In 1997, for example, its growth made almost 15%.

193. But such situation was kept only till 2001-2002, then the rate of growth has reduced to the level of 2-3%, and in 2005 it has dropped completely making 95.4% as compared with the previous year.

194. This shows that the reform has not achieved its final goal. Many problems have arisen, and these problems have to be settled immediately. What are these problems?

195. **1. The Gap between Production and Technical Potential.** Because of low profitability of agricultural production, the cut of the **production and technical potential** in agriculture took place largely as compared with other branches of economy. Lack of necessary funds led to multiple reduction of purchase of new machinery and equipment. Presently more than 90% of agricultural machinery is beyond its service life. During the last 15 years, the Republic received only around 1000 tractors, although the Republic needs it to buy annually at least 1500 tractors for normal renewal of the fleet of the tractors. The same situation is with combines. The Republic has received only around 300 combines for the said period. As a result harvesting takes up to two months, and that, in fact, increases loss of grain twice as much.

196. Work load for one conventional tractor is presently approximately 350 hectares, in fact this load has increased almost twice as much, as compared with 1990. As a result, everywhere the cropping technology is not observed, the quality of tillage has worsened and that led to reduction of lands productivity.

197. During these years the cattle stock has been reduced approximately by half, the percentage of pure-bred cattle presently does not exceed 20%, while in 80-ties practically all the cattle was pure-bred.

198. Unsystematic privatization of enterprises processing agricultural products has led to the situation where processing of certain types of agricultural products has been reduced several times. By results of 2005, the rate of growth of agricultural production made only 2%. Taking into account that only 1 to 10% of the total volume of certain types of agricultural products is processed, this growth is insignificant.

199. That is why even in case of increase of the demand for domestic food products, growth of their production is hampered by limited resources.

200. The problem of land degradation is especially urgent. Presently more than 150 thousand hectares of land are withdrawn from agricultural use. Removal of nutrients from soil 4 times exceeds their application with fertilizers. Land-reclamation systems fell into decay; areas of saline soil are increased.

201. Difficult financial state of rural producers prevents to settle these problems. This difficult financial position is characterized by the following factors:

- insignificant proceeds from sale of the products because of low level of prices for these products and limited sales market;
- lack of own circulating assets for seasonal financing of the production and lack of bank credits;
- big accounts payable, mainly under lax State credits, grants from Government of Japan, payments to budgets of all levels.

202. **2. The Disparity between Prices and Income.** Unsettled problem is inter-branch disparity of prices and incomes. In the conditions of liberalization of the economy, the agriculture found itself especially unprotected from monopolized suppliers of resources. Price pressure from a mass of intermediaries and subpurchasers resulted in multiple reduction of the share of agricultural producers in the retail price of a final product.

203. **3. The Limited Demand for Agricultural Food Products.** An important issue is limited demand for agricultural food products. Liberalization of prices in 1994 led to cancellation of State food subsidies, which achieved more than half of the retail price for certain basic products. This circumstance sharply decreased purchasing capacity of the population.

204. Sales problem was aggravated by foreign trade expansion of food products. At the same time fall of real incomes limits general demand of the population for food products.

205. **4. Lack of development of agrarian markets,** lack of effective systems for their regulation, existence of inter-regional trade barriers prevent normal functioning of the agro-industrial complex. Because of lack of development of market infrastructure, there is no normal interaction between a producer and a consumer of food products, and the possibility for sale of the products by domestic agricultural producers by reasonable price is limited.

206. Interregional trade barriers (especially with the neighbor countries) - hampering the producers access to the food market - cause negative effect on development of that market. Limitations for export reduce the level of competition, result in fall of prices at the markets of the regions exporting food products and lead to the corresponding growth of prices in the regions importing such products which directly leads to cut of demand.

207. **5. The dependence on Agriculture in Rural Areas.** The problems of development of agriculture presently are not only economic; they negatively affect also the social development of rural areas. The complexity of the problem is also in the fact that in rural areas in fact there are no sources of income other than agriculture. It does not allow the economic entities to support purposefully the infrastructure of rural areas, and to render assistance in their development.

208. **6. In many regions urgent problems of demographic and cadres potential,** lack of specialists and insufficient level of management, organizational and consultation work for formation and functioning of new market structures prevent overcoming the negative processes.

209. We have to acknowledge also that the Ministry of agriculture, water economy and processing industry in its time and presently showed passivity in carrying out the reform in agriculture. There are defects, shortcomings and omissions in the work of other ministries; oblast and rayon state administrations and local governments in joint settlement of the problems of development of the agrarian sector.

210. In my opinion, the main problems are as follows:

- 1) lack of mutual understanding in the issues of organizing effective production and rational use of agricultural lands and of development of the rural infrastructure. That is, there is no single agrarian policy agreed in all the levels, there is no understanding by peasants and farmers of the market economy principles. As a result, production of many types of agricultural products (this refers, first of all, to bread-grain, beet, wool, and other products), remains low-profitable;
- 2) there is no coordination in the issues of scientifically based regional specialization of production and realization of effective system of agriculture, and that resulted in overproduction or underproduction of necessary volumes of number of agricultural products, which affected significantly the level of provision of food security of the Republic;
- 3) access of peasants and farmers to high-quality seeds and pedigree cattle has not been provided to a necessary extent. This happened, first of all, because of unsystematic withdrawal of arable lands from seed-growing farms and livestock breeding farms, which led to bankruptcy of those farms;

- 4) influence of modern agrarian science to results of production activity of peasants and farmers is not visible, especially in the issues of introduction of scientific achievements and advanced practice to the production;
- 5) formal agricultural services failed to become real assistants for peasants and farmers;
- 6) level of legal knowledge among peasants and farmers remains extremely low, and that substantially affects observance of laws and of other normative and legal acts. Nobody controls and monitors efficiency of implementation of the laws and normative and legal acts in practice;
- 7) a system of joint actions with local governments - in realization of antiepidemiologic and phytosanitary arrangements, in organization of sale of agricultural products, in regulation of price policy, in forecast of agricultural factors and issues of water use – is not developed;
- 8) the measures to increase attractiveness of agricultural production for investments are not sufficient, since petty economy and low-profitability of the production, low quality of the products prevent the investments;
- 9) in fact at the local level there is no purposeful program for development of agrarian sector and rural territories with the account of real financial possibilities, market conditions, specific features and capacity of land and water resources. As a result, there is no clarity in respect of perspective specialization of this or that all okmotu, rayon or oblast;
- 10) imperfection of the current system of taxation in agro-industrial complex of the Republic which does not stimulate modernization and innovation of the production.

211. I think that the most important task today is not to divide again the land or to raise the issue on deprivation peasants and farmers of their landownership rights, but the task is **to introduce and develop private market and lease relationship in use of lands** in current conditions.

212. Significant role in settlement of this problem shall be assigned to creation of various forms of cooperative societies and of other types of associations. We already carry out such work in rural areas.

213. We understand, however, that joining the cooperative societies shall be exclusively on voluntary basis and shall proceed from the principle of community of interests. Generally, the integration shall cover spheres of additional services, processing and sale of the products. Such joint work may be carried out in the sphere of seeds-growing, livestock breeding, production of certain types of profitable crops and livestock.

214. Structural reforms must also cover processing industry through forming vertically integrated structures combining interests of both the producers of agricultural raw materials and their processors.

The following urgent measures shall be taken, in our opinion, to settle these problems:

215. During the last few years because of lack of timely and necessary information, agricultural producers were changing substantially the structure of sown crops every year, while orienting themselves only to the market conditions. As a result, in 2002 areas of tobacco were cut 2.5 times because of lack of the sales market, at the same time the sown areas of grain crops have been significantly increased. Next year, in 2003 because of reduction of retail prices for wheat the sown areas of grain crops were cut, while the sown areas of potato have been increased. In future, such sharp changes in the structure of sown crops shall be avoided, and the agricultural bodies must take comprehensive measures for stabilization of the sown crops structure.

216. In sowing this or that crop one has to take into account, first of all, its economic expediency for producers themselves, to give up command methods and to provide full freedom to peasants' and farmers' enterprises in choice of crops. Our mission is to inform timely rural producers about market conditions both inside the country, and in near abroad, about changes in demand for the products grown by peasants' and farmers' enterprises.

217. Presently the Ministry started placement of crops growing in the regions of the Republic, that is the Ministry started specialization of crops growing.

218. At that, we orient peasants to grow perspective crops providing good profits and improving profitability of management. In our opinion, such crops now are spring and winter rape, haricot and buckwheat.

219. Rape, for example, is an oilplant, with high output of vegetable oil, and the Republic does not have this crop in necessary volume. This crop gives excellent oilcake – fine albuminous fodder, it is an excellent bee plant providing 45 kg of honey from every hectare, and it is a low cost crop. Finally, rape is biological diesel fuel, and it matters these days, when automotive fuel became very expensive. Iran, for example, grows the rape in the area of 100 thousand hectares in order to obtain biological diesel fuel. We intend in 2006 already to sow the rape at the area of up to 4 thousand hectares, to form model farms in order to work out the technology of growing this crop, to teach this technology to farmers and to bring the production of this crop up to 50 thousand tons. We plan to place this crop in arable lands of Chu and Issyk-Kul oblasts instead of less profitable crops.

220. Another perspective and well-known crop is **haricot**, where Kyrgyzstan holds its niche in the international trade by exporting this grain to Turkey and to other foreign countries. This crop will get its further development in Kyrgyzstan. This year this crop will cover up to 4 thousand hectares only in Chu oblast, and in the nearest future the Republic will bring the total sown area of this crop up to 100 thousand hectares. We support the initiative of Batken oblast in growing the haricot as an aftercrop. They successfully sold this grain to Afghanistan through Tajikistan. In the nearest future, the Republic will organize industrial processing of haricot, including its sorting and packing with subsequent production of canned products.

221. **Buckwheat** will also be very perspective crop in the Republic. The initiative of Issyk-Kul oblast, which intends to grow the buckwheat at the area of up to 5 thousand hectares, deserves overall support. In this oblast there is positive experience of growing buckwheat in "Zaria" seed-growing farm of Ak-Sui rayon. It is important that this crop enjoy substantial demand from the population of the Republic.

222. We have to keep in mind that berry plantations are also rather perspective. Their growing is possible in all the submountain regions of the Republic. This may be achieved on the account of non-used lands which may be rented out under concessionary terms, and that will improve significantly the situation with the employment of the local population. Issyk-Kul currants, Kadamjai raspberries, Batken sweet cherries, our Kyrgyz everbearing strawberries are very popular in the near abroad countries. Now we have the sorts able to provide up to 10-12 kg of raspberries and strawberries from one bush. All this is an important source of Kyrgyz export.

223. Taking into account overload of arable lands by grain crops, we recommend peasants' enterprises to cut substantially the areas of grain crops and use instead high technology of grain production making it possible to increase its productivity to 35 centners from a hectare and in future up to 50 centners from a hectare. Such policy will result in that by 2010 the sown areas of grain crops will cover not more than 500 thousand hectares, while the gross production of grain will achieve 2.5 million tons.

224. This forecast, however, may become true provided a complex of measures is taken for intensification of grain production, especially in the issues of development of seed-growing sector and provision of high-quality seeds, organic and chemical growth-promoting fertilizers, etc.

225. With putting the Ak-Sui corn-processing factory into operation and increasing of the cattle stock the need in corn production for grain will increase. The corn grain is a valuable food and fodder crop and necessary raw material for processing industry. In future, the State must support any initiative in expanding the sown areas of that crop and increasing its productivity. The State must also support production of seeds of perspective high-yield domestic corn hybrids. These measures will make it possible to settle the problem of development of peasants' and farmers' enterprises not only in Chu oblast but also in the southern regions of the Republic where corn production has long-standing traditions.

226. Sharp increase of production of potato and vegetables and related to that problems with the sale and processing of the products exclude increase of their growing in future. Priority will be

given to increase of productivity, growing of early vegetables and expanding of their assortment on the account of import of high-yield seeds from other countries.

227. We have to promote formation in the Republic of an association of potato- and vegetable-growers. They will organize new seed-growing farms and strengthen the existing ones, increase procession of raw materials while producing final products and organizing their export marketing.

228. **Level of crediting will play a key role in the development of agro-industrial complex.** Presently all the agencies in the Republic - dealing with crediting of rural producers - finance 10-11% of all the production costs of peasants of the Republic. The monitoring shows that rural producers may finance, at best, 60% of their annual production costs, the remaining 40% of the costs are to be covered on the account of credit resources. This makes approximately 5.8 billion Som. Lack of credit resources for the agrarian sector makes around 3.5 billion Som. In 2005 all the crediting agencies and banks issued approximately 2.1 billion Som of credits to rural producers, processing enterprises and purchase and sale enterprises working with agricultural products. This amount of credits covers only 35% of their needs.

229. As shows the analysis of the credit portfolio of KAFC in 2005, 86.2% of all its credits were extended for the purposes of cattle breeding development. That is, although such practice may settle to certain extent the farmers' problem in increasing the cattle stock and its products, but at the same time this practice creates new problems with sale of those products. Monitoring of Tokmak cattle market showed, for example, that almost 60% of the cattle brought to the market fail to be sold.

230. Therefore, we have to change the crediting practice within the shortest possible time. Credits to the farmers shall be provided through processing enterprises in order, first, to settle the problem of circulating assets of these enterprises for purchase of raw materials, and, second, to settle the problem of sale of the farmers' products.

231. I would like to note that approach to the issue of KAFC's privatization should be very deliberate, and with the account of present realities. First, we know that all the assets of KAFC belong to the State, and financing of the activity of the corporation is made on the account of lax credits of the World Bank and the State will repay the credits within 32 years.

232. In addition, the main idea of formation of the KAFC consisted in providing credits to rural producers, and in particular to the poorest part of those producers. It was supposed that gradually the assets of the corporation will pass into the hands of users of these credits, that is, the corporation will become the bank of rural producers. There are many such examples in the world. In France "KreditAgrikiul" rural banks were formed in a similar way, and presently they work successively and are very popular among rural producers, because the shareholders are the agricultural producers themselves.

233. Thus, the Ministry offers to sell and pass the shares of the corporation only to domestic rural producers, processing enterprises and to organizations dealing with purchase and sale transactions.

234. Rural banks being members of the corporation must be legal entities, they shall have the right to extend credits independently, and they shall not be powerless branches as they are presently. Only in this case a rural bank may cooperate with processing organizations and producers of agricultural products, have common interest with them, minimize interest rate and simplify the procedure for issue of credits.

235. Increase of the number of rural banks on the account of foreign and local investments will lead to sound competition and easier access of rural producers to credits.

236. In seed-growing branch, the production and marketing issues will be passed gradually to the private sector. Therefore, in future we plan to keep percentage of governmental seed-growing farms at the level of only 10-20%. We need to provide proper marketing of produced seeds of crops and register seed-growing farms with certain peasants' and farmers' enterprises. In every all okmotu

with participation of non-governmental organizations it is necessary to form public funds for accumulation of varietal seeds and provision of poor categories of peasants with the seeds.

237. Generally, the issues of agricultural production and its initial processing and sale must be the prerogative of peasants and farmers themselves, while participation of the State in this process will consist in provision of consultations and rendering assistance in preparing business plans, sale of products, provision with new production technologies and seeds.

238. We plan to increase cattle stock taking into account that cattle breeding is a traditionally profitable type of agricultural activity for farmers of the Republic, and taking into account availability of highly-productive pastures. With increase of the cattle stock and improvement of their breed composition, we plan to increase production of meat for export in future. The role in development of this branch must gradually become the prerogative of various associations and unions formed by farmers themselves.

239. Processing industry is a strategically important branch of economy of Kyrgyzstan, which will have to play decisive role in further development of agrarian and land reform in Kyrgyzstan. In future, this branch must become a catalyst for development of the agrarian sector of the economy. Presently only 15% of agricultural products are processed because of weakness of the branch.

240. In the coming period we have to form proper conditions to processing enterprises in order to provide them access to credits under acceptable rates for financing technical renewal and re-orient these enterprises to production of competitive products not only in the domestic market but also in foreign markets. Credits must be issued, first of all, to small and medium private or cooperative enterprises processing products for export or for the purposes of import replacement.

241. Organization of proper training of production managers is also needed for organization of profitable business in this branch and competent management.

242. To fulfill these tasks we need to take number of organizational arrangements promoting stable development of agro-industrial complex:

- 1. Conduct of effective foreign-economic policy in the light of membership in WTO to provide reasonable protectionism in import of food products and support of export of domestic agricultural and food products to world markets.
- 2. Conduct of single land policy through development of uniform principles and formation of uniform land legislation, maintenance of national land cadastre and single system for registration of immovable property.
- 3. Conduct of single technological policy through realization of purposeful programs providing technological and technical progress in agro-industrial complex, formation and financing of fundamental and priority applied studies in the agrarian sphere, support of most effective and resource-saving technologies.
- 4. Conduct of single financial policy through formation of rural banks and credit unions, formation of multi-channel system of financing of capital investments, concentration of State resources at priority directions of development of agro-industrial production.
- 5. Conduct of financial sanitation of agricultural producers through restructuring of their debts to budgets of all levels and to governmental off-budget funds and through institutional reforms. The Ministry has carried out this work already and the materials on the debt amortization are submitted to the Government for its consideration. Proposals on prolongation of the deadlines for repayment of grants - agreed with the Ministry of Finance – are directed to the Government of Japan.
- 6. Assistance in formation of horizontal and vertical integrated structures. Develop normative and legal basis and put into operation the mechanism of cooperation and crop insurance, develop insurance system in agriculture taking into account the market conditions.
- 7. Stimulation of economic growth of agro-industrial complex branches through support of import replacement and development of export. To settle this problem it would be necessary to organize where possible frontier trade in agricultural products, which will make it possible to organize registration of exported products and remove various barriers and obstacles in their purchase and border crossing.

- 8. Facilitating improvement of technical equipment of agriculture, take measures to introduce leasing of agricultural machinery in the Republic from CIS countries, and especially from Russia. For this purpose, the Ministry of agriculture, water economy and processing industry of the Kyrgyz Republic and "Novoye Sodruzhestvo" company entered into an agreement on long-term economic cooperation in supply of agricultural machinery. We conduct intensive consultations with representatives of Russian "Avtoexport" JSC and "KrossAgroMash" LLC for supply of machinery under leasing terms. The parties have worked out commercial proposals and acceptable variants of cooperation, also a list of necessary agricultural machinery and equipment has been agreed.
- 9. Formation of favorable conditions for attraction of private investments into agriculture. Last year direct investments made around 40 million US dollars. But this is not enough to raise substantially this branch.
- 10. Assistance in building and reconstruction of irrigative and drainage systems, carrying out agro-technical, erosion-preventive and other works. Big work has been done within the framework of projects of the World Bank and Asian Bank of Development. Almost all the large dams and inter-regional canals have been repaired. They continue land-improvement work in Chu oblast, emergency preparedness and bank protection work in southern regions of the Republic.
- 11. Realisation of set of measures aimed to provide governmental procurements mainly from domestic producers.
- 12. Assistance in general creation of agro-chemical and agro-technical services on private basis, in organizing free sale of chemical fertilizers, chemical weed-killers and pest-killers, pesticides, agricultural equipment and spare parts to agricultural machinery. For this purpose we need to use available machine and tractor stations, storage facilities and other material and technical resources. Private entrepreneurship will play important role in improvement of medical and prophylactic measures in cattle breeding. Private veterinary specialists must be supported and provided with licences. Further improvement of material and technical base of veterinary laboratories and their provision with necessary equipment on the account of annual State subsidies are needed.
- 13. Increase of the number of rural banks on the account of attraction of foreign and local investments, which will lead to sound competition and improvement of access of rural producers to credits. This mission must become the basis of the State agrarian policy in Kyrgyzstan taking into account positive working experience of KAFC and many credit unions formed under the "Rural Financial Institutes" Project. In future they - as well as other financial and credit institutions - must be transformed into full-fledged banking institutions and become the main instrument for development of the agro-industrial complex. It is necessary to introduce mortgage crediting and financial leasing in payments for use of agricultural machinery and equipment. Further development of land market will lead to the situation where land becomes the basic collateral for accommodated parties.
- 14. Improvement of normative and legal support of AIC reform. State policy in AIC development needs development and enactment of normative and legal acts which will make it possible to form an integral system of agrarian legislation and remove defects and contradictions in the current one.

243. We need the Law "On Development of Agriculture" which will be the main legislative act for the AIC development, establishing main directions of the State agrarian policy, forms and methods of State support and regulation of the AIC and deciding other conditions providing raise of efficiency of the agro-industrial complex.

244. The issues in the sphere of financial and credit system and State support of agriculture need their legislative settlement. First of all, it refers to the issues of banking servicing of the AIC, restructuring of debts of agricultural enterprises to the State budget, the measures on their restructuring and financial sanitation. It is necessary to develop and enact the laws "On Financial Sanitation of Agricultural Organizations", "On Agricultural Bank", and to make amendments to the law "On Insolvency (Bankruptcy)".

245. It is important to enact in the nearest future legislative acts establishing specific features for creation and functioning of rural credit and insurance organizations on cooperative principles, that is, we need a law "On Credit Cooperation".

246. Since the Draft Tax Code – in connection with introduction of VAT for sold agricultural products - does not take into account seasonal nature and specific features of agriculture, does not provide for the measures simplifying the payment procedures, and since the set-off system for VAT paid for purchased resources established in the Draft is not perfect, etc. – it would be expedient to make corresponding amendments in the Draft.

247. For legal support of development of the market infrastructure and legal regulation of food market it is necessary to develop and enact the law "On Procurement and Supply of Agricultural Products, Raw Materials and Food for State Purposes", it is expedient to develop a law on self-regulating organizations in the agrarian sector (branch unions and associations of agricultural producers).

248. Issues of development of social infrastructure of rural areas also need their legislative settlement.

249. The main task in the field of insurance is formation and development of effective system of insurance in agriculture, and that needs development and enactment of the Law "On Insurance in Agriculture".

4. A. Abdiev: The Effects of Land Reform

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A. Introduction

250. Many articles and analytical material are written about the land and agrarian reform in our Republic, which started after acquirement of independence, and even earlier in 1991, and continues these days. Some people consider it successful, others see many defects and haste in its implementation. The land reform, of course, as any other new process of changing social and legal relations in a society, had many mistakes and negative results, and at the same time it brought a lot of good and positive experience. Moreover, in the history of our country before the soviet epoch there were no traditional stable forms of legal land relations, which could be used in conduct of the land reform. Thus, there was no process of restitution in the Republic, that is, transfer (return) of immovable property, including lands, to former owners from whom it was nationalized earlier. Before the reforms the farmlands were mainly in use of kolkhozes and sovkhoses, and of livestock breeding, seed-growing, field study and other farms.

251. As of 1 January 2002 the following entities have been formed based on abovementioned kolkhozes and sovkhoses:

- 180034 peasants' (farmers') enterprises having a right of ownership to 799 thousand hectares of farmlands including 703.3 thousand hectares of arable lands (57.4% of arable lands);
- 684 collective peasants' farms having 114 thousand hectares of farmlands, including 102 thousand hectares of arable lands (8.3% of arable lands);
- 273 agricultural cooperative societies having a right of ownership to 104.2 thousand hectares of farmlands including 96.6 thousand hectares of arable lands (8.5% of arable lands);
- 38 agricultural joint-stock companies having 29.2 thousand hectares of farmlands, including 18.6 thousand hectares of arable lands (1.5% of arable lands).

252. Population of the Kyrgyz Republic makes more than 5 million people, out of them 3.2 million, and that makes approximately 65% of the whole population of the Republic, live in rural area, and all of them deal with farming. Kyrgyzstan was and still remains an agrarian Republic. Arable lands make only 7% of the territory of Kyrgyzstan (1.4 million hectares). More than 70% of these lands need artificial watering. The main natural resource – pastures, mainly mountainous, makes 40% of the territory of the Republic. Main agrarian problems in Kyrgyzstan – lack of means of agricultural production, violation of scientifically based methods of cropping and development of traditional cattle breeding, degradation of arable lands and pastures, poor system of crediting and limitation of access to agricultural markets. Unfinished land reform with introduction of private ownership to farmland in 1999 resulted in that on the background of re-distribution of lands negative impact of the reform has not been taken into account with the change of land resources management. These negative factors are as follows:

- reduction of the land use coefficient;
- need to build additional infrastructure (roads, irrigation networks);
- worsening of qualitative factors of land resources.

253. As compared with the time of start of the reforms in the agrarian sector, area of farmlands has been reduced by 10459.9 thousand hectares because of transfer to other categories of land. Area of lands of settlements has been increased considerably. Lands with the total area of 182.5 thousand hectares, including 102.8 thousand hectares of arable lands, were allocated to settle housing problems of citizens of the Republic.

254. Area of lands of especially protected territories has been increased by 361.3 thousand hectares in order to preserve unique natural territories and rare types of animals and plants being under threat of disappearance.

255. At the same time violation of crop rotation because of non-system placement of crops led to worsening of soil fertility. Absence or lack of irrigation, remoteness from settlements, poor quality of lands, and various natural cataclysms led to non-use of 100.7 thousand of hectares of arable lands.

B. Stage 1

256. Land and agrarian reform in the Kyrgyz Republic started in 1991 with enactment of the laws of the Republic of Kyrgyzstan "On Land Reform", "On Peasant Enterprise", and the Land Code of the Republic of Kyrgyzstan.

257. The main prerequisites for start of the land reform were acquirement of sovereignty by the Republic and termination of subsidies to agriculture of the Republic from the State budget of the USSR. Economic groundlessness of kolkhoz-sovkhoz system of agriculture became obvious not only to economists but also to the new leadership of the Republic in the person of Askar Akaev. Decrees of the President of the Kyrgyz Republic became the main driving force in pushing forward the land reform and transfer to market land and agrarian relations.

258. During the years of the reforms 15 Decrees of the President of the Kyrgyz Republic - exactly on the issues of agrarian and land reform, State support of the land and agrarian reform, introduction of the land use market, formation of the land market, market systems of agriculture crediting, development of real estate market, introduction of uniform State System of registration of rights to immovable property - have been issued.

259. Within the period from 1991 to 1993 based on the Decrees of the President of the Republic and number of Laws a special land fund has been formed on the account of irrationally used lands and of lands non-used by their targeted designation. Lands from this fund were allocated to newly formed peasants' enterprises, agricultural cooperative societies, and farmers. Low-profitable enterprises have been reorganized.

260. Decree of the President of 15 February 1991 established that the land reform in the Republic of Kyrgyzstan shall be carried out stage by stage with the account of local specific features and as the materials of the lands inventory are ready. Within the period from 1991 to 1993 it was planned to form a special land fund on the account of irrationally used lands and of lands non-used by their targeted designation. Lands from this fund had to be allocated to newly formed peasants' enterprises, farmers, agricultural cooperative societies, and to citizens for their personal subsidiary households. The land reform provided for possible ways and forms of transforming inefficiently working kolkhozes and sovkhozes into associations of peasants' enterprises, cooperative societies. The lands of abovementioned kolkhozes and sovkhozes had to be allocated to farmers, peasants' enterprises for the purposes of gardening and cattle breeding. Note that coercive dismissal of kolkhozes, sovkhozes and other agricultural enterprises have not been allowed.

261. The Law "On Peasant Enterprise" enacted on 2 February 1991 defined a peasants' enterprise as an independent economic entity which activity is based mainly on personal labor of members of one family, relatives and other persons jointly producing agricultural products. Land use in a peasants' enterprise is based on the right of inheritable lifetime possession of the land or on the right of temporary lease of the land. This was the legal status of a private enterprise, which could freely carry out economic activity in the agricultural sector.

262. Soon, however, it became obvious that without additional stimulative mechanisms the process of formation of the peasants' enterprises will be delayed for long, and already in few months the President issued the Decree # УП 202 of 14 May 1991 which provided for formation of land commissions of the Rayon Soviets of Peoples Deputies for consideration of applications of citizens willing to receive land plots for maintenance of peasants' enterprises.

263. The Land Code of 19 April 1991 established that land possession and land use in the Republic of Kyrgyzstan should be paid in the forms of annual land tax or rent depending upon quality and location of a land plot. At that, purchase and sale, donation, pledge and unauthorized exchange of land plots were forbidden. For maintenance of peasants' enterprises the land was allocated to citizens under the right of inheritable lifetime possession.

264. The Law "On Land Reform" of 19 April 1991 provided for the following State arrangements for conduct of the reform:

- inventory of all the lands of the Republic in accordance with types of the lands;
- verification and establishment of actual borders of rural settlements' lands on the spot;
- formation of a special land fund;
- reorganization of ineffective kolkhozes, sovkhoses and other agricultural enterprises;
- re-registration and issue of documents certifying the right to possess and use land;
- establishment of rates of land tax and land rent.

265. Presidential Decree of 10 November 1991 provided for formation of the land fund in the amount not less than 1.5 million hectares of farmlands on the account of irrationally used or non-used lands, including lands of kolkhozes, sovkhoses and other enterprises, and general allocation of land plots to rural residents and townspeople. At that, allocation of land plots to inherited lifetime possession for maintenance of peasants' enterprises was made on competitive basis.

266. Although the State took measures to develop the land reform, these measures were of undecided nature. Thus, the Government by its Resolution # 562 of 2 December 1991 limited a circle of persons who may pretend to receive land plots by the following requirements:

- residence in the territory of the Republic for the period not less than 10 years;
- availability of higher or secondary special agricultural education and working experience in the field of agriculture and certain length of service;
- registration of permanent place of residence and certain age for applicants;
- certain relation to the collective property of the kolkhoz, sovkhos or of other State agricultural enterprise;
- provision of information about the family of the applicant and availability of family members able to work;
- availability of written consent of family members or relatives willing to maintain the joint peasants' enterprise;
- availability of recommendations from the board of the kolkhoz, directorate of the State agricultural enterprise in respect of abilities of the applicant and his relation to the agricultural production; and for individuals arrived from other regions – recommendation of the administration of the enterprise, organization, agency from the previous place of work;
- availability of cattle in personal ownership and provision of information about state of homestead land plot;
- availability of a short program and planned specialization of the peasants' enterprise, written obligation to fulfill governmental order to supply agricultural products within the agreed period of time.

267. A next step in pushing forward the land reform was the Presidential Decree of 13 January 1992 on formation of village committees on land reforms as the bodies of territorial public self-governance. The village committees on land reforms were formed based on a decision of general meeting of village residents or settlement. The committee consisted of a chairperson and 5-7 members. As a rule, the chairpersons of kolkhozes or directors of sovkhoses became the chairpersons of those committees.

268. In 1992, the Presidential Decree of 10 March 1992 established the National Land Fund. The official goal of the Fund was to support development of national peasant entrepreneurship with the account of traditional forms of economy and way of life of Kyrgyz peasants. In other words, the

State tried to protect interests of the indigenous population through reservation of half of area of arable lands.

269. Summing up the results of the first stage of the land reform, we may follow certain logic in the decisions of the State dared to conduct such reforms. Within the period from 1991 to 1994 "Kyrgyzgiprezem" institute has carried out inventory of lands of all the kolkhozes, sovkhoses and other economic entities in the Republic. Materials of the inventory served as cartographic and statistical (registration) basis within the years of the reforms, and until now the inventory maps of that time remain almost the only graphic material in the work of all okmotu specialists. Many loss-making kolkhozes and sovkhoses were reorganized. Rural residents willing to maintain their own farms received land plots from the special fund and organized peasants' enterprises when it became legally possible. Not everywhere they were supported in their initiative; certain heads of enterprises prevented people to leave the collective farms by all possible means. However, the general political policy aimed to transfer to market principles and agrarian policy of the Government aimed to reforms stimulated part of rural population to changes. Moreover, the general economic situation in the country and inability of many heads of kolkhozes and sovkhoses to maintain their enterprises in new conditions changed the common sentiment of population, and people gradually started to understand that they have to rely only on themselves. Moreover, the new laws and normative and legal acts created legal basis for formation of associations of new rural entrepreneurs. The reorganized enterprises also served as pilot entities in development of mechanisms of reformation of agricultural enterprises for full-scale reform held in subsequent years.

270. As is well known, farming in the Republic before the reforms was based on development and introduction of scientifically based crop rotation, that is, on rotation of growing crops by years and by fields. Such practice made it possible to preserve qualitative factors of soil of farmlands and to improve fertility of arable lands. Every agricultural enterprise had its own land management plan. A system of crop rotation was in the basis of those plans. The system of crop rotation has been developed depending upon specialization of the farm, qualitative factors of soil, size of fields, etc. There were a big number of types and forms of crop rotation for every region: beet bin and tilled crops (Chu oblast), grain-crops, grassland crop rotation (Naryn oblast), cotton and tobacco (Osh oblast) and others. Specialized scientific institutions like Institute of Farming, Institute of Soil Science, "Kyrgyzgiprozem" Institute developed abovementioned systems of crop rotation. Development and introduction of the crop rotation systems took eight-ten years on average. In fact all the fields of kolkhozes and sovkhoses participated in the crop rotation, and all the fields had their projected area. An irrigation system – watering and drainage network – was built on these fields. The reform has been carried out selectively, that is, the peasants' enterprises received land plots from the special land fund formed out of irrationally used lands or of the lands not used by their targeted designation. Main crop rotation areas were worked collectively as before, and the structure of sown areas remained the same.

C. Stage 2

271. Critical deficit of the State budget unable to subsidize agriculture was a prerequisite for the second stage of the reforms. A system of State procurements did not function already, while the market mechanisms have not yet been formed. The whole agrarian production structure was going to ruin, and instead of it the State could not provide an equal system working under the laws of free market. All the previous efforts of the Government for reforming the agrarian sector were based on gradual and mainly voluntary transfer to the new system of economic relations and production structure. But actual stagnation of all the economy and position of most of kolkhozes and sovkhoses - being on the verge of bankruptcy when their debts have been increasing every year – forced the Government to decide to radical changes in the conception of the reforms in agriculture.

272. Presidential Decree of 22 February 1994 started second stage of land and agrarian reforms. In pursuance of the Decree the Government of the Kyrgyz Republic approved Regulations for determination of land shares of citizens and issue of certificates for the right to use a land share, and Regulations for transformation (reorganization) of agricultural enterprises.

273. 75 per cent of all farmlands - except the pastures registered with agricultural enterprises – were divided into land shares of citizens. 25 per cent of the farmlands remained under the jurisdiction of the State and formed the National Land Fund.

274. As a result of the land reform more than 2596.3 thousand people out of 5.0 million people of the whole population (52%) or 510 thousand families have received land shares. They received certificates for the right to use land shares specifying all the members of their families.

275. Citizens of the Kyrgyz Republic residing and working in kolkhozes, sovkhozes and other State agricultural enterprises, as well as workers of public health service, water economy, education, consumer services, trade, culture, agro-zoological-veterinary-chemical-technical service received the land shares.

276. Rural residents, who received the certificates for the right to use a land share, had the right to sell, exchange, demise, pledge and rent out the land, join on voluntary basis or leave agricultural cooperative societies or associations of peasants' enterprises with consent of their family members.

277. In the course of the reforms out of 1 million 226.3 thousand hectares of all the arable lands 920.5 thousand hectares (75.1 per cent) of such lands as well as 21.6 thousand hectares of perennial plants (61.2 %) and 82.2 thousand hectares of hayland (56.1%) were allocated to the land shares.

278. Because of reorganization of agricultural enterprises, peasants received the right of land use first for 49 years and later for 99 years.

279. Unfortunately, the process of reform from the very beginning was conducted under a simplified scheme where the principle of social fairness (a little bit to everybody) prevailed over land management priorities (optimum size, configuration, crop rotation, etc.). Under the Regulations, the transformation (reorganization) of agricultural enterprises had to be carried out in accordance with the regional program based on specially developed project. In fact, it consisted only in establishing borders of the Land Redistribution Fund. Lack of proper methodical, legal, material and technical basis for the process of reformation of rural land relationship is the main defect of the agrarian and land reform. Reorganization of previous agricultural enterprises (kolkhozes and sovkhozes) has been carried out formally in many cases. Moreover, that this work was carried out in village committees which specialists had no adequate qualification and were not provided with consultations and methodical assistance from the government bodies.

280. The size of the land share was calculated by division of the total area to be allocated to the land shares (75% of all the farmlands except pastures) by number of persons having the right to a land share under the law. That is why the size of a land share was different in different farms varying from few hundred parts of hectare in southern regions to number of hectares in northern regions depending upon density of population. There were no uniform methods for territorial distribution of the land shares. The territorial location of land plots of newly formed peasants' enterprises was decided at a general meeting of residents or by lot. In some enterprises the land shares were located at two land plots separately for arable lands and for dry lands, and sometimes they were located even at three or four land plots depending upon soil quality and remoteness of the lands. Such fragmentation of former crop rotation fields played later very negative role not only in land-improvement respect, but it also led to reduction of arable lands area because of construction of additional field roads and irrigation canals.

281. One may observe increase of all the factors of erosion process in most of arable lands. The lower part of fields with inclined disposition accumulates excessive water and its swamping takes place. Drainage networks drafted for the whole tract of land often are not built because of lack of cooperation among the peasants' enterprises or lack of interest from peasants' enterprises located in the upper part of the fields. Little attention was paid to irrigation, maintenance of water distribution canals and forest shelterbelts in the course of reorganization of enterprises and distribution of land shares. Highly effective water-sprinklers used by former enterprises have been dismantled by newly formed peasants' enterprises because of unconformity of these water-sprinklers to the new configuration of the fields. Elimination of forest shelterbelts increased the factor of wind erosion.

282. In addition to that a peasant - for whom a land plot is the basic means of income - in his economic activity is guided, first of all, by market conditions. The result of this was worsening of soil fertility because of growing one-crop at the same lot for many years.

283. The land and agrarian reform dealt mainly with the issues of lands redistribution. At the same time they did not pay due attention to issues of improvement of quality of farmlands, maintenance of road and irrigation networks, conduct of anti-erosion arrangements. In this connection, according to the Land Cadastre 280 thousand hectares of arable lands are exposed to salinity, 770 thousand of hectares are subjected to water and wind erosion, 31 thousand hectares are waterlogged, and stones litter 250 thousand hectares. Peasants and farmers refuse to receive such lands because they need big spending of labor and capital, and, therefore, sometimes the mentioned areas become wasteland.

284. Irrigated arable lands from the Land Redistribution Fund are rented out for short-term period, that does not stimulate farmers to make long-term investments into such lands, and that, eventually leads to worsening of the soil quality and does not improve the infrastructure. In the course of the land and agrarian reforms, the authorities failed to take into consideration issues of allocation of lands for expanding areas of settlements, and that sharpened social tension in the society. Local governments have to settle issues of provision of lands to housing construction on the account of lands of the Land Redistribution Fund, which leads to reduction of its areas, and to disputes.

285. Funds, received from land tax and land rent, under article 8 of the Land Code of the Kyrgyz Republic must be used for improvement of lands, soil fertility and land management, but in fact these funds are remained in the local budget and are not used according to their targeted designation.

286. Development of land market in our Republic started in 1996 with issue of the Presidential Decree on measures to introduce land use rights market and form market-crediting system in agriculture. The Decree provided for introduction of registration of sale, exchange, pledge, rent, and demise of the land use rights.

287. Registration of land rights, pending its legislative regulation, was imposed on the State Agency for Land Management and Land Resources under the Government of the Kyrgyz Republic.

288. It was planned to carry out sale of land use rights in respect of land plots of the Land Redistribution Fund based on tenders and public sales with provision of privileges to local residents.

289. In 1998 only 30 auctions on sale of land use rights were held, at which land use rights in respect of approximately 2000 hectares of land have been sold for the total amount of 6.8 million Som with the average price of 3.3 thousand Som for one hectare. Later, however, the sale of land use rights was suspended in order to preserve State lands of the Land Redistribution Fund, pending final settlement of the issue on introduction of private landownership.

290. Note that normative documents regulating sale of land plots from the Land Redistribution Fund contradicted to the Constitution of the Republic (1991) not allowing purchase and sale of land.

291. Irrespective of this constitutional norm, hidden market for purchase and sale of farmlands functioned in the Republic among citizens leaving the Republic or moving for permanent residence from one region to another.

292. Absence of legal basis providing the land users with the right to possess and dispose of the received land plots (shares) hampered further development of market land relations.

293. That is why it was decided to hold national referendum on amendments to the Constitution of the Kyrgyz Republic.

294. At the referendum (held on 17 October 1998) most of the citizens of the Kyrgyz Republic approved amendments to be made in article 4 of the Constitution.

295. Under these amendments, the land may be in the State, communal, private and other forms of ownership.

296. With the amendment of the Constitution of the Kyrgyz Republic land market continued its further development in our Republic.

297. The following 5 urgent laws have been enacted within the period from 1998 to 1999 in connection with the positive decision of the issue on introduction of private landownership at the referendum:

- Land Code of the Kyrgyz Republic;
- Law on State Registration of Rights to Immovable Property;
- Law on Peasant Enterprise;
- Law on Mortgage;
- Law on Cooperative Societies.

298. The Law "On Introduction of the Land Code of the Kyrgyz Republic" made effective the right of private landownership.

299. At that, the Land Code of the Kyrgyz Republic of 1999 established moratorium to purchase and sale of land for the period of 5 years.

300. In addition to that, the situation was aggravated by the fact that shadow land market was flourishing at the local level. The reason for that was incompliance of legislative norms to demands of the times. Despite the cancellation of the moratorium to sale of farmlands, the land market in rural areas was developing very slowly.

301. One of basic legal acts regulating market land relations – the Law "On Farmlands Management" – prevented development of civilized land market and hampered development of agrarian sector of the country.

302. Norms of this law - limiting purchase of land by legal entities and townspeople, prohibiting exchange of land plots to land plots in other ail okmotu, rayon, oblast, prohibiting the credit institutions to have the right to possess and dispose of land – create the situation when a rural resident, having no possibility and sometimes unwilling to work the land, may not sell his land plot to a town's resident or to a legal entity for a corresponding price, and he may not also receive credits under pledge of his land share. Because of this, the land remains uncultivated, and the peasant has no other possibility to earn his living.

303. The share of pastures in the structure of farmlands in the Republic makes around 85%, the agrarian and land reform carried out all these years, however, had no deal with pastures. Pastures are in the State ownership, and pastures management system is based on development of lease relations.

304. The State, having chosen market principles for development of the economy, failed, nevertheless, to create real market mechanisms in use of natural forage lands. The existing mechanisms of governmental regulation of lease relations in respect of pastures often do not correspond to new economic conditions not allowing carrying out effective and rational use of pastures in full volume. As a result of this, part of pastures (in the zone of intensive use and distant pastures) remain unused every year, while near-village pastures suffer more and more increasing load, and their degradation becomes threatening.

305. Taking into account the economic situation of the transition period and existing traditional system of natural economy, the system of pastures management and use was based on subdivision of pastures into the following categories: near-village pastures – for communal cattle-breeding, medium distance and distant pastures – for commercial livestock.

306. Let's note number of normative and legal acts regulating use of pastures. First, this is the Land Code of the Kyrgyz Republic, which establishes competence of governmental bodies in allocation of pastures and their use. For example, distant pastures are under jurisdiction of oblast state administration, pastures in the zone of intensive use – under jurisdiction of rayon state administration, and near-village pastures – under jurisdiction of ail okmotu.

307. The main normative and legal act regulating the procedure for use of pastures is the "Regulation on the procedure for renting out and use of pastures". Pastures' renting out is made on competitive basis in accordance with the said Regulation # 360 of 4 June 2002. The competitive procedures are not widespread because local authorities do not always observe the provisions of the Regulation.

308. There are no norms (economically grounded and fixed in the Republican normative acts) for subdivision of cattle by its mission (for natural economy or commercial), and that allows unlimited growth of cattle stock at near-village pastures. Poor financial basis of local governments – ail okmotu, lack of development of public institutions dealing with common resources management in rural areas, inactivity of governmental bodies in the person of representatives of various ministries and agencies are the factors hampering development of adequate methods of pastures management.

309. Excessive pasturing at near-village pastures in the past and at present led to destruction of grass and development of ballast motley grass, and reduction of productivity.

310. The Law of the Kyrgyz Republic "On State Registration of Rights to Immovable Property" was enacted in 1998 to develop registration of immovable property in the Republic.

311. The Law is designed to provide State protection of the rights of real estate owners (including landowners) and promote development of real estate market. The Law established legal basis and procedure for functioning of the single State system of registration of rights to immovable property in all the territory of the Kyrgyz Republic.

312. The State agency for registration of rights to immovable property under the Government of the Kyrgyz Republic was formed in 1999 by Decree of the President of the Kyrgyz Republic on the basis of the State Agency for land management, geodesy and cartography under the Government of the Kyrgyz Republic, and of city and rayon bureaus of technical inventory.

313. Thus, the single system of state registration agencies - for implementation of State registration of rights to immovable property in all the territory of the country – has been formed.

314. Investments, issued under pledge of immovable property, have increased significantly thanks to number of arrangements for introduction of the State registration of rights to immovable property and protection of these rights by the State. At that, note that most of the owners especially in rural areas do not have legal documents certifying their right to immovable property, which do not allow them to register their rights and receive guarantee and protection from the State.

315. Work on mass legalization of the rights is carried out in order to create conditions when all the owners of immovable property, especially among indigent categories of population, could involve their property into economic circulation and perform various transactions with it.

316. Upon the results of system (general) registration, local registration agencies received complete information about owners of immovable property and about the immovable property according to forms of ownership and to types of immovable property.

317. The second stage of the reform (1994-2004) has not achieved its goals in the agrarian sector:

- owners of land shares do not enjoy their rights of disposal in full volume;
- transfer of lands to effective economic entities goes slowly;
- new agricultural enterprises and entities - which appeared as a result of reorganization of agricultural organizations and privatization of land – failed to increase productivity of farmlands;
- mortgage crediting system was not created;
- current principles of land taxation and land rent collection are obviously obsolete;
- money received as payment for land often are not used according to their mission, and that is a law violation;
- there is no delimitation of the State lands and municipal lands;
- land cadastre system does not function.

318. Financial, material supply of land survey works and provision of these works with specialists is very bad, and it made less than 20 per cent from the assigned budget. As a result, in 2000 – 2003 the land survey works in fact were stopped, creation of the land cadastre, registration of documents certifying land rights, mass assessment of lands, economic zoning of territories and other necessary works are hampered.

D. Stage 3

319. Decree of the President # УП 142 of 17 April 2004 "On New Directions and Arrangements for the Land and Agrarian Reform" started the third stage of the land reform. The Decree pointed out the following directions for the final stage of the reforms:

- large-scale development of cooperative societies;
- development of peasants' (farmers') enterprises and enterprises of agribusiness;
- introduction and development of crediting cooperative societies, mortgage crediting, insurance in agriculture;
- establishment of optimum size for agricultural land plots and their registration;
- restoration and development of seed-growing and livestock breeding;
- development of agrarian science, consultation and marketing services;
- creation of effective system of technical, agrichemical and zoo-veterinary service;
- development of system of sale, processing and export of products;
- improvement of water and pastures management;

320. All these directions of development of the reform could be outlined already at the first stage of the reforms. Then, probably, we could avoid the complex stage of survival of peasants being left alone, fragmentation of arable lands, degradation of arable lands and pastures, loss of farmlands.

321. Nevertheless, most of these newly established directions for development of the reform remain on paper. The new law on cooperative societies is enacted, however, there is no broad movement of peasants towards their joining up into cooperative societies. Seed-growing and cattle-breeding farms are on the decline, and financing of agrarian science is carried out in very small volumes. The law on pastures is not adopted yet, while it is high time to do that. In connection with the growth of cattle stock regulation of the regime of use of near-village and distant pastures is urgently needed. In 2006 under instruction of Jogorku Kenesh the Government formed an inter-departmental commission to study the issues of use of pastures. Number of variants of the Draft law on pastures will be prepared upon results of work of the commission.

322. We may consider development of the system of registration of immovable property as one of real directions of the land reform. Presently a single State system of registration of rights to immovable property functions in all the territory of the Kyrgyz Republic. All the local registration offices perform personal registration of rights to immovable property (subject to payment) on the basis of applications of the right holders. In addition to that, system (general) registration of rights to immovable property is carried out free of charge within the framework of the "Registration of Land and Real Estate" Project.

323. In 2004, the system registration of rights to immovable property located outside of settlements has been started in 20 rayons of the Republic. Land shares of rural residents make the main part of that immovable property. As of 1 January 2005, 108.2 thousand units of immovable property have been examined, and rights to 7.9 thousand units have been registered.

324. Recently the overdue amendments have been made at last in the Law on farmlands management. These amendments will remove most of limitations for market circulation of the farmlands. More liberal regime for purchase and sale of lands has to make the farmlands market more active.

E. Conclusion

325. The State monopoly to land has been liquidated. Transfer to multiple forms of land ownership was carried out. Free of charge redistribution of lands in favor of citizens has been carried out (presently there are more than 2 million 680 thousand owners of land plots, approximately 1 million 47.7 thousand hectares of farmlands, including 936.7 thousand hectares of arable lands, - have been transferred to private ownership).

326. Registration of rights to land plots has been provided: all the owners have received documents certifying their right of ownership to land. Transfer to land use requiring payment has been carried out.

327. Despite number of positive factors in conduct of the land reform, the reform as the whole has been carried out inconsistently, unmethodically and very slowly. At the governmental level there are no clear and grounded conception, programs and plans for implementation of the land reform. Powers of the bodies responsible for conduct of the land reform are not clearly defined; a harmonious system of land legislation has not been built; the cadastre-assessment of lands has not been carried out.

328. The current mechanisms of governmental regulation limit access to land resources and do not allow re-distribution of land and its transfer to effective economic entities in full scale. There is no system of guarantees of rights to land plots, which led to lowering of interest of potential investors. The rates and mechanism of calculation of land payments need to be improved; the share of those payments in budgets of all the levels is too low. Dozens of thousand hectares are withdrawn from economic use, degradation and reduction of fertility of soil takes place. At that, financing of arrangements in the sphere of land use is not sufficient; as a result, the system of land management is close to liquidation. The way out of this difficult situation is determination of main directions of the State land policy and development of system of strategic and tactical measures to develop the land reform.

329. One of the main directions in continuation of the land reform must become development of farmlands market. The regulated market will undoubtedly play its positive role in improvement of land use, that is, purposeful improvement of parameters of land plots (location, area, borders). Such approach will make it possible to carry out gradual transfer to rational sizes of agricultural enterprises and farms through consolidation of lands with effective economic entities irrespective of their organizational forms (cooperative societies, peasants' enterprises, joint-stock companies, etc.). To speed up this process the Government could develop and introduce a governmental program for consolidation of farmlands. Taking into account that in the course of the land and agrarian reform the land is transferred to ownership to citizens, the State policy on issues of legal land relations must be aimed at consolidation of lands and formation of economic entities having optimum size and being economically and ecologically stable.

330. The land cadastre must become the most important instrument of the State in the system of land resources management. It should be noted that since the procedure for maintenance of the land cadastre from the time of start of the land reform was regulated by different normative acts, the information contained in the cadastre is not systematized properly. The cadastre system has three main goals. The main goal is fiscal. Second goal is to guarantee rights of owners. Third goal is organization of rational use of lands through planning and control, as well as formation of a database for obtaining cadastre information about immovable property.

331. The land cadastre was historically formed as a fiscal and legal system. Choice of priorities is explained exactly by this circumstance. At the time of reforming the land relations more attention was paid to farmlands since the land was considered mainly as a means of production and not as an economic factor. However, 85% of land payments now are coming from towns and settlements. Obviously, in choosing priorities the State deposits its funds to where it needs to regulate the turnover. Especially, when there is deficit of such funds.

332. Land tax presently is calculated and collected based on the area of a land plot and established rates. The essence of the reform of the land tax consists in its transfer to cost estimation model.

That is, we have to use cadastre value of land plots as a land tax base. The cadastre value may be calculated on the basis of analysis of market information about land plots and other real estate objects.

333. We have to start with cadastre survey of land plots. It will help to avoid the situation when we approve property rights to an object having no clear borders. Then it is needed to carry out cadastre assessment of lands. This process will take certain time. This is the GosRegistr's function, but, nevertheless, the State must provide necessary conditions for that, if we want to receive good economic results from turnover of farmlands.

Annex 3: Interviews with Stakeholders

In this Annex we present four interviews with key stakeholders:

- O. Jumakov, Committee member of the Rural Committee of Atbashy raion;
- A.I. Abraev, Specialist at Gosregister;
- S. Osmonaliev, Head of Dpt of Agriculture Development of Prime Minister's Office
- Jeenbekov, Member of Parliament, Head of the committee on agroindustrial complex and ecology of Jogurku Kenesh
- K. Kadyrkulov, Coordinator of the Rural Advisory Services

1. Interview with O. Jumakov, Head of Gosregister in Atbashy raion

At the beginning of the land and agrarian reform O. Jumakov used to work at the rural committee and coordinated such issues as allocation of land and property shares.

M. Bobukeeva: Which year did land reform started in Atbashy rayon? How was the first stage of the reform?

334. **O. Jumakov:** As you know the reform started in 1991 and that year Aravan rayon was one of the first that began the restructuring of farms. That year the Land Code, the Laws on Cooperation and Land reform were approved. Those three laws showed the way to a reform. Then the Decree of the President on urgent measures for implementation of land and agrarian reform was issued. In 1992-1993 some other decrees on reform development were issued but there were no mechanisms how implement the process. At the first stage of the reform they spoke about restructuring of not all farms but only those that were not profitable. In Atbashy rayon they started with not profitable "1May" kolkhoz. "1 May" consisted of 3 villages. They distributed land, machinery and livestock and 50% was left for LRF. Rayon counsel issued the regulation on establishment of peasant farms. Then some people started to separate and unite in accordance with relative and family interests. There were no maps of new organized farms. Restructuring of farms mostly took place in 1991-1992. The last two kolkhozes (Achakaynda and Bashkaynda) were restructured in 1995.

M. Bobukeeva: What was your position at that time?

335. **O. Jumakov:** There was a department under rayon council and I used to work there. Rural committees were established at that time and the committees should implement land reforms and distribute land shares. But the heads of the committees were the heads of kolkhozes.

M. Bobukeeva: Did they issue any documents for land and which year?

336. **O. Jumakov:** Gosregister was organized in 1999 and before that it was a department of land survey. Before the reform they had only 1-2 specialists, the department was established and the activity was extended and then they started to issue the certificates on land share use rights. In 1994 CLAR was organized in order to distribute land and property shares. The resolution was issued and it said that state farms should be restructured by the state (with allocation of 7% of the share) and kolkhozes must be reorganized by the staff meeting. The document was issued that CLAR would deal with distribution of land but then that responsibility was removed.

M. Bobukeeva: Did people obtain documents on rights to land use for 49 years or for term of life?

337. **O. Jumakov:** Yes, there were certificates.

M. Bobukeeva: Who issued certificates if there was no the body that registered certificates?

338. **O. Jumakov:** CLAR was authorized to issue a certificate on a property share. The Department of land survey started to issue certificates from 1997. After the amendments concerning private ownership to land to the Constitution were approved, they stamped the certificates on registration.

M. Bobukeeva: Do people have old land certificates now?

339. **O. Jumakov:** Yes, there are some but only those that obtained certificates on private ownership rights later.

M. Bobukeeva: Do they charge for stamp?

340. **O. Jumakov:** It is charge free.

M. Bobukeeva: How much is the new document for land?

341. **O. Jumakov:** It is KGS 70 for a new certificate and the form is KGS 20.

M. Bobukeeva: Does a land surveyor charge for services?

342. **O. Jumakov:** If all the documents are ready with the certificate, then the employee charges for the form and paper work? As far as appeared registration is concerned. Previously registration coasted KGS 100 and now KGS140.

M. Bobukeeva: You say that appeared registration is SOM 140 and what about systemic registration?

343. **O. Jumakov:** Systemic registration is free of charge.

M. Bobukeeva: And if the land plot is allocated for housing construction is the price the same?

344. **O. Jumakov:** No, it is another price. For housing construction a plot is allocated in accordance with a regulation of ayil okmotu. The boundary is done by us. The form of a state act is KGS 80, paper work is KGS 106 and registration is KGS 140. The total cost of a service is about KGS 450.

M. Bobukeeva: In Atbashi rayon are all people who have worked at the collective farms obtained land and property shares they have had the right to? Or have you sent the additional list to Jogurku Kenesh?

345. **O. Jumakov:** Additionally 18 people were approved by the Government Resolution. In 2003 this list was approved by the Resolution of Jogurku Kenesh. The other people that applied ayil okmotu refused to allocate them land and property shares because they did not have any right for them.

M. Bobukeeva: You say that they do not have rights to land. On the base of which document did you come to such a conclusion?

346. **O. Jumakov:** There is a Government Regulation № 632, dated 1994.22.08 on identification of a land share. It notes that a land share is allocated to those who was born, worked and moved to the farm before 1 June 1996. The same provision is also in the Land Code.

M. Bobukeeva: How large is the land share per person?

347. **O. Jumakov:** It depended on ayil okmotu. Irrigated land share is minimum 0.35 ha and maximum 1.10 ha. .

M. Bobukeeva: How many kolkhozes and sovkhoses were there in1991?

348. **O. Jumakov:** There were 3 sovkhoses and 7 kolkhozes.

M. Bobukeeva: How did privatization and reorganization of those farms take place?

349. **O. Jumakov:** In different ways. There were economically strong farms. The farms with a lot of livestock allocated 10 heads and farms with few livestock – only 5 ones. The machinery was distributed in accordance with the same scheme. The distribution of a property share directly depended on economic condition of a farm..

M. Bobukeeva: At the beginning you have mentioned that there was no public awareness on implementation of the reform?

350. **O. Jumakov:** For example, the law on land distribution was issued in August 1994, but we started to distribute it from 1991. So a cart was in front of a horse.

(Notes. «From 1991 till 1994 it was the State Property Fund of the KR that was responsible for implementation of the reform in the rural area. Such a right was officially delegated to it by Jogurku Kenesh of the KR. Incompetence of the SPF it caused a lot of problems (bashsalamandyk) in the rural area. After long discussions and affords the right to implement the reform was transferred to the Ministry of agriculture in 1994 and only after that a systemic and productive work started». B. Talgarbekov. «Rergyzstan: Land Reform is the Future of the Village»)

M. Bobukeeva: How did the rural residents regarded the reorganization of kolkhozes?

351. **O. Jumakov:** In different ways. Some people believed and other hesitated as far as private property is concerned. Some people hesitated that they would be able to deal with such an innovation. During the distribution of property shares they mostly came for livestock. In some cases they even gave the livestock back. Land shares were given by many people but they were afraid of consequences. Some people obtained their land share later.

M. Bobukeeva: Was there interviewing of the population concerning the best implementation of the land reform and how did people regard it?

352. **O. Jumakov:** There was no in the rural area. May be it was done by the reformer Talgorbekov on governmental level.

M. Bobukeeva: What do you think was the land distribution fair?

353. **O. Jumakov:** The commission was organized. The commission included respected people, heads of groups and people proposed candidates. We may say that the meeting was managed by people. Была организована комиссия. They say that the Presidential Decree was issued and it is necessary to start with restructuring of farms. When rural committees wanted to distribute land, people expected to establish a commission. They wanted respected people with experience to be included into commission: agronomists, land surveyors, etc.

M. Bobukeeva: Was there a sabotage of heads of kolkhozes after issuing the Presidential decree on privatization?

354. **O. Jumakov:** There was no sabotage. There was a wrong understanding that after restructuring of farms they will lose their position. But the heads of rayons did not allow them to make decisions.

M. Bobukeeva: So, after issuing of the decree they were not supported by rayons.

355. **O. Jumakov:** That is true. At that time the heads of farms were told when they should to restructure a farms.

M. Bobukeeva: 15 years passed since that time. Is there currently an opinion when the reform should start and how to implement it better?

356. **O. Jumakov:** There is an opinion. At that time it was difficult to understand the idea of the reform fully. Understanding came later when time was lost. The reform has the same situation. 15 years passed and at the beginning it was difficult to give recommendations. We grow at the soviet

time when there was no personal opinion. It started at the soviet time. We could not believe that the Soviet Union could collapse to say nothing about kolkhozes. If we look from the point of view of today reality, that step seems correct. The USSR was collapsed, Kyrgyzstan became an independent state, the outside links were broken and marketing and supply of goods were stopped. At that time the reform started. At that time there was big murrain of livestock and the reformers were blamed. But it was not true. At that time one sheep costed KGS 30-40 and most of sheep were sick and people slaughter them or sold. Currently people who work hard had big flocks and their business is successful. Thus, those who manage their business in a correct way are quite well.

M. Bobukeeva: Are there any difficulties connected with poverty? Did the reform impact the reduction of poverty or visa versa?

357. **O. Jumakov:** There is an impact on poverty. Currently it is very difficult to protect soil fertility. There is not enough machinery, if there is some it is rather old, the liter of diesel is KGS 20. It is very difficult to work in such conditions. As far as land is concerned the situation is very difficult. The return is very lower. E.g., one family obtained 2 ha of land. They have to find seeds, diesel, to plow, irrigate, harvest and to go to the field. For profitability the plot must be at least 10 ha. That is why the solution must be found, may be it is cooperation. May be there is a need for people to unite.

M. Bobukeeva: It is possible to unite when people have 2-3- ha of land. But some people have 50 ha.

358. **O. Jumakov:** It is a land share and lease.

M. Bobukeeva: Are there any people that bought an additional plot of land and how much is 1 ha of land?

359. **O. Jumakov:** 1 ha of irrigated land may cost up to KGS15 000. I am the member of the commission. We may consider the application if the owner applies to the commission.

M. Bobukeeva: And have you sold land of LRF?

360. **O. Jumakov:** No. In accordance with the legislation lands of LRF are leased out at auctions for a fixed term.

M. Bobukeeva: What is the lease payment for 1 ha?

361. **O. Jumakov:** It depends and till KGS1000-1200-1500. Auctions are conducted by ayil kenesh.

M. Bobukeeva: What is the impact of the reform on environment? Before implementation of land reform it was the state that controlled the ecological conditions of soil and what is the current situation?

362. **O. Jumakov:** Of course after obtaining private ownership people try to look after land but not in a proper way. People can not improve land because of the shortage of financial means. They try to follow rotation, use organic fertilizers. There is a rayon ecological inspection they implement their functions on following State Standards.

M. Bobukeeva: What is the size of LRF in Atbashy?

363. **O. Jumakov:** 8019 ha of land.

M. Bobukeeva: Could you tell not as an official but a citizen did the reform have a positive or negative impact on the ordinary people?

364. **O. Jumakov:** To my mind, both. If we compare with today then positive. I have already mentioned that the effect could be better. A lot of livestock was lost, there were nice livestock houses and they were destroyed. If there was a system of punishment at that time then the results could be better. But in general the result of the reform for population is positive.

2. Interview with A.I. Ibraev, a Specialist at GosRegister

365. **A. Ibraev:** I am Alybai Ibraev, 1939 year of birth, an academic agrarian specialist with higher education. Thereto I took technical secondary agricultural education, later I was awarded a diploma of agricultural economist. I started working in Jumgal region as a director assistant of forestry; later in 1970 I worked as an engineer on recording lands in Naryn oblast department of agriculture. In 1978 I was transferred to the oblast seed station as its chief and later to the oblast agriculture department as its deputy chief. In 1992-1993 I worked as a director of agricultural experimental station; I was transferred to the National Land Fund of the Ministry of Agriculture and Water Economy and Processing Industry of the Kyrgyz Republic as its deputy director in January 1994. And I worked there till the reformation of the national land fund.

M. Bobukeeva: What year was the National Land Fund established in?

366. **A. Ibraev:** The National Land Fund was established by a decree of the president of the Kyrgyz Republic dated 03.10. 92 with size of not less than 50% of irrigated arable land. It included lands that did not enter into crop rotation at the outlying districts for organization of peasant farms and farms of cattle breeding. Our main responsibility was to accept reports from regions. Only after formation of 50% Land Fund citizens were distributed land shares by the decree of the Kyrgyz Republic president "About reformation of agriculture". Though if we leave 50% there will be problems as there was some kind of situation in the republic. In connection with that a presidential decree dated 02.22.94 "About measures on strengthening Land Agrarian Reform in the Kyrgyz Republic" was issued with instruction that a square of the National Land Fund would make 25% of total area except pastures. For instance, if irrigated arable land makes 1, 000 hectares, then 750 hectares were distributed as land shares, and 250 hectares were left for the Fund of Redistribution. In connection with that a special statement "About Fund of Redistribution of Agricultural Lands" was issued on October 23, 1993. The given National Land Fund was conveyed to disposal of the Ministry of Agriculture and Water Economy and Processing Industry of the Kyrgyz Republic. Thus, the reformation of agriculture was initiated at the end of November in 1992. The first decree of the president was issued in November, 1990.

M. Bobukeeva: There was a special land fund. Did you exist in parallel?

367. **A. Ibraev:** Before the establishment of a National Land Fund there was a special land fund that included 15, 000 hectares of the republic. They were land grounds of lower productivity. We left such lands. The first peasant farms and farm households received a right to be established at these lands. Later the National Land Fund was established. At the next step the National Land Fund was reformed into the Fund of Redistribution.

M. Bobukeeva: What was the goal of establishment of the National Land Fund?

368. **A. Ibraev:** The goal of establishment of the National Land Fund was establishment of a fund for us, Kyrgyz people. That's why there were various opinions and interpretations.

M. Bobukeeva: It happened that in 1990 a special Land Fund was established by the presidential decree, and in 1992 a fund for indigenous nation was established, is it right? Then in 1993 international organizations caught not very democratic goals in it; and the Fund was reformed and conveyed to the Fund of Land Redistribution. Did the Land Fund and LRF exist in parallel?

369. **A. Ibraev:** Yes, they existed in parallel in 1993 till the end of 1994. The first presidential decree about reformation of kolkhozes (collective farms) and sovkhoses (state farms) was issued on February 22, 1994.

M. Bobukeeva: In 1994? But the statement of 1991 at the level of kolkhozes and sovkhoses?

370. **A. Ibraev:** Only farms with profitability less than 15% were reformed. We started to reform all republican kolkhozes and sovkhoses in 1994 by visiting regions. I was responsible for Kochkor region of Naryn oblast. And I also visited Nookat region.

M. Bobukeeva: What was your occupation in 1994?

371. **A. Ibraev:** A chief of department of the Fund of Redistribution.

M. Bobukeeva: Whom did the Fund belong to?

372. **A. Ibraev:** To the Ministry of Agriculture and Water Economy of the Kyrgyz Republic.

M. Bobukeeva: In 1994 you started to reform farms. Did you have instructions, statements in hand?

373. **A. Ibraev:** All instructions, statements were developed and issued on March 25, 1994 by the presidential decree dated February 1994. Then a statement # 632 dated August 22, 1994 was issued, it was devoted to the following issues: how to make reforms, who should receive land shares, quantity of lands to be left in the Fund of Redistribution of agricultural land grounds. Such statements were developed in relation to agricultural enterprises. Mr. Talgarbekov worked as an acting minister during that time; he did not become a minister. During three times deputies did not elect him as the minister, but he continued making reforms. He has a great theoretical experience. But there were still some nuances.

M. Bobukeeva: What nuances, can you share them?

374. **A. Ibraev:** First of all, B. Talgarbekov had not practical working experience in agricultural production. Secondly, it was necessary to make reforms by stages beginning with low profitable kolkhozes and sovkhoses. In practice it was a campaign. In connection with that numerous complaints and petitions are being received from citizens who did not receive property and land shares. It refers to all farms of Chui oblast.

M. Bobukeeva: What do you think why he did not pass in the parliament? Was it such a policy of making reforms?

375. **A. Ibraev:** There was so called opposition from the top. At the top there was a prime-minister, a curator of agriculture Jumgalbek Beksultanovich Amanbaev, zoo technician, the late for today. He was against the reformation of kolkhoz - sovkhos system. The same opposition was also in agriculture.

M. Bobukeeva: What was said by the opposition?

376. **A. Ibraev:** The opposition said that it was not necessary to make reforms. As nobody did not foresee with what it would finish and what results would be. Heretofore we had no such practice. Experience of reforms was imported from international organizations. We collected it from all around in order to apply it for Kyrgyzstan. We developed, accepted statements and started reformation.

M. Bobukeeva: Which statements approved by the government were accepted?

377. **A. Ibraev:** We took some ideas, but there were no reforms in kolkhoz and sovkhov of the Central Asian Republics, reforms were made in Kyrgyzstan for the first time in the area. Therefore the majority of ideas was theoretical knowledge of Mr. Talgarbekov.

M. Bobukeeva: It is an international experience. What institutions, international organizations assisted you basically at that time, at the beginning of 1990 if you were closely connected with reforming lands?

378. **A. Ibraev:** TACIS-1, TACIS -2, TACIS -3, and later there were USAID projects.

M. Bobukeeva: What organizations dealt with Ministry of Agriculture and Water Economy of the Kyrgyz Republic? World Bank, Asian Bank of Development, or Monetary World Bank?

379. **A. Ibraev:** World Bank.

M. Bobukeeva: It was a project of the World Bank. Do you remember its leaders?

380. **A. Ibraev:** No.

M. Bobukeeva: Can you try to remember?

381. **A. Ibraev:** Yes, I'll try. I have some notes kept.

M. Bobukeeva: It would be good if you remembered names of leaders, what methods and ideas they promoted. It is clear that international experts provided Talgarbekov with some materials, mainly modules and land reform of some country acceptable for Kyrgyzstan. Don't you remember what idea was promoted by Talgarbekov?

382. **A. Ibraev:** The first reformation of kolkhoz and sovkhov was made only in Kyrgyzstan among CIS. Where could he acquire information as "an iceberg was not touched" at all in Kazakhstan and "an ice does not melt" so far in Uzbekistan?

The land reform and private ownership were introduced in Kyrgyzstan for the first time. B. T. Talgarbekov promoted an idea about complete reformation in kolkhoz and sovkhov system so that citizens could receive property and land shares and could establish cooperatives on voluntary basis or could be separated in private and peasants farms.

M. Bobukeeva: It is clear that there was an attempt to make land reform in the other countries of CIS as Armenia, Latvia, Ukrainian and Russia at the beginning of 1990. But it was made by stages; otherwise there was an attempt to receive consent or opinion of people for making land reform. Did our government conduct monitoring of people's opinion at beginning of 1990 and 1994 in relation of land reform by your opinion?

383. **A. Ibraev:** It conducted, I remember very well that in all regions officers of Center on Land Agrarian Reform carried on aggotation. There were only 28 specialists, including me. There were 600 kolkhozes and sovkhovs, we had time to reform about 40-60% with the help of the center, and others were reformed spontaneously. Chui valley was not covered as there Mr. A. Jumagulov worked and later a current prime-minister Mr. Kulov worked there, they did not allow to make reforms as they wanted to leave these kolkhoz and sovkhovs in the same situation as in the past.

M. Bobukeeva: What were they guided by?

384. **A. Ibraev:** Because the majority of population was multinational in comparison with Naryn and Talas. Firstly kolkhozes and sovkhozes of these oblasts were reformed, and you know that indigenous population prevails there. But here the population is close to urban infrastructure, market, and it survived somehow. Farms were multinational and densely populated, therefore they resisted.

M. Bobukeeva: Do you think that there were some obstacles or influence as there was multinational population?

385. **A. Ibraev:** Mr. Jumagulov and F. Kulov held rural meetings on redistribution of land shares among citizens in the oblast. Three categories of land shares were defined by the solution of rural meetings: 1) To residing constantly and working in kolkhozes and sovkhozes, 100%; 2) To service personnel (doctors, teachers, trade workers, workers of consumer services), 50%; 3) To other categories, 10%. There was not such practice in other regions; and it lead to dissatisfaction of citizens working in the sphere of services. Ethnic Kyrgyz residing in foothills expressed dissatisfaction one by one. People, who wanted reforms, accepted them, but majority of farms was kept as sovkhozes and kolkhozes. They changed names, wrote Notes that kolkhozes and sovkhozes were reformed. For instance, a kolkhoz after Lenin was liquidated, but instead of it a cooperative, association of peasant farms, cooperative peasants' farms were established on paper but in reality it remained as kolkhoz. They did not want to distribute equipment due to the fear that it would be very difficult to cultivate land. It embarrassed especially.

M. Bobukeeva: After 10-15 years can you say that it is necessary to break up farms? Was such necessity in it? May be it was necessary to keep big farms and then equipment would remain safe?

386. **A. Ibraev:** By my opinion after disintegration of the Union it was difficult to keep kolkhozes and sovkhozes in Kyrgyzstan. Before Gosplan (State Plan) planned production for us. 3, 5 billions a year were granted to kolkhozes and sovkhozes. Who would have provided with such money after the disintegration. And some solutions were found correctly. Farmers and peasants made their initial capital by standing on knees. There was not any financial support. They worked independently and became great farmers and peasant farms so far.

M. Bobukeeva: They say that the land reform was initiated in 1991. Was it in reality initiated in 1994?

387. **A. Ibraev:** Yes. In 1994.

M. Bobukeeva: You said that you implemented agitation work under the aegis of the Center on Land Agrarian Reform at the republican level in 1994. Was there informational policy about type of land reform? What positive results will you have in succeeding years if you make the reform? How is it necessary to work at land? What should be done?

388. **A. Ibraev:** Yes, it's a good question, Meergul Ryskulbekovna. I witnessed when B. Talgarbekov hired a group of documentary specialists of the film studio with agitation popularization goal. We traveled in the whole republic in 1994-1995 in order to agitate and collect material for a documentary film. Nowadays a short-length film about agrarian land reform in Kyrgyzstan is kept.

M. Bobukeeva: So, the beginning of the land reform was made in 1994 in reality.

389. **A. Ibraev:** Yes, it was. Year of 1994 was a stormy step of land agrarian reform when the Center on Land Agrarian Reform was established. Special and experienced specialists worked there.

M. Bobukeeva: There was no public information till 1994 about how to make reform, what to do, what land reform means in general.

390. **A. Ibraev:** From 1991 till 1995 G. Kurmasheva worked as a leader of press-service in the Ministry of Agriculture and Water Economy and Processing Industry. She organized contests for the best publication on Land Agrarian Reform with the goal of agitation work to introduce ideas of Land Agrarian Reform among mass media: radio, TV, newspapers. Winners were awarded solemnly monetary bonuses.

M. Bobukeeva: Did the president try to adopt various decrees on land reform till 1994? There were a lot of decrees in 1994; even in 1991 there were a lot of laws that were adopted by the "legendary" parliament. Please, describe the situation of that time as a witness. How did people, parliament, government accept idea of the land reform?

391. **A. Ibraev:** Initially the main idea of the land reform was reformation of farms with low productivity. Kolkhozes and sovkhoses of Naryn and Talas oblast entered that list. If we chose that way, everything would have been normal. We worked by rote, it did not provide us with good results. During the first adopted decrees, statements of the governmental conversation were about reformation of farms with low productivity. We also wanted to make reforms by stages, but you know our psychology, mentality. People perceive new undertakings very quickly. There was no time to develop seriously measures of making reforms as they were introduced. Thus, spontaneous actions were undertaken in Chui valley. I blame myself that people did not receive property shares. Officials of that time, former chairmen of kolkhozes, director of sovkhoses became chairmen of Land Agrarian Reform who knew all data on material values (cattle, equipment, etc). And they evaluated everything at their discretion and bought sheep-folds, sheds, cattle, equipment and others at the lowest prices.

M. Bobukeeva: It happens that they did not start with farms of low productivity, but one after another.

392. **A. Ibraev:** Beginning 1994 one after another.

M. Bobukeeva: It is clear that they started in 1994. You said that during 1991-1994 there was the presidential decree about reformation of farms only with low productivity. And I remember that there is one decree of the president where it is written that reforms should be made in case when there is consent among members of kolkhoz. It happened that all farms without exception were reformed. Or only farms with low productivity?

393. **A. Ibraev:** Only farms with low productivity, then they did not keep the decree and started to reform all farms beginning 1994 with exception of Chui oblast. I can not say that Chui oblast was fully reformed in 1994. They started in 1996. Documents on reformation of kolkhozes and sovkhoses for 1994-1996 are kept in the archives of department on land and agrarian reform (former Regional Center Land Agrarian Reform of the Ministry of Agriculture and Water Economy).

M. Bobukeeva: Alybai Ibraevich, how did the government, legendary parliament at the head of its speaker M. Sherimkulov perceive an idea of the land reform? Were they against A.A.Akaev?

394. **A. Ibraev:** They were against; therefore they did not elect Talgarbekov in the parliament. They were against in such way.

M. Bobukeeva: They adopted a law on land reform in 1991, did not they?

395. **A. Ibraev:** Yes, they adopted it by themselves. Akaev agreed with the parliament. After that a decree was issued as well as decree about implementation of it, and then the statements about reformation of agricultural enterprises were developed. So it happened.

M. Bobukeeva: Did such situation lead to conflicts? What kind of conflicts were there during reformation of kolkhozes and sovkhoses, land agrarian reform, especially in the Chui oblast?

396. **A. Ibraev:** Such conflicts exist so far, especially in Chui oblast. Any region can be taken, for instance in Moscow region there is a village Aleksandrovka (former sovkhos "Druzhba") with mess and conflict situation. As all equipment was distributed, property shares were not received, in connection with that population complaints to the president, parliament. And the conflict exists until now.

M. Bobukeeva: The reason, as you say, is in property shares and land shares that were not distributed.

397. **A. Ibraev:** Yes. Because there were officials, and men of straw were nominated. The Fund of Redistribution is under the jurisdiction of village administration. It was conveyed so that village administration could create favorable conditions on financial issues. But what do they do? Before renting out village administration comes to an agreement with friends, and beneficial lands are distributed among own people, but the ordinary peasants do not deserve them. Therefore they come into conflict with each other.

M. Bobukeeva: Otherwise there is no contest presentation.

398. **A. Ibraev:** It is not kept. We developed an order of organizing contest in the standard statement # 702 "About conditions and order of providing lands of Fund of Redistribution of Agricultural Lands for rent" approved by the Legislative Assembly of Jogorky Kenesh of the Kyrgyz Republic dated April 15, 2002. It is said in the statement that 20% of lands should be left for people with low income, others should be provided in the frame of the contest. Lands of the Fund of Redistribution should be given for rent up to 5 years. Heads of village administrations concluded agreements for one year, violating conditions of rents, as it is profitable for them.

M. Bobukeeva: Who should conduct monitoring of lands of the Fund of Redistribution of Agricultural lands regarding terms of rent? How many lands were given out? What is an order of giving lands for rent? Were they given on the contest basis? Was there a precedent when land was given to people with low income?

399. **A. Ibraev:** It refers so far to the Fund of Redistribution in the Ministry of agriculture and Water economy and Processing Industry of the Kyrgyz Republic. But– Gosregistr (State Registration) of the Kyrgyz Republic, an empowered body, conducts monitoring of them. There is an article # 100 in the Land Code: "Control of usage of protective lands is imposed on Gosregistr of the Kyrgyz Republic". I work as an inspector of the Gosregistr of the Kyrgyz Republic. We control.

M. Bobukeeva: You control. Did you conduct monitoring?

400. **A. Ibraev:** We conduct monitoring. Recently I came from Issyk-kul where we conducted monitoring: How the lands of the Fund of Redistribution of Agricultural Lands are used? Whom were lands given for rent? How many hectares? We are developing a scheme. There will be a collegium of Gosregistr on July 28, and we will report.

M. Bobukeeva: What is an order of conducting monitoring? Once a year in oblasts or once in one oblast? During what period?

401. **A. Ibraev:** Land inspection on state control of usage and protection of lands within Gosregistr of the Kyrgyz Republic started conducting complex control in relation with keeping land legislation by bodies of local self-government, regional city departments of system of Gosregistr in 2001. The Land Inspection coordinates and controls usage of lands, keeping land legislation of the Kyrgyz Republic by all land customers independently from their property, including lands of defense of boundary and other forbidden zones.

A. Jumakova: It happens that thanks to the position of Kulov in the Chui oblast big farms were kept in the form of cooperatives, associations. What is your opinion: Was it necessary to keep big farms or not?

402. **A. Ibraev:** Incompletely. Some elements were left. Now they are not called as kolkhozes, sovkhazes, associations of peasants, agricultural cooperative and associations of peasant farms. Somebody leaves voluntarily; they distribute lands from the edge of fields. It is not correct. By regulation casting of lots should take place in the frame of reformation. It is infringement of interests of the local population. There could be stones, bogs, therefore they dispute such decisions, and conflict situations are created.

When we developed the regulation it was written clearly and concretely that after the reformation the members of these farms enter and leave the structure of cooperative or associations of peasants with own property and land shares at the common meeting on establishment of modern functioning farms. Though it is written in black on white that people should leave farm with something, it was different in reality. Exchange came into fashion at that time, there was no cash available. All our sheep, horses, horned cattle were exchanged for black fuel, oil. During two years quantity of sheep equal to 9 million was decreased to 6 million. For instance a leader of that farm, chairman of kolkhoz or director of sovkhaz come to Bishkek, agree with businessman to exchange 30 cows for tank of black fuel, but he says at the tribune of the meeting that he agreed to exchange 60 cows. Thus kindness and illiteracy echoed to people. So far nobody accounts. It was a big trouble. All cattle was given out.

L. Penkina: I want to say that there was nuance of such kind when the former party leaders and leaders of kolkhozes and sovkhazes remained in the farms but agitated people to leave. And people left without equipment, property shares, thus the leaders deceived people. When the equipment was left they privatized it at a low prices, thus they made a profit.

403. **A. Ibraev:** How did rich officials appear? Everybody made profit from kolkhoz and sovkhaz properties. They privatized properties for kopeks (in 1993 ruble was changed into soms) and became capitalists. They took everything profitable for them, but peasants and workers were left without anything.

M. Bobukeeva: We are very interested in that how people perceived the land reform. What was people's opinion when you traveled and informed the public?

404. **A. Ibraev:** When I came to my motherland in Kochkor region population of some farms called specialists in agriculture land reform so that they would explain the issued regulation. During a year and a half people thought that private ownership was better. There is an expression that "when I do something for myself then I have a dozen of strengths". But former heads, directors were not interested in reformation as they had good reputation at the account of people's wealth.

M. Bobukeeva: They were chairmen?

405. **A. Ibraev:** Yes, they were. Chairmen of rural councils, kolkhozes and sovkhoses, active communists agitated that reforms should not be made. For instance I was in sovkhos after Isakeev in order to agitate our compatriots.

M. Bobukeeva: There were two camps: for and against. What about people?

406. **A. Ibraev:** People supported an idea of reform.

M. Bobukeeva: There is such opinion that at the beginning of 1999 till 1994 people did not understand, when they were said to take life inherited right for land for keeping peasant farm they refused. Was such situation there?

407. **A. Ibraev:** Yes, it was.

M. Bobukeeva: What was the reason of the refusal?

408. **A. Ibraev:** The reason of it: they got accustomed. Kolkhoz, sovkhos system was stable. Someone who worked, he earned, someone who did not work he stole. Received salaries were scanty, but it was stable. In connection with it a lot of people did not like the idea. Why he should dig and work at land if collective farmers received agricultural production in the form of flour, sugar, meat, others due to the year results? Workers of sovkhos also received the thirteenth salary. It was profitable to be in the structure of kolkhoz. That's why people were divided into two camps. They did not want.

M. Bobukeeva: Did they refuse from land shares even when land shares were given?

409. **A. Ibraev:** They refused. For instance there was such situation in Talas. Everything was grown in Talas oblast during that time, good harvests were collected. The people realized that land was their breadwinner. People refused, but now situation is quite on the contrary, because they grow soy beans for the third, fourth year and receive a good profit from its harvest. Everybody who did not get land shares write petitions to the parliament. They are given lands from the Fund of Redistribution. There is an article for those who did not get lands due to some reasons. But I do not remember such cases in the south, people in the south are good farmers. In Naryn someone received one hectare in average, in some places of Chui valley – one and a half hectares, two hectares. In Osh there are densely populated regions where people received three hundred parts, and they took land shares voluntarily. They continue cultivating these lands nowadays.

M. Bobukeeva: What was the reason of the refusal? Now they say that they did not refuse.

410. **A. Ibraev:** Of course they said that they did not refuse. As it is convenient for them. It took place when they did not take into account a daughter or a son. Some children born before July 1, 1996 as well as students of higher education, soldiers of urgent service in army did not enter the list, and there were other reasons. Nowadays this issue is solved by the government of the republic, the list of citizens, who did not get lands, is specified.

M. Bobukeeva: Was the land reform made fairly by your opinion? Such question was included in our research. Was there access of the whole population of Kyrgyzstan to land?

411. **A. Ibraev:** The reform was normal in places where our 28 specialists worked. We existed for three – four years and then we were broken up, and became members of the department of Ministry of Agriculture and Water Economy and Industry Planning of the Kyrgyz Republic. We dealt only with land agrarian reform, property of kolkhozes and sovkhoses. Property of kolkhoz is a state property; therefore 50% of property was to be bought by the its owners during 15 years in

accordance with agreement responsibilities. The Center of Land Agrarian Reform existed, but the specialists were dismissed. Half of people went to Gosregistr, there were our land surveyors. Few people were left there.

M. Bobukeeva: Could you tell us where the land reform was made by the center specialists in Naryn oblast?

412. **A. Ibraev:** The land reform was made in the sovkhos "Kochkor Ata", sovkhos after Issykeev, "Kochkorka", "Son Kul", "Komsomol", others. Almost nine farms in Kochkor region.

M. Bobukeeva: What about Chui oblast?

413. **A. Ibraev:** In Chui oblast I was in "Krasnyi Oktyabr" of Moscow region. I was in four kolkhozes and sovkhoses of Nookat region in Osh oblast. I was not in Talas and Issyk-kul. I was only in Nookat, Kochkor and Moscow regions.

M. Bobukeeva: What regions and oblasts were not visited by the specialists of the Center of Land Agrarian Reform?

414. **A. Ibraev:** We did not visit all farms completely. In Issyk-kul oblast there were only reformation and conduction of republican seminars. Mr. Talgarbekov was in sovkhos "Tamga" for the whole month, the first sovkhos-pioneer was jointly established, reformed under his leadership, and an instruction how to make reforms was published in mass media and distributed in all regions.

M. Bobukeeva: Do you have this article?

415. **A. Ibraev:** We'll look for it and find. I have a lot of materials about the reform. I keep some materials at home, if you would like to see.

M. Bobukeeva: What lessons were learned by you after 15 years?

416. **A. Ibraev:** People with profession and appropriate specialty became true great farmers and peasant farms. Teachers, veterinaries could not cultivate lands as it was supposed. So far it is hard for them.

M. Bobukeeva: Do you think that it was necessary to conduct informational, training campaign so that teachers, doctors will know how to cultivate land or should have access to information?

417. **A. Ibraev:** It is obligatory.

M. Bobukeeva: What year did Rural Advisory Development Services appear?

418. **A. Ibraev:** In 1997.

M. Bobukeeva: Were such services there when you made reforms?

419. **A. Ibraev:** No. Kachkynbai Danbaevich Kadyrkulov was a coordinator in 2000. I did not pass testing.

M. Bobukeeva: As you remember in 2000 when you worked in the project there was already a component of Rural Advisory Development Services.

420. **A. Ibraev:** It was not in the regions. There were only coordinators: two or three.

M. Bobukeeva: So, land reforms were not made in all kolkhozes and sovkhozes in accordance with the adopted presidential decree.

421. **A. Ibraev:** The reforms were made differently, as they could be made. Leaders of regions, akims were changed every two years in each region.

M. Bobukeeva: There was an order of making reform. Members of kolkhozes gather and hold meetings.

422. **A. Ibraev:** One third should gather. A project should be developed about how to make reforms, how these newly established peasant or private farms should exist and about what to deal with. When I made reforms in Kochkor region and develop completely the project about how to make reforms and how the farm would exist further. Before that we did not complete the work enough at the republican level, therefore we were dismissed in two-three years. Only a signboard was left.

M. Bobukeeva: Do you think that it was necessary to make reforms with participation of workers of the Center of Land Agrarian Reform? But it was no so. What was a part of participation of workers of the center in percentage, if there were 1, 000 kolkhozes and sovkhozes?

423. **A. Ibraev:** 70%

M. Bobukeeva: You made reforms in 70% of kolkhozes and sovkhozes, but did 30% make the reform by themselves?

424. **A. Ibraev:** They made it spontaneously. There is a report in connection with that. It was made during two years: 1995-1996 after the issued regulation # 42 dated February 1996. The essence of it is the following: the state wrote off debts of sovkhoz for 50%, debts of kolkhozes for 25%. After that it took mass character in order to be covered by the given regulation.

M. Bobukeeva: What was done with the debts?

425. **A. Ibraev:** Concrete monetary amount on discarding debts before the state was indicated in the regulation of the board of the Land Agrarian Reform of the Ministry of Agriculture and Water Economy of the Kyrgyz Republic, the rest part should be paid back during 15 years from the reformation day. With that purpose a form of debt responsibilities, kept in the administration of the Fund of Economy Development in the Ministry of Finance and Economy of the Kyrgyz Republic at the present moment, was developed.

M. Bobukeeva: What was the welfare of people?

426. **A. Ibraev:** Welfare of people was worsened in fact during the first years. I mentioned that not everybody could work at land adding lack of machinery, fuel and fertilizers. In connection with that planned economy was changed into capitalist system. Almost market relations.

M. Bobukeeva: Were people ready to that?

427. **A. Ibraev:** People were not ready. Therefore, the life level was decreased as much as it could be decreased. The last 3-4 years there was a rise. People started to be engaged as they realized that there was no sense to wait. They turned to the government, parliament, president, but there were no news from the president. Mr. Akaev distributed land, and let's work. They chiseled that land and found way out. Now there is another situation in comparison with 1990- 1996. My brother

worked as a mechanization expert in kolkhoz. His land is good now. He has equipment. He constantly takes care, receives a good harvest, and mainly he sells production. He feeds his children, provides with shoes, clothes. It is my personal example. If a man was a parasite during kolkhoz and sovkhoz system then he will not be able to work as a private trader. Diligence is provided by mother- nature and genetically coded.

M. Bobukeeva: But how to assist, to inform about how to get credit or provide a man with credit?

428. **A. Ibraev:** Now the government has an idea to open banks in each village administration. I do not support it. It could be better to open a good rural bank in the regions. Village administration deals with rent of land of the Fund of Redistribution and taxes, they are not able to manage this finance, without saying about banks.

M. Bobukeeva: The idea is not in opening a rural bank in village administration but the idea is to assist peasants. May be it should be done selectively.

429. **A. Ibraev:** Selectively, but not by campaign. As it concerns finance, money.

M. Bobukeeva: May be the state wants farmers to have access to credits in order to escape expenses for trip towards the regional center.

430. **A. Ibraev:** It is a good idea, but life dictates other things to us. Life moves quicker in Kyrgyzstan in comparison with our thinking, we are left behind by life. Life makes us to think. Therefore people look for ways to get out of the difficult situation. They had no another way out except work at land. If they received profitable credits, fuel, fertilizers, seeds at a regular basis then they would have less troubles. In connection with that they started to be engaged independently. Fertilizers are not produced in Kyrgyzstan. We are dependent from Uzbekistan, Kazakhstan and, Russia. We have no enough fuel, combustive lubricating materials. Fuel is expensive. 1 litre of black fuel costs 20 soms, benzene – 23 soms, difference is equal to 3 soms, but agricultural equipment can not work without black fuel.

3. Interview with S. Osmonaliev

M. Bobukeeva: Tell a little about yourself, what position you occupied starting 1990, from the moment of collapse of the Soviet Union and start of land reform in Kyrgyzstan. We would like to know how much you were involved in the land reform during these years.

431. **S. Osmonaliev:** I studied at post-graduate course outside Kyrgyzstan during the period of 1989 till 1992. Honestly saying I was in Moscow during the disintegration of the Union and gaining independence. I returned in 1992, telling the truth I was very often here as practical scientific experiments were conducted in Kyrgyzstan. On completion of the post-graduate course during the first time I had to look for a job as it was a very hard period, period of disintegration, definition of own currency and so forth. In 1993 I was invited to work in the village "Besh-Terek" of Moscow region as a deputy director. Before that period I worked in lower structures from the position of ordinary zoo technician to chief zoo technician, and later I left to study at the post-graduate course.

M. Bobukeeva: How your labor activity continued after the post-graduate courses?

432. **S. Osmonaliev:** On February 22, 1994 the presidential decree on start of the agrarian land reform was issued, and practically the reform is counted from that time. During that time I worked as the deputy-director, and later I was imposed a responsibility to conduct the agrarian land reform. Governmental regulation of the Kyrgyz Republic No. 632 was issued, on the basis of which rural committees to conduct agrarian land reform were formed at sites. In 1995 I passed to state service as chairman of the rural committees and deputy chairman of these committees were ranked as state officers.

M. Bobukeeva: In other words you were the deputy director of the village and occupied position of a chairman of the committee?

433. **S. Osmonaliev:** Yes. Practically I conduct the reform from that period. At that time a republican center on conduction of agrarian land reform was established, and acting minister B. Talgarbekov was appointed as its chairman, E. A. Aliev was a general director of the center. We reformed our farm according to recommendations of the Ministry of Agriculture and Water Economy, but with corrections concerning Chui oblast. In contrast to other oblasts Chui oblast made bold to conduct the reform according to isolated system and the reform was carried differently.

434. The policy of Chui oblast was aimed at determination of land shares for each worker or citizen of rural area, at determination of property shares of each villager and each worker of that farm, and the final goal was to leave cooperative farms intact. The whole world works applying cooperative principles, and it was proved by the economists of developed western countries that nevertheless collective labor is more sufficient than individual labor of separate farmer, peasant.

435. That's why I consider that Chui oblast made a righter way. We continued that policy but under guidelines of the Regional Center on agrarian land reform and in the frame of the course of the Ministry of Agriculture and Water Economy, carried in the republic. Land shares were defined, and later property shares were defined. The distribution was as follows: for instance there were 60-70 tractors, 50-60 lorries, cars, agricultural equipment, agricultural machinery, buildings and sheep-folds in the farm, otherwise it was impossible to distribute property share to each.

436. Therefore one tractor was accounted for three-four and up to ten private farms. Then a general meeting was held with the workers, they were asked to be formed in groups of 10-20 people, and they were given one entire tractor to work at farm. You should be informed that in some farms of other regions the technique was divided for 4-5 farms, and they took it to pieces practically, one bought tractor from another, and another sold it to the other region, and now we reap fruits of one who has not sown. During 10-12 years there was no technique left in some regions for cultivating land. But in Chui oblast some quantity of technique was kept.

M. Bobukeeva: And Chui people agreed to keep cooperatives in particular in Moscow region?

437. **S. Osmonaliev:** They agreed and decided that they will keep cooperatives and start working together. The peculiarity of the village "Besh-Terek" of Moscow region is that it is located at the edge of the region as well the republic. It borders with Kazakhstan, and it is located at the distance of 42 kilometers from the regional center Belovodskoye village. In due time it was established by the initiative of the former chairman of Council of Ministers A. Suiyunbaev as the first virgin sovkhoz. It was a prosperous state farm. I will say only about one moment. During that time in my opinion the director of the sovkhoz was Kleppert. He build an industrial milk complex functioning with 650 heads of cattle, there was a horse farm, poultry farm with 1-12 thousand heads, own sausage workshop, canteen, own milk-processing and confectionary workshop.

M. Bobukeeva: You said that "it was", but were you interested in posterior, what was left from what you listed?

438. **S. Osmonaliev:** I will continue the given theme. It was an established production, and the farm was all-sufficient. But there was loss of value of agricultural production during the conduction of the reform, and especially inflation as a consequence, and there was situation when cattle was sold at a loss, and everyday the farm had to buy products of vital activity, assuming fuel, spare parts and etc. During such situation the established farm fell into decay.

439. But we carried the land reform in accordance with recommendations of the Ministry of Agriculture and Water Economy. We determined, distributed, and we were united in United Peasants' Farm, legally registered it on paper and reported before the Republican Center on agrarian land reform. One file folder was left in Besh-Terek; another copy of file folder was submitted in the Republican center on agrarian land reform in the Ministry of Agriculture and Water Economy. Probably it is kept there. Bu the farm started falling apart, and as the United Peasants' Farm existed till 1999-2000 years. I left the given farm in 1996. I, as being experienced, was transferred to another farm as a chairman of the rural committee on conduction of agrarian land reform.

M. Bobukeeva: What farm?

440. **S. Osmonaliev:** I was transferred to the village "Kyzil-Tuu" of Moscow region. At that time I started conducting the reform in another farm. And carried it by stages and carried it practically to the end.

M. Bobukeeva: What year did your work there until?

441. **S. Osmonaliev:** I worked there for 1,5 years, and had experience of conducting of the agrarian land reform; we carried the reform very quickly, divided into farms. But people realized that it would be hard to work separately, and decided to unite own lands and to work jointly in the collective farm. We worked as a united farm for 1-1,5 years. Later some people started to be separated, I did not prevent. Those who wanted to take own land share, property share could take them freely as the policy in general was aimed at it. Unfortunately later the agriculture little by little fell into decay. But among the rural people there were sickly elderly people and people who was not related with agriculture but they had land shares, property shares and had not opportunity and wish to handle them. What to do with such category of rural people?

M. Bobukeeva: You said that people wanted to be separate and get own land shares. Were there conflicts when a member of the peasant farm wanted to leave the peasant farm but administration put obstacles and allocated land shares remote from the place of residence? Do you know such cases?

442. **S. Osmonaliev:** I met a lot of such cases when worked at following positions. You can imagine, one massif of 30 to 90 hectares of land is divided into 30-40 plots. We determine on the map or scheme who is there, relatives, or people from one street, or everybody through lottery card selects in turn own land share, but they are located at various plots and massif. Probably it happened that two-three of 30-40 owners of the given massif decided to leave, In that case I allowed it. But it was done in such a way: Queue was defined, for instance, the first were Ivanov, Petrov, Sidorov in the massif. But Sidorov leaves first, even his queue was three or 43, in order not to divide the massif into 3-4 plots it was decided by the meeting that if a man wants to leave the farm and do not want to take share from another massif and if the land share was fixed on the map, then he takes his own plot from the edge of that massif in spite of his queue.

M. Bobukeeva: Was the quality of land at various plots of the one massif the same?

443. **S. Osmonaliev:** The same. I mean own farm. We did it so in order that it was convenient to take technique to the massif. In other farms one massif of 50-100 hectares was distributed into

small plots. One sows corn, another- wheat or beet. We met also another farms when land plots were allocated from other massifs in order not to divide the massif. There was difference in that case: remoteness from the center of the farm, quality of soil, access to water, etc. I did not allow it as I saw in other farms what the use of it was. If there were wishing people to be separated I said to them that, please, be grouped and take plots from the edge of the field.

444. Gradually misbalance of prices for industrial production and agricultural production led to incurring of debts by these farms. When people saw that debts are gradually increasing in the farm, and the technique and cattle are decreased they started to take own share, and thus the farms started to fall into pieces. At present there are only five-six united farms left in Moscow region. Though there were about 18-19 collective farms. Some farms such as "Engels", "Druzhba", "Rossia" and "Zavety Ilyicha" were kept thanks to efforts of their leaders, availability of certain industrial skills, technologies and kept more or less equipment. By the way life proved appropriateness of the given principle that public collective labor is more effective than individual. It is impossible to keep crop rotation and maintain modern technologies at small areas.

445. The farms started to get expenditures they spent and small profit nowadays when prices for milk, meat and other agricultural production started to be stabilized, and started to increase and became proportionate with prices for industrial production. Furthermore the previous administration of the republic realizing that perspective lies in collectivization in 1998 and especially in 2001 announced a contest for cooperation of agrarian sector of economy. It is not secret that agriculture was never a profitable branch. Even in all-sufficient Europe subsidy exists in hidden or open form, in other words return of some funds to agriculture. Industrial production works in workshops in certain conditions, but agricultural production is nevertheless connected with natural cataclysms, season of work and peculiarities of production sale. They are perishable goods; therefore a special approach should be taken. The state should have and apply instruments of subsidy, as it is impossible without it. It was proved by the world practice and life.

M. Bobukeeva: You said that you worked in the united peasant farm till 1998. What was your further career?

446. **S. Osmonaliev:** Later I worked as a leader of various farms and practically participated in the whole process of agrarian land reform. I observed negative moments, minuses in the process of its conduction. Honestly saying I was against of conduction of agrarian land reform in that form that it was carried during those years. B. Talgarbekov visited our farm invited by us and wanted to see the process of reform in Chui oblast. People are solidary there, respected each other and knew that during hard times they would help. It is psychology of people living in the outlying districts or outskirts. People and workers of the given sovkhov asked B. Talgarbekov who visited our farm to allow working as one farm as they would like. Bekbolot Talgarbekov said: "I am not against it" as we declared the land reform and then divide entirely". During that time the farm had debts equal to 5-6 million soms. And then he said: "Divide entirely into separate peasant farms, and I will write off your debts". A Later I realized that such policy was carried throughout the republic; and it was necessary to break up all existing farms and give report on conduction of the reform. Moreover when I brought documents on breaking up farms to the leader of the Regional Center on agrarian land E. Aliev in Bishkek he said that: "The whole republic carries the agrarian land reform, and all farms will be broken up. Do you need it, guy, and work quietly and carry the reform". In another words it meant entire distribution of property complex and lands under the conduction of agrarian land reform.

M. Bobukeeva: At what terms did international organizations provide with financial, technical assistance for conduction of the land reform, to your opinion?

447. **S. Osmonaliev:** In reality the International Monetary Fund made certain terms, they ere very diplomatic, only advise, even these pieces of advice sometimes are obligatory to follow. As it is known a country having debts will always obey, as it should implement own social programs, and losing something one it should fill up with something different. It is natural proceeding from that

principle it followed the pieces of advice of the International Monetary Fund, other donor organizations and carried corresponding policy. Kyrgyz people have a proverb: If it is said to take a hat, then a head is taken. Perhaps, it happened so.

448. The Kyrgyz say that "If it is mine then I have strength of a bull", from that I consider that sufficient production can be only in private production. The principle of foreign donors on provision of credits or donor assistance only to private farms is right. Also I agree that socialistic principle: everything is mine and nothing is mine or I am responsible for nothing, every member of collective farm is responsible for nothing is unjust principle. Leaders were appointed during the Soviet Union. And he was responsible for everything. During such responsibility nobody accounts for something. If there was theft in the farm then the leader was dismissed or transferred to another farm. It contradicts to normal principle.

449. In my opinion private labor is always sufficient and justifies itself. A private trader is responsible for production and property complex. He knows that it is his property and he will not give it to anybody. A private trader will always stick to his property. It is a quite another matter and I stand for tactics of carrying agrarian land reform being acceptable. 15 years passed from the start of the reform, and we use the same material –technical means of production provided by the Soviet Union. All sheepfolds, buildings, social-cultural, domestic objects are built in the village by the Union. All equipment, completing its term of use, was provided during Soviet Union. And one needs to be an enemy for own people, own land to conduct the reform by such methods. By the Union sheep-folds were built at the distant summer pastures difficult of access, transmission facilities were provided, medical obstetrics points serving for shepherd brigades at the distant summer pastures were built. All that property was privatized and distributed as shares; most of the property was dismantled.

450. Now after time passed we raise the alarm. Now when pastures are weeded we put agenda again on issues of construction of sheep-folds or improvement of summer pastures. But in due course mountainous distant pastures were improved by the Soviet Union. The whole department on pastures worked, funds were allocated. At present we again start carrying policy of attraction of foreign funds and investment in construction of sheep-folds, premises, at least, at nearest winter camps not at distant pastures. These requirements are raised by the farmers involved in cattle-breeding. They raise issues that they would like to build sheep-folds at own expenses. We returned back to what that we started to do. Was it necessary to carry the reform by such methods and such losses? Here we can remember about victory feast from the world history when tsar Пир (?) said that "one more such victory and I will be left without army". Did we need such victory? As it is said "It is better to learn by mistakes but it is best to learn by other's mistakes. If we kept what we had then it would be much easier for us.

451. Arriving in rural area we observe how people impoverished, they strive towards cities with hope to earn something and support own family. There are no jobs in the villages with broken infrastructure, and people had to earn naturally, in other words they work in exchange for products, these are fruits of agrarian land reform by enemy's methods. And now we declared cooperation realizing advantages of collective work, but people started to be afraid that we would carry it as we did during Soviet times.

452. However there are people among them who realized and asked the state to give techniques, credits, investments, and they will be united again in cooperatives. We went along public spiral and came to departing point but to a lower level. It is not secret that in mass media we advertise that in one regions of our republic land is tilled by plows hooked to bulls, horses, and we say that the region is being developed; it moves forward, life is being improved for the better. I apologize it is a return to 19th century. It should be shown in inverse light but it should not be advertised. In the west where cattle breeding, agriculture is developed sufficiently, there is private ownership. But it should be forgotten that 100-200 hectares are assigned to one farmer. But there are scientific basis of labor, production, when individual can cultivate sufficiently a certain plot in the presence of corresponding set of agricultural technique, certain quantity of people, when the area will allow

rotating crops and keeping seed farm sufficiently. Then agricultural production will be sufficient in general. Have a look, most of 280 000 officially registered farmers have from 2 hectares to 20 hectares of land. It is impossible to carry sufficient production at such areas without technique.

M. Bobukeeva: You said that one farmer has 100 hectares, in other words they approached by centuries to that: a farmer bought lands of private persons for years. Will be there such situation in Kyrgyzstan in 100 years when one farmer will own 100 hectares of land and he will have all technique and he can keep crop rotation and etc?

453. **S. Osmonaliev:** We have enough experience of keeping agriculture, and it should not be forgotten that the same farmers or cowboys that live and work in America or Australia had lands at first and determined that they should have certain plots, and determined that it is impossible to keep agriculture at lesser areas. We have people owning 100 hectares of land, and this process will be continued. Everything depends on sufficiency of keeping agriculture. If you have profit it will be developed, if not then people have to sell land and be occupied with different production, it is continuous process, and it is the same in the world.

M. Bobukeeva: Compare with 70-year experience during the Soviet Union.

454. **S. Osmonaliev:** We should not compare our country with America or Australia; we can compare our country with countries of the former socialistic sector. These countries are China, Poland and Hungary. They fed themselves. 1,5 billion China could not support own people being in socialistic sector, and declared for reform with Chinese specifics. China declared that during socialism principle of private ownership can be introduced, as well as huge agriculture, and 1,5 billion of population can be led to communism on capitalistic principles, and economic basis should regard as of paramount. At present in China production of agriculture has various final directivity of delivery to expensive restaurants and richer consumers and poor groups of population.

M. Bobukeeva: Good. Let's revert to the Kyrgyz land reform. If to glance at the process of the agrarian land reform attentively what do you think: how the land reform influenced on the level of poverty reduction in Kyrgyzstan?

455. **S. Osmonaliev:** Taking into consideration that about 65% of citizens of our republic live in the rural area, I connect directly carrying agrarian land reform with level of income of the rural population. When sovkhoses and kolkhozes functioned practically the whole population was provided with jobs. If somebody did not work then he was involved in seasonal work at least in the farm, and more or less he received stable salary and could support own family. With disintegration of farms the rural population was not involved in works. The level of rural citizens was decreased, and migration in search of jobs began. Those who were more or less attached to land or had some kind of specialty found jobs in the rural area. They opened private blacksmith and metal workshops and others.

M. Bobukeeva: Alternative types of income?

456. **S. Osmonaliev:** Yes, some alternative types, for instance, if he worked in workshop of kolkhoz then he opened blacksmith, turnery, metal workshop or something related to it. Somebody started to be involved in another business. If he was a supplier, he brought food products or spare parts in the village and sold to farmers. The third person who worked in farming started to deal with lands. He leased lands from relatives and neighbors. A tractor driver bought technique in other regions or privatized technique and started to work, in other words the process was organized spontaneously. Rural villagers who had no business went somewhere. Thus internal and external migration appeared. Urban citizens were more or less provided with jobs during the changes and reforms, and at present they have jobs. Of course with stoppage of plants and factories most of the urban population kept itself and survived during difficult conditions. More than 90% of migrants in

Kazakhstan, Russia and other countries are rural villagers. There are high professional specialists among them, and if we say at official level that 400-500 thousands of population are in Russia, then it is 10% of population, mainly rural villagers with low living standards.

M. Bobukeeva: Nevertheless do you think that the reason of such situation is carrying land reform or collapse of the Union and loss of established links?

457. **S. Osmonaliev:** No. I would like to agree with you partly and specify that agrarian land reform was only a part of these problems after disintegration of the Soviet Union. It is not secret that Kyrgyzstan was outskirts, mountainous republic of the Union, and it was listed in the policy of the Union naturally as a raw material producing appendage, providing the central regions of the Soviet Union with raw material. The policy pursued imperial ambitions on delivery of meat or some agricultural production from the suburban republics, providing at the same time with all goods of industrial production from the center. When it was stopped we could not support ourselves. Now we started to buy goods of industrial production from Russian at world prices. Therefore it should not be said that only agrarian land reform was to blame in decrease of living standards. It was a chain in the whole unit. Carrying the reform was on time, but I repeat that it should not be carried by such methods.

M. Bobukeeva: Do you think that methods of carrying the land reform are not good enough?

458. **S. Osmonaliev:** A strategy was right, but tactics was not acceptable completely for 100%. In my opinion we would keep own farm if we there were other people at the head of agriculture and other methods. Now we see that agriculture of Byelorussia stood up from knees and exports already products of agriculture, after all the situation there was analogical. That fact that there is "Minsk tractor plant" in the country and the country produced own tractors became additional support of formation. Knowledge of depth of agriculture allowed leaders of the branch to treat thoroughly and attentively problems of agriculture, and it provides itself at sufficient level.

M. Bobukeeva: Good, if you are asked to provide your neighbors, that did not carry land reform, with advice, what will you advise?

459. **S. Osmonaliev:** You know I would like to provide anybody with advice. They have own policy, own agriculture. Being a citizen of Kyrgyzstan it is difficult for me to council Tajik people. They have own peculiarities, there was a civil war after collapse for a long time, and it is not a secret that material technical base of agriculture was destroyed during that period. My pieces of advice would be dilettantish for Tajik agriculture. You said before that everybody should pass it by himself. They should learn from mistakes of others. In the whole we carried the land reform earlier. Tajikistan started carrying the reform, I would advise not to destroy that it has. Anyway agriculture of the Central Asian republics provided more or less themselves, during the Soviet time there was social infrastructure of village: house of culture, club, library, bath-houses, stadiums, schools, medical establishments. It was a policy of party and government. It is easy to destroy totally. Ways of keeping them should be found.

We had 10 million sheep. At present quantity was decreased by twice for some 10 years.

M. Bobukeeva: By some information it is known that cattle-breeding is standing up from knees from 2001, do you agree with it?

460. **S. Osmonaliev:** Of course.

M. Bobukeeva: You said that most of people left villages, and correspondingly investments of migrants come to the village, there is a rise in material welfare of people, do you agree with it?

461. **S. Osmonaliev:** I agree. We started agrarian land reform, and in reality it influenced on agriculture, private owners of lands and property appeared. To some extent income of the village was improved. I agree with it and would like to add. Misbalance of prices and industrial production was more or less improved. Prices for milk and meat were increased, they became commensurable with production of industry, and farmers started to get some small profit, it allows living normally. Those who have cows, sheep or established farming, lands can receive sufficient money for own production. But during that period beginning from 1992-1993 until 2000 whatever production you produced you could not support yourself during the wild market and misbalance of prices. External migrants earning money there send them to own villages, and by that they provide assistance. Everything is a result in the complex.

M. Bobukeeva: Probably it is perception of own land, property; and psychology of individualist appears, and the market dictates, they try to work and earn, in other words there is a change in psychology?

462. **S. Osmonaliev:** I agree. One farm was divided into 300-400 small peasants, and each leader of farm or head of family should earn and feed own family. That care was extended to each concrete landowner. I repeat again that by having 5-10 hectares of land a landowner can not support own family. By investing in land or growing any production he determines risk by himself. He is free to change production and more mobile. It should be so. In private production everything should be counted for ten times. But I would like to emphasize that you said at the beginning: foreign sponsors, donors, foreign organizations asked what results of the agrarian land reform were. I always smile when hear it and think that "yes, of course, in 100 years we will come up with you, as it could be achieved without such methods, without such losses. We do not need such victory. Is our country a testing area? A testing area to destroy totally, then to show that we have already moved from the place".

M. Bobukeeva: Let's clarify in relation to selection of strategy and tactics of the land reform by our administration, who was a pioneer?

463. **S. Osmonaliev:** Working in that system I know how suggestions, pieces of advice are presented to agriculture. Exactly leaders inspecting agriculture implemented and introduced that tactics. I am sure of it for 100%. For instance I do not want to blame International Monetary Fund. It advises very tactfully now and did so during that time. How do you think: If we apply experience of those countries would it be better? Some people far from agriculture add to arsenal and take pieces of advice in life by cruel methods.

M. Bobukeeva: At present you are one of the key persons that participates in carrying policy or determines concepts of the government in relation to the land reform. What do see now, what should be done, is it necessary to be organized in cooperatives? What policy should be carried by the new government in order that landowner, farmer will receive maximum profit, his rights will be protected, at the same time land will not lose own capacity, environment will be stable and poverty incidence was decreased?

464. **S. Osmonaliev:** For the first I would like to complete my thought about external investors, foreign donors, it should not be forgotten that the modern world is in globalization and in relation to small and big countries everybody feels that the world is unified. And if in one region of the world a negative phenomenon take place, for instance in agriculture, then it influences on other countries at final. Therefore the more developed countries design programs, assist countries of Africa, Central-Asian region and Australia. If there is any violation, violation of ecological balance, at final it will have effect on life of Europe or America. Therefore they had to develop programs and mobilize all countries of the world in order to stabilize, keep ecological sustainability as everything is interrelated. It does not happen with simplicity when uncle from the ocean wanted to help

somebody, for instance, Asian, African or European man. It is not so. As the world is interrelated and depends on each other it is necessary to assist. If glaciers of Kyrgyzstan start melting it will have negative effect on a lot of countries, God forbid. Thus we should help each other. We should bring out all countries tactfully, democratically to some average level. We should help them but not wait for donors and sit with open mouth and wait for assistance.

465. About modern policy of keeping agriculture. Actually before 2005 the new administration of the republic reasoning from the existing situation started to introduce cooperation. We should carry such policy. At present the German project "development of commodity and service cooperatives" is implemented in the republic. I like the principle of the project; and I know its leaders. We met with the project leader and leaders in Jalalabat oblast. People are organized in cooperatives at voluntarily basis, work independently as private owners. They sell the produced production; income is received by equal shares depending on share of participation. They unite technique by such principle or buy it jointly, in that we support them.

466. The Ministry of Agriculture is the main body of applying strategy of keeping agriculture. As the president noted during some years the overproduction of some types of crops was observed. During these years there is no sale, purchasing prices are being decreased. Farmers produced, but the state can not provide with sale of production. Taking it into consideration the president declared processing industry as priority trend in agriculture. Therefore at final it is not enough to grow agricultural production, it is necessary to process it and sell it at internal level and export. It is necessary to search for profitable market and take production out.

467. The certain specialization of regions by some types of crops was established in the republic. Therefore the government pursued a course on realization of set priorities, attraction of investments for development of processing industry. It is necessary to process produced production, pack it well and then to sell it during the whole year.

M. Bobukeeva: Does the government undertake measures to define market for farmers?

468. **S. Osmonaliev:** Yes, but we can not influence on concrete farmer. We can only provide them with information, what production is sold, what prices it is sold at, priorities of the government in relation to some type of production. And they can plan harvest of the next year depending on information. But for the time present we do not have opportunity to provide all farmers with reliable, full value information in order to direct towards any production. Bu we strive for it.

M. Bobukeeva: By the way now it is necessary for farmers.

469. **S. Osmonaliev:** It is the most essential. We work with it now. The Ministry of Agriculture implements certain activity in order to provide a peasant with information before the beginning of agricultural year. The government also implements such activity. Thus, for instance, we concluded an agreement with Russia that year on delivery of 10 thousand cotton, 5 thousand tobaccos. If it takes place then we will have opportunity to conclude contract for bigger volume next year.

M. Bobukeeva: When we went to regions farmers and representatives of village administrations said that a farmer moved ahead. He feels laws of market. He knows what to do, but the same state structures in the face of the Ministry of Agriculture are not marketable, they are not adapted to market. May be some reorganization is necessary or some its functions and authorities are necessary to change. What do you think?

470. **S. Osmonaliev:** I agree totally with it. The current structure of the Ministry of Agriculture and Water Economy remained from the times of the Soviet Union, and life proves that it is much behind of market relations. Farmers practically find market by themselves now, establish horizontal links. A new minister A.B. Isabekov started work with studying the existing situation and admitted that the structure and work of the Ministry of Agriculture do not meet the current realities. He set a goal to make structural transformation of the central apparatus, then regional level.

471. By the way he worked in various structures before that position, has experience of carrying reforms, and I think that the results of the structural reform of the ministry will be observed in the nearest future. I am sure that this reorganization will positively influence on activity of the given department. It is planned to establish subdivisions tracking prices and markets of sale. As a result the republic has an opportunity to raise the level of agriculture. The specialization of regions, introduction of high technological production, in my opinion, will allow raising agricultural level. And ancient experience of our people should be forgotten, huge pastures should be utilized achieving optimal quantity of cattle. We should develop fodder production and provide cattle-breeding with high qualitative fodders. Production of meat for export is a very profitable business, and we could work making to order, and in perspective we could adjust it to the modern level. Our task is to raise processing industry and provide ourselves with all necessary things.

M. Bobukeeva: Do we have what to process?

472. **S. Osmonaliev:** Yes, of course. Kyrgyzstan is a land of plenty with splendid climate, where everything grows. Therefore we will be optimists and face the future with hope. I think we have everything in front of us.

M. Bobukeeva: Thank you for the interesting interview.

4. Interview with Sooronbay Jeenbekov,

Head of the committee on agroindustrial complex and ecology of Jogorku Kenesh of the Kyrgyz Republic

Q. Which positions did you have from 1990 till 2006?

473. These were my positions:

- From May 1991 till September 1993 I was a Director of Ukianov sovkhov of Sovetski rayon in Osh oblast.
- From December 1993 till May 1996 – Head of “Kashkajol” kolkhoz of Karakulja rayon
- From May 1996 till April 1997 – Deputy Head of the Committee on Agrarian Policy of the Assembly of People’s Representatives of Jogorku Kenesh of the KR
- From April 1997 till April 2000 года - Head of the Committee on Agrarian Policy of the Assembly of People’s Representatives of Jogorku Kenesh of the KR
- From April 2000 – Deputy Chairman of the Assembly of People’s Representatives of Jogorku Kenesh of the KR From April 2005 года till now - Head of the committee on agroindustrial complex and ecology of Jogorku Kenesh of the KR
- I was a deputy of ayil kenesh several times, I have the medal “Manas – 1000”, “Honored employee of agriculture of the KR”, order of Inter parliament assembly of CIS.

Q. Were there any surveys of the population before the reform started?

474. **S. Jeenbekov:** If there were surveys before the land reform then some mistakes could be avoided. If you remember the Presidential Decree on land reform, then you know it should be implemented stage-by-stage. At the first stage in 1991-1993 it was taken into consideration to establish a special land fund from unused lands for new created peasant farms and cooperatives. At the next stages it was noted by land inventory to identify a land area of users and restructuring of unprofitable kolkhozes and sovkhovs. Unfortunately, because of the lack of surveys you have

mentioned, we could not implement stage-by-stage reform with minimum cost. At those years I was a director of sovkhos. At that time there were a lot of cases when specialists of the State Property Fund trying to implement the Presidential Decree did not have the experience and did not know how to implement the reform. Having a lot of questions they often asked us in order to implement it on the legal base.

Q. Did it include methodology?

475. **S. Jeenbekov:** Yes, because together with Presidential Decrees there were no methodology on implementation of land reform. And I being a head of a sovchoz new well the internal issues of the farm.

Q. Was there any political pressure within implementation of the land reform?

476. **S. Jeenbekov:** If you mean internal political forces there were no any political pressure. Historical conditions of that time pushed us to start the reform in agricultural sector.

Q. Which international donor organizations assisted (technical and financial assistance) in implementation of land reform?

477. **S. Jeenbekov:** Within implementation of land and agrarian reform there was a big role of the assistance of ADB, World Bank (KAFC) and Bank of International Development.

Q. What was the role of those institutions?

478. **S. Jeenbekov:** Rural advisory Service continues to provide consultations to the farmers on cropping and livestock. KAFC is the main financial institution of rural population on lending for agricultural production. Moreover Kyrgyz Agrarian Market Information Service provides services in marketing and purchasing of agricultural production.

Q. On the base of which legal documents were orders made? Within land reform (distribution of land and property shares) which method was the basic?

479. **S. Jeenbekov:** In 1991 the 1st Presidential Decree "On measures on implementation of land reform in the KR" was issued. Then some other Presidential decrees were issued and the reform started to move forward. The resolution on "identification of a land share of citizens and the order of issue of certificate on land share use" was issued and it was approved by the Government Regulation №632 dated 22 August 1994. There was also a resolution on privatization of the property of kolkhozes and sovkhos. In that resolution the conditions of identification of a land share and methods of distribution of property shares to members of farms were identified. And this is the answer to your question. Property was distributed in accordance with seniority of citizens that worked in the farm. To my mind it was correct.

Q. How did people regarded the land reform at the local level?

480. **S. Jeenbekov:** If we say that farmers took in the land reform correctly it will not be true. Of cause, there were disputes that kolkhozes and sovkhos should be saved, other people thought that there was a need to reform. And it is natural phenomena. Most of rural population, including governmental officials, was not ready to those steps. That was why the first steps of the reform were taken with fear. The old staff said that to divide the farm was the same as to be against people and the state. And what should be done if the state was not powerful anymore and could not provide the farm with inputs? Annual subsidies from the SU budget have stopped. Fuel became

more expensive. We have to thank Talgarbekov that he has distributed land and property shares. People feed themselves and their children by cultivation of land.

481. When the reform started there were 11 villages in our sovkhos. There were days when it took 5 hours to explain the idea of the Presidential Decree. There were also people who wanted to separate from the farm and to establish cooperatives. Some of the heads follow only their personal interests. Then they understood that they were not right and then it was easier for ordinary people. Why did products of sovkhos and sovkhoses become 10-15 times more expensive? The machinery and spare parts became 1000 times more expensive. Could you analyze please?

482. More important that at that (Soviet) time kolkhozes and sovkhoses concluded agreements with Agroindustrial (Agroprombank) bank at the beginning of the year. For example, the agreement said how much my sovkhos would produce and how much the tax would be. In accordance with the agreement the credit was lent. It was 70% from the amount of the future product with 3% of the annual interest rate. That money was used for borrowing inputs, wages were paid, etc. Then the Soviet Union stopped to lend such credits. Agroprombank increased interest rate till 360%. If you borrowed KGS 100,000 it had to be recovered KGS 360, 000. Understanding the situation we started the reform.

483. Previously during the Soviet time lands of Kyrgyzstan spatially in the mountain areas were used for livestock production (Sheep, pigs, production of eggs and meat). Those who were involved in agricultural production were paid 60% Soviet Union subsidy. For example, for mountain areas for KGS1, 000,000 of agricultural production, they were additionally paid KGS 600,000 and it was 40, 50, 60%. Firstly, that index was reduced. Secondly, shops having subsidies had everything from matches till flour. After collapse of the Soviet Union all connections were destroyed. There were two main problems. Land had to be used either to feed people or livestock. At that time we distributed livestock and at land plots we started to grow wheat in order to have at least bread for people (if you are from 1970 you know a little bit the situation). If you remember there was no even flour at shops. It was imported from the US and other countries as a humanitarian aid. Do you know that when there was 3-day reserve in the country, the mining company Kyrgyzaltyn sold uranium and provided flour for people? At that time there was a need to make such serious decisions. And at that time when the situation was so serious at the national level, there was no possibility to save farms.

Q. Your opinion is very interesting for us. Who was against the reform, people of which category?

484. **S. Jeenbekov:** In oblast I implemented the reform at two farms. Previously there was a plan of crop production. I violate the plan I sowed grain at 120 ha. At that time we did not produce grain and produced only 50-25 tons of barley and corn. At that time I was given a severe reprimand and I was told that it was for violation of the plan and sowed grain without permission. The major opposition of the reform was directors and heads of kolkhozes and sovkhoses, head of the rayon council, which did not see the future and did not understand the policy.

Q. When the Land Code was approved you were the deputy. Don't you remember?

485. Yes, in 1995 we drafted the Land Code and then introduced a single land tax. Thank you to Apas Jumagulov. He supported us.

Q. Was there any difference in implementation of the reform in Kolkhozes and sovkhoses?

486. **S. Jeenbekov:** There were some differences. In kolkhozes property shares were distributed charge free to those who worked at that farm and in sovkhoses the property was distributed with filling in an obligation that the cost of property would be recovered within 10 years.

Q. CLAR and rural committees on LAR conducted public awareness among population. How do you evaluate their work?

487. **S. Jeenbekov:** Rural committees were timely.

Q. Did they do correctly?

488. **S. Jeenbekov:** I think that they did. CLAR also made its contribution. Of course at the beginning there were few reformers. There were few people that understood the reform and saw its feature. Then the reform started. People started to move away and they were given land and sheep. The livestock reduced. It was sold to feed. In many places people started the reform themselves and people have to be thanked.

Q. What were problems?

489. **S. Jeenbekov:** The farmers were not material and technically and financially supported. There is such a problem even today. We can't regulate purchasing and buying of agricultural products. Some years because of overproduction of potatoes its price went down. Currently it does not go lower than 10 som. It shows that marketing system does not work.

Q. How are the problems solved?

490. **S. Jeenbekov:** Currently it is early to speak that all problems are solved. 65% of the population lives in the rural areas. When live of rural population was better then we could say about the solution of agricultural problems.

Q. What do you think, was the land reform fair?

491. **S. Jeenbekov:** If we say yes then it is a too high evaluation. There is only one example. We continue to consider lists of people that have not obtained land shares.

Q. What are the lessons learned?

492. **S. Jeenbekov:** Each year of those 15 years of implementation of land and agrarian reform was a lesson for us. We did not have an experience of lending for cultivation of land and livestock development. There were farms that using credit means became profitable, others because of untargated use of credits became bankrupts. Though there were a lot of talks about service cooperatives only now we started to understand their importance and necessity.

Q. Which experience was used within management of LRF lands?

493. **S. Jeenbekov:** As you know LRF lands were left as the state property. In accordance with the Government Resolution in 2000 they were transferred from the Ministry of Agriculture to local ayil okmotu. Currently 100% of lease payment goes to ayil okmotu budget. In accordance with the Land Code on conditions of use and lease out of LRF land a model resolution is developed. In accordance with it all land is allocated on the competitive base. The resolution also takes into consideration citizens that need social support. 20% of LRF lands are allocated without auctions with privilege conditions. At the same time I can not say that all local heads of ayil okmotu follow all requirements of the regulation.

Q. Most of agricultural lands are now transformed. Does it threaten the decrease of agricultural lands?

494. **S. Jeenbekov:** In reality LRF lands have to be regarded with care. At the beginning of the reform undeveloped and poor lands were allocated to LRF. Then the territory of the village suburbs was allocated to extend the village area. Land that previously was irrigated by pumps because of

the lack of irrigation was transferred into non-irrigated. The process may be stopped. But in reality if there is no water then land has to be transferred.

Q. What about the policy of pasture management?

495. **S. Jeenbekov:** Some deputies raised the issue that distant and intensive pastures must be transferred to ayil okmotu and there are a lot of complains from total population concerning lease of pastures. In this connection in 2005 the Committee made a decision and sent it to the Government to express their opinion and proposals concerning sufficient pasture use and allocation of distant and intensive pastures to ayil okmotu. On the base of the decision of the Committee Prime-Minister Kulov issued an order on establishment of inter-departmental commission. But the work of the commission is late. After the Government gives the proposals and commentaries, then the draft law on distant and intensive pastures will be introduced to JogurkuKenesh of the KR. Moreover, the Committee has been drafting the Law "On pastures". We have to develop of mechanism of properly pasture use and lease.

Q. How did land reform influence poverty reduction, agriculture and ecology?

496. **S. Jeenbekov:** As the result of LAR, land was allocated to its real owner namely a farmer. Private peasant farms and cooperatives are created. The legal base for their establishment is created. At the same time in accordance with some data nearly 100,000 ha of lands can not be used for agricultural purposes. The reasons are swamping saltazation, etc. It is a big ecological problem. Not much attention has been paid to rotation, use of chemicals and fertilizers in accordance with norms, i.e. following agrotechnical standards. That is why, as I have mentioned before, service cooperatives are needed.

Q. To you mind, P which policy should be in Kyrgyzstan concerning future implementation of land and agrarian reform?

497. **S. Jeenbekov:** First of all, conditions have to be established for farmers on lending long-term credits with low interest rates. We only speak on establishment of rural banks. Annually agriculture need 10-12 billion som. Currently the problem is solved by migrants in Russia. Their money is used for cultivation of land and purchasing of livestock.

498. Secondly, there is a need to solve marketing and processing issues. The solution of these two problems may assist farmers in solution of many issues. We have to take measures in this direction.

499. Moreover, establishment of service cooperatives, protection of agrotechnical requirements, regionalization of new varieties, expansion of new breeds must become a routine work of agriculture.

5. Interview with K. Kadyrkulov

Q. What is your position from 1990 till nowadays? It is interesting for us to know how were you involved in agrarian and land reforms? What was your position at that time?

500. **K. Kadyrkulov:** I finished school with a prize and twice tried to enter the university but failed.

501. Those two years I worked as a shepherd's assistant of my father. Then I served at the army where at school of air specialists I obtained a profession of azimuth finder and worked at the airport "Kondor". After army I went back to my native village and pastured livestock till summer.

502. In summer I have passed entrance exams to Scriabin agricultural university, zoo engineering faculty. During five years of study I only once had "4" and graduated the institute with diploma where all marks were excellent.

503. After graduating the university I started to work at the scientific research institute of livestock-breeding as a junior researcher. There was one old lady, PhD, whose name was Kvitko, which did not want me to study at the postgraduate courses. Then someone told that I had to go to the Veterinary Academy in Moscow and meet with one person, who used to be the head of livestock-breeding department of the academy. He sent me an invitation to come to pass exams and asked to take a report with me. After passing the exams I became a postgraduate student and in three years in 1987 I defended my candidate thesis.

504. From Moscow I came back to the same scientific research institute and became a senior researcher. In those 1987-1988 it was felt that there were some changes. Speeches of Gorbochev contained such words as perestroika and reforms. One of such days there was a big meeting at the institute and Director General Bebnnev said that in future we had to work in a different way. Being a young scientist I understood the speech directly and took the floor. I said that cows of Oluiata breeding are degenerated because of the poor selective work. There was big murrain and I suggested a new expeditionary method of work. It turned out that the director did not like my speech. He was a friend of the First deputy head of Council of Ministers Khodos, which maid an order to dismiss me from the institute. One day coming back from the field trip I found out that the meeting of communist party committee had rebuked me. I went to the committee to find out the reasons. Nobody could explain clearly but they gave to understand that it was a direction of Bebnnev. They could not sack me but closed the sector where I worked.

505. I turned out that I am unemployment. It was year 1989. I was no hired even as a laboratory assistant to the agricultural university. Only through influential friend or relatives people could become a staff member of the university. And I had to use that way. I asked the assistance of one man from the central party committee and the same day I was accepted for employment. I became an assistant. The quality of teaching became worse as compared with the time when I had been a student. И мне пришлось по этому пути пойти. The students were mostly children of high officials that did not attend lectures. There were 17-20 such students and they could not pass exams. Abdykerimov who was a dean pushed me to pass them a test but I did not agree. I used to work in such a conflict situation during 1.5 years.

506. At that time perestroika stated. There was another president. People did not know what to expect from new changes.

507. On the base of my thesis I wrote a popular scientific article on weakness of selection works. Caws of olyiaata breeding in the Soviet Union were only in our republic and Kazakhstan. Because of the wrong selection work there was big murrain and on its base I studied genetics of 105 bulls for 50-year period. Bulls were imported and because they can not adopt to our climate they died. The only newspaper that agreed to publish the article was "The Leninchil Jash" but it published the article after 6 months with a big reduction. The article occupied half of a page but the problems of country selection became known to many readers.

508. One day when I coached at the gymnasium of the university, I was asked to come to a rector. It was in autumn 1991. There was the assistant of the acting as minister and he told me that B. Talgarbekov wanted to see me. He wanted to meet me after reading the article. At the meeting Talgarbekov said the following: "President Akaev wants to reform the society in general and agriculture in particular and we need such people as you are. Would you like to work with me? I can not say now what you will do. I'll take you with one condition that you will work honestly and transparent for welfare of the country and people. It is necessary to solve problems that you raised in the article. You have to continue to work at the university and I will call you later."

509. One day he called me to his office again. There was also Bebnov – the same director general of the research institute I used to work at. 32 pedigree farms were under that institute. B. Talgarbekov suggested me to become the deputy head of this institution. I refused when found out that director general would be Bebnov and explained to Talgarbekov our relations with him. The same day Talgarbekov sent him to pension. I was appointed as acting as director general. To be honest I was afraid to become a head of such a big institution. I worked during a day and a night to justify hopes. We worked on how to reorganize pedigree farms, farms and lease; we drafted regulations. In 3-4 months again Talgarbekov was not approved as a minister by Jogurku Kenesh. He was replaced by Karapbek Asanov who stopped all our work. He could not sack me and reorganized the institution.

510. I was unemployed again and with a group of 45 people went to Germany for probation period. It was autumn of 1992. I staid at one farmer's place and during one week there was half day training and the rest 5.5 months I worked in Hammen. I pastured 100 bulls and 2 people pastured 250 caws with calves. The weight of 1.5 year calf was 750 kg. They worked very hard. The labor productivity was very high. In our country 10 people take care of livestock and the weight of three year calves is only 350-400 kg.

511. I was back in 1993 and Talgarbekov again was acting as a minister. He suggested me a position of the head of the department of livestock. After a time Talgarbekov again was not approved by Jogurku Kenesh to the position of the minister.

Q. Why did not the Parliament approve Talgarbekov as the minister? Didn't they like his ideas?

512. **K. Kadyrkulov:** Of course the parliament did not like his ideas and his policy. They did not want to transfer farms to private ownership. At that time many deputies were the former communist party employees or closely connected with kolkhoz and sovkhov system. They could not openly tell the president that they were not agree with a reform that was why it was it was "quiet" sabotage. Talgarbekov was not in their team and did his work. Deputies and other high officials wanted another person instead of him in order to keep the status of kolkhozes and sovkhovs. It was unstable time, chaos, there was no order and those who kept power robbed public property. Chairmen of kolkhozes and directors of sovkhovs understood that if the farms were private property then they would not have tangible wealth anymore. That was why they were against reforms.

Q. Do you know anything about surveys conducted by the government at the time when reformer Talgarbekov wanted to introduce private ownership?

513. **K. Kadyrkulov:** In 1993-1994 consultants from American International Institute of Agricultural Development professor Prosterman, Rene, World Bank, European Union conducted surveys. After surveys they said that if we wanted to transfer to market economy then the ways were as such but mechanisms had to be developed by ourselves. But even without survey it was clear what to do.

Q. You said that in 1993 international donor organizations gave proposals and laid down conditions. But actually land reform in Kyrgyzstan started in 1991. Some laws and presidential decrease were issues.

514. **K. Kadyrkulov:** Mainly land reform was supported not by laws but Presidential decrease. Decreases were issued thanked to Talgarbekov and us – some reformers. They were drafted and discussed with international consultants, with population and proposed through the working groups. The principle of the agricultural reform wished to be implemented on the base of fairness and equality. When SPF (State Property Fund) dealt with privatization it sold the farm to one person or a group of people. It caused a lot of scandals. E.g., when sovkhovs were changed into joint stock companies there were many cases when 1-2 people bought such a company. In such places people upped in arms because of unfairness.

Q. We have information that when SPF dealt with reorganization in 1992, people did not want to take the distributed property shares; there were even cases when some people refused from sheep and gave them back. Were there such cases in your experience?

515. **K. Kadyrkulov:** No, there were fictions of local anti-reformers. For example, when the secretary of rayon committee of the communist party asked sheep for his relative then he was given. For the rest people there were a lot of barriers in order not to leave a kolkhoz. During the first years of the reform there were cases when heads of kolkhozes separated their relatives and friends to test how it will work. When I and my parents wanted to separate from a kolkhoz we had a lot of problems. High officials and heads of the enterprise organized people against us. They wanted to manage the property and in 90% cases they did.

516. In Chyi oblast the first peasant farms were "forged". They were established for reporting. Of course, there were good even best farmers that achieved good results in spite of the barriers. The number of private farms increased in 1994-2000. In 1991-1996 there was a big confrontation to privatization. Most of people were afraid to separate from big enterprises. Among elder generation that remembered dispossession of kulaks there were more danger. Young people did not have such warning. At that time, in 1991-1992 I separated my brothers and sisters from kolkhoz. Of course there were some difficulties at the beginning. The managers of kolkhoz were against and among relatives they looked like rara avis. There were fights and sometimes they used weapon. Those farms that SPF turned into Joint stock companies were sold and we had again to privatize it. When President Akaev saw that methods of the SPF did not meet the requirements of reforming in accordance with the initiatives of Talgarbekov the reforming issues on agriculture were transferred to the Ministry of agriculture. On its base CLAR was organized and Regulation # 632 for fair reform implementation was drafted and approved.

Q. When was CLAR established?

517. **K. Kadyrkulov:** In 1994, because of the illegally established agricultural joint stock companies there were big scandals. For example in Chelpeke they are continued till now. It was a farm as the part of the academy and then it was bought by 3-4 people that were relatives. Additionally to them 5000 people lived there and where should they go? When people asked about separation they were told that that was the area of a scientific research institution and it could not be privatized. At the same time managers allocated 3-5 ha of land, 50 ha of apple garden to their relatives and children. 3 people privatized the enterprise.

Q. You have mentioned that in 1994 CLAR appeared. When it started to develop its provisions did reform start a right way?

518. **K. Kadyrkulov:** When CLAR started its activity the calculation in privatization appeared. The approach was not strict but they started to think about people. At that time there was sabotage from akims, rayon and oblast officials, and especially chairmen of kolkhozes and sovkhoses. Among them there were very few that were for reform. The reform was a struggle. Most of the population was quite and illiterate and it was not a problem to fool them. Those enterprises that were not reformed were specially made as bankrupts in 3-4 years and the cream was skimmed by administration. And that was a reality. In case if the chairman of the farm was a good man and aksakals wise and strong and people were initiative then privatization was fair. And if we analyze we will see that in such places people live better and at the bankrupt farms most of people are poor. Of course 10 or 50 people live very good they are even rich but the rest 90% are in bad condition. In those places where privatization was fair people started in good conditions.

Q. In accordance with your opinion, did privatization of kolkhozes and sovkhoses take place basing not on one but on several principles? It turned out that the results of privatization depended on the human features of the head, didn't they?

519. **K. Kadyrkulov:** Living conditions, location of land, relations between people in the region play a big role. Before 1994 and later many people implemented a reform. They were representatives of the SPF, rayon heads and chairmen of kolkhozes and sovkhoses. There was a mess everywhere that category of people implemented the reform. The property was distributed in a wrong way but they did not forget themselves. After issue of the regulation in 1994 privatization was started in a correct way. When Deputy A. Tashtabekov started to study bankrupted farms he had a lot of complains against us. I accompanied him during 1.5 months when he visited farms and studied documents. Then he said that privatization implemented by CLAR on the base of the regulation is much better then previous one. Actually in the farms that were not bankrupts the property was given to people. In bankrupted farms there was a special administrator, which received 5% and additionally some illegal money. Thus people did not receive money. At that time there were 80 farms-bankrupts. Currently their number is 120-130 ones. Mostly they are located in Chuy oblast and near big cities. If you open regulation #632 you can read that in a farm all property is counting, registered, the commission is established and it makes a decision. The commission included the representatives of CLAR, who knows the regulation, and rayon. They follow each provision to be implemented target. Many commissions approved the decision by open voting. In cases when there is openness and transparency there is no lawlessness. I often was the member of the commission. People that became the members of the commission in order to make profit left it very soon. I saw such situations.

Q. What do you think were the principles of land reform in Kyrgyzstan fair in general?

520. **K. Kadyrkulov:** They were fair. If the land was taken by the chairmen of farms, power-keepers then we could not avoid a civil war. 3 million people live in rural area and make food by livestock-breeding and land. And if agriculture is the property of 500-1000 people what would the others would do? Ordinary people had their view point. We all were from the Soviet Union and we were taught that we were single people and everything was for us. We were told that Kyrgyz shepherd is the owner of the nuclear ship in the Pacific Ocean. What could we expect from people with such mentality? Within wrong privatization it could be a civil war. That was why we chosen a fair way within privatization. There were some mistakes. But when we speak about a general result it is important that rural population obtained land and property shares. Of course a lot of small enterprises appeared. In 1992-1993 we wanted to stop the process by regulation #156 but it did not work. It is because use of private property better works when it is a family one. When people from several generations start to work together then they separate because among them there are some lazy people and some laborholics. And when they start distributing of yield all of them want equal shares. In Germany farther and son report each other using receipts. It is correct because only accurate account raise productivity of a farm.

Q. The same is in this country

521. **K. Kadyrkulov:** I don't know. I have not asked receipts from my children.

Q. What about Land distribution fund? What do you think? Do they work correctly or not? There are different talks.

522. **K. Kadyrkulov:** When private property is introduced then everything that is left is collective usually does not give good results. Moreover we have some elements of land market. If we fully transfer to market economy then all means have to belong to participants. State bodies, ayil okmotu. Government officials, judges, prosecutors, doctors must not deal with wheat production. Each person has to implement the own function and the function has to be restricted.

Q. May be ayil okmotu thinks that it is the mechanism of regulation. Is the land allocated to poor?

523. **K. Kadyrkulov:** They do not give to poor. If they give but only to dummies. If ayil okmotu and government employees cultivates land then they would not do their main job. They will be competitors to farmers and will use their power against farmers.

Q. What do you think, must all land be allocated to farmers?

524. **K. Kadyrkulov:** Land, water or forests, which are used as production means, must have the owner-producer. It could be a farmer or an entrepreneur and it must be one owner.

525. SPF has many owners. They are rayon heads, prosecutor, courts, militia. We have the same Soviet Union mentality and we move mechanically. Ayil okmotu is an executive body and it is not correct that it does not have a control function. If there is no a control function how it cold be an executive body. If he cultivates the land himself how could he establish conditions fro peasants. He will never do it.

526. I often go to other countries and make comparison. In countries with developed agriculture land, forests, water, mountains, pastures have one owner, i.e. a farmer. Even land of British queen is cultivated by one owner who is a farmer. Control body deals with its business. A farmer pays for lease and taxes. For example, in Swiss forests there are deer and hares. At the low land they grow potatoes and the area of 500-1000 ha is allocated to one farmer for termless use with the right of inheritance or lease out. If someone wants hunting he pays to the farmer, which leaves half of the payment himself and the rest goes to the budget. Water resources and pastures also work in accordance with this system.

527. But in our country land is subdivided into water fund and forestry fund. Is it for prosperity of the society and the country? It is only for increase of the agencies in order not to close the structures.

Q. Could you tell about pastures and their conditions?

528. **K. Kadyrkulov:** The condition is bad. They say that pastures must be allocated to others. Who manages pastures? Akims and Gosregister that are responsible for nothing. If you give a bribe they will do what a client wishes. The pasture must also have an owner. Near pastures has to be secured for livestock cooperatives. Farmers, which have livestock, pastures have to be allocated to ownership or long-term lease. Minimum for 20-30 years. The user should be a farmer and the state body has to control. Without a pasture reform a big problem could occur. Nobody will go to distant pastures and near village pastures will degradate.

Q. How to find the way out from this situation?

529. **K. Kadyrkulov:** In order to find the way out from this situation it is necessary to introduce mechanisms I have already mentioned. It is necessary to find owners and train them. They have to know their responsibilities. And more important the control state bodies must know their responsibilities. And it has to be done not taking into account interests of an agency but interests of the society. A society consists of people and people consist from a man. The main member of the society is a farmer or an entrepreneur. We have to establish the conditions that are not dangerous for a human being or a society. But very often departmental interest prevails. And such interests are still alive. Who writes regulations? - Each department to itself. If it is Gosregister that writes it will write to save his interests and not to be responsible for anything.

Q. What is the impact of land reform on poverty reduction, agriculture and environment?

530. **K. Kadyrkulov:** The overall objective of the reform was privatization. Either bad or good but privatization took place. What was the advantage? Pauperization was stopped. People have not become richer because the conditions of macro economy are such. We have barriers to become rich. Macro economic indexes show that in the production sphere 60% of population is involved in agriculture. They produce, use and if there are some surpluses then they market them. It causes the narrowing of the internal market. At the same time we do not produce inputs and fuel. We pay world prices for them. Because of the small internal market the consumption of agricultural goods is restricted and small. The prices of agricultural products are low can not cover the cost and farmers often become bankrupts. How to change the situation? Of course it is necessary to develop other branches of economy. For this purpose it is necessary to reduce the number of agricultural producers. This process goes but on the other hand it is not good if it goes too fast because it may cause social tension. That is why the objective of the state should be quick reaction of the state and quick decision making. It is necessary to solve the problems of employment, export production and labor. People live the country by themselves. Live push them. Is it good in agricultural sector now? I have to say that it is not bad. If we compare with the situation that took place 20 years ago and calculate cost of one unit of a product, then we won. There is a good progress in livestock production. People have started to grow more such profitable crops as beans, fruit and vegetables. The area of apple gardens has grown.

531. If the farmer is directed in a right way he will never violate ecology. He will take care of his land. You will never pour out petrol or chemicals in the canyon where there is an owner. Toy may have a lot of problems from the owner. Private property it is when you think about future and about your grandchildren!

Q. To your mind what should be further policy of the country on implementation of land reform in Kyrgyzstan?

532. **K. Kadyrkulov:** First of all good conditions have to be established for the development. There should not be war and political fights with weapon. People have to work and the state has to direct and establish legal conditions. It should be integration to world economy. Isolation will cause gap. The external migration should be supported. There are talks that people have gone everywhere. Let them go and earn money and see how people live in other places. Young people that know foreign languages have to be sent to countries with developed technologies. They will bring them to our country. This is our potential. At the same time there is a risk of losing national peculiarities. Those that regard themselves as Kyrgyz must not lose this feature. It is necessary to protect a language, traditions and customs and remove bad features. Rare animals that are disappearing are included into the Red-date book. If they start to include people then we are the ones that lose language and national peculiarities. This is a big problem.

Q. Were you a Deputy Minister in 1993?

533. **K. Kadyrkulov:** I was a deputy minister during 1 year. I was against some process of the reform when 1-2 persons could privatize the farm. Of course, it influenced the fact that the heads of the government reduced my position. They could not sack me for bad work. 3 times they tried to dismiss me and when it did not work they reorganized or reduced the position. I talked about that with the head of the Government in the White House. I insisted on my principal. Because of the reduction of the position they did not win and I did not lose. Then I was an adviser and in 1997-2001 I was a Director General of CLAR. Approximately 300 farms and 400 enterprises we privatized transparently and in accordance of the legal base. During 10 years we drafted about 70 decrees, regulations and resolutions. We strengthened CLAR. Most of the specialists worked for people right from the heart.

Annex 4: Reactions of Participants

534. At the final project workshop on 31 October 2006 in Issykul, the Kyrgyz project team presented the team's findings and invited the workshop participants to provide their views on these, as well as general comments. The participants as presented on this picture wrote their comments on cards. These are listed herewith, unedited, and grouped according to the topic of each presentation.



A. Legislation

General remarks

535. The reform was OK (O. Karaev)

536. The sizes of some LRF lands are not accurate in many rayons (O.Karaev)

537. There were violations within allocation of lands: а) categories of people that had rights to land shares were not studied properly; б) issue of certificates during a short time went behind the process; в) in the sphere of the land legislation there are not enough prohibitive norms or their role is very small; г) legislation very often was changed and it negatively influenced the society (Muratbaev)

538. Within auctions on lease of LRF lands, dummies, government officials and rich people participate (A. Jumasheva)

Proposals

539. There is no need to allocate land to urban residents because if they wish they may lease it

540. Allocation of land to foreigners has some difficulties. For example, in Batken oblast citizens of Tajikistan purchase (?) land near boundaries and then announce that this territory is the territory of Tajikistan.
541. There is no need to allocate land to private ownership to legal entities.
542. Toughen the control on target land use; authorize the land inspection to establish such a body if there is a need.
543. Make amendments to the governing law on impossibility of transformation of land that is a private property.
544. Within approval of laws it is necessary to take into consideration the mentality of Kyrgyz people
545. Approve norms on protection of land fertility and include provisions on rotation and use of adequate technologies to the Law on management of agricultural lands (K. Kulov)
546. make amendments to the Tax Code (or issue Presidential Decree) on exemption all rural producers from all taxes for 3 years (E. Isakov)
547. Change the legislation on bank activity concerning issues of privilege lending of agriculture (short-term till 3 years, 7% annual interest rate, medium-term till 5-7- years, 5-7% annual interest rate and long-term for 10 years, not more then 5% interest rate (E. Isakov)

Land Reserve Fund

548. Stop to allocate LRF land for housing construction. (O. Karaev)
549. Conduct inventory of LRF lands
550. Control the use of LRF lands (O. Karaev)
551. Develop the system of transparent allocation of LRF lands to ordinary people (A. Jumasheva)
552. Announce moratorium for 5 years till the end of inventory of LRF area (N. Kumushbekov).
553. Allocate LRF lands to people that did not obtained land shares during the reform and the rest to sell for market development (E. Aliev)

Pastures

554. It is necessary to approve a law on pastures (M. Aliev)
555. Allocation of pastures for lease. Establish norms of lease of pastures not more then a certain maximum. The size of the tax for pasture has to be increased depending on location, size, etc. (M. Aliev)
556. Do not allow using pastures as collateral (M. Aliev)
557. Transfer the authority on pasture management to ayil okmotu –except distant pastures (N. Kumushbekov)
558. Strengthen the control role of MAWR PI on sufficient and rational use of pastures) (N. Kumushbekov)

Land market

559. Extend the number of people, which are pawnbrokers of agricultural lands (N. Kumushbekov)

- 560. Do not allow using pastures as collateral (M. Aliev)
- 561. Simplify the mechanism of using land as collateral (N. Kumushbekov)

B. Institutional development

Card 1.

- 562. For development of agriculture a stable market and a system of government purchasing is needed
- 563. Strengthen the system of agricultural education and stop the process of a contract education at the universities without placing in a job (K. Kulov);
- 564. Continuation of reforms started by CLAR;
- 565. Training of state employees the issues of land reform;
- 566. There was no state program on training of heads of ayil okmotu.

Card 2

- 567. Establish conditions for valuable and sufficient state management in agrarian sector (Kumushbekov).
- 568. Weak work of government structures, duplications;
- 569. Removal of duplication on horizontal and vertical levels (K. Djumagulov)
- 570. There is no coordination between institutions that deal with land and agrarian reform;
- 571. Ministries and departments that work in the sphere of pasture management deal as competitors, there is no state control of land and pasture use.
- 572. There is a need of the analyses of state power bodies and bodies of self-governing in order to remove unnecessary duplication and control functions.
- 573. Currently under the pretext of duplication we have removed necessary institutions (rayon and oblast stations of chemical protection and quarantine of plants) and ayil okmotu and akims implement these state functions.

Card 3

- 574. Restrict the functions of Gosregister, remove control functions;
- 575. Transfer Land inspection of Gosregister of the KR to the Government of the KR or MAWR PI;
- 576. Unite fish and forestry departments (K. Kadyrkulov);

Card 4

- 577. Inventory of all normative and legal acts on agriculture;
- 578. Supervision of law enforcement is not sufficient as the result self-capture of land plots by people K. Muratbaev).
- 579. There is a need of land inventory
- 580. Corruption in all institution that is why the poverty does not reduce (A. Jumasheva)

C. Poverty

Card 1

581. It is necessary to say in the recommendations of your report:

- To develop measures of the state support (subsidies) of agricultural production;
- Within development of recommendations it has to be taken into consideration that in Chui oblast the level of collective agricultural production is higher then in other oblasts.;
- More concrete measures: - How? - Which activities?

Card 2

582. Currently the main problem is poverty. For overcoming the poverty it is necessary to change the life of the village. There is no buying and sale. They only have land and livestock. It is important to have good prices for products. The long term soft credits are needed. It is important to find means to establish processing. There are 2 directions: Production and processing.

Card 3 (E. Ablesov)

583. For overcoming of poverty it is important to lend farmers long-term credits with lower interest rates. It is also necessary to sell agricultural goods jointly.

Card 4 (Kubat from migration body)

584. There is a need to solve a problem on the statute of labor migrants in Russia and other countries of the former SU.

Card 5

585. Criteria for poverty identification are needed

Card 6 (M. Sharipova)

586. Strengthen of public awareness on cropping and livestock

587. Population has to plan their life, budget and income and only then it is possible to overcome poverty

588. Provide high production technology to farmers, land users and livestock-breeders.

589. Improve the system of long-term lending and decrease the interest rate.

Card 7 (K. Kulov)

590. Stop the impoverishment of rural residents because of the contract (paid) study at the universities).

Card 8

591. The reasons of poverty are identified clearly within presentation.

592. Property will be overcome when more attention will be paid to handicrafts.

Card 9 (Aygul from Kochkor)

593. Where did you find data on dynamics of poverty? In accordance with ayil okmotu and poverty passports the poverty in Naryn oblast is 72-79%.

594. Vulnerable families need state support at the government level.

Card 10

595. There is an impact of land reform on poverty.

Card 11

596. The recommendations on poverty have to be more concrete.

Card 12 – K. Kadyrkulov

597. At all levels undertake measures on establishment of favorable conditions of change of disproportion of prices for farmers to generate more income.

Card 13

598. Residents of remote rayons must have a possibility to process their goods. The conditions for that have to be established.

C. Gender

599. The state must create conditions for development of institutions and mass media that inform on rights to land because of low level of legal knowledge between women.

600. As far as land reform and gender are concerned, men and women are equal in their rights. Women know how to use their rights. Land reform strongly influenced gender. (E. Ablesov).

601. There is a need to mobilize women into entrepreneurship for their economic independence.

602. It is necessary to increase legal knowledge of women by training at the workshops on legal issues (N. Kumushbekov)

603. Laws from western countries must be adopted taking into consideration local customs and traditions. To change the mentality will need to change generations. There is a need to train women and girls on planning of income, business, rights and new technologies. Kadyrkulov.

604. All people are equal as far as land use is concerned. Most of women grow vegetable. We have equal rights.

605. Inequity of sexes is determined by physiology, religion, life, traditions and customs of the society except African tribes where they have matriarchy.

606. Deputies of JK are elected and we can change nothing. Deputy Governor and deputy akim positions (one position) are given to women. Within divorce or death of the husband women often do not require their shares. Nevertheless we know that the law is at the side of women-debtor. It has to be noted that all members of a family participate in election of the head of the peasant farm. The head may be a woman or a man in accordance with voting. In Chuy oblast fewer women are involved in agricultural production.

607. Concerning gender equity – there is no interaction in the agrarian sector. If you want equity you have to start from the workshop, i.e. 5 women and 3 men are lecturers. And you identified whom to invite and you have had to invite equal number of men and women.

608. Women are very active in our society.

609. Government and laws and normative and legal acts (NLA) identify development of gender issues. The problem of low legal knowledge and lack of information spatially among women. That is why it is necessary for the Government to solve the problem of provision of computers and cell telephones to all bodies of self-government. E. Isakov.

610. How can traditions and mentality be a restrictive factor to women's rights to land? K. Djumagulov

611. At the institutes connected with land reform women also had leading positions (there were quotas). The staff has to be hired on the competitive base.

612. In this case it is difficult to speak about discrimination. It is more legal ignorance and preference of the traditions compared with law. There is a need of not a reform but public awareness including donor programs.

613. Women and men were given equal rights. Women even have more rights than men. In Kyrgyzstan women protect the country as soldiers. Thank you for your efforts.

D. Environment

Card 1 (Aygul J.)

614. Development of ecological programs on pastures at the governmental level.

615. Public awareness on pasture conditions and impact of ecological conditions of pastures

616. Accurate statistics data on livestock heads.

Card 2 (Matliuba)

617. Strengthen of normative and legal base/ law on pastures;

618. Strengthen the system of livestock registration

619. Inventory of agricultural lands

620. Coordination of all structures responsible for environment.

Card 3.

621. Definitely it is necessary to transfer the authority for pasture management to *ayil okmotu* but also lease payments for pasture use in accordance with the share, for example:

- 80 % of lease payment should go to *Ayul Okmutu* and 20 % to target fund (oblast);
- The *Ayul Okmutu* uses means are for rehabilitation of pasture infrastructure, inventory, monitoring, etc.
- The *Oblast target fund* uses means are for big expensive projects that 1 a/o can not implement. The priorities are identified on the competitive base. (N. Kumushbekov)

Card 4.

622. It is necessary to:

- Divide functions between local self-governing bodies and local state administration in the sphere of lease out of pasture lands
- the state has support in solving problems of pasture infrastructure;

- Monitoring of leased pastures.

Card 5

-
623. Transfer the responsibility of pasture use to a/o, MAWR PI has to control.
624. Inventory of lands. Improvement of livestock registration system.
625. Stimulate establishment of Associations of pasture users.

Card 6 (Kadyrkulov)

-
626. Clarify rights and obligations of ayil okmotu and spatially pasture users;
627. Inventory of pastures is needed. Return pastures as agricultural land from forestry land;
628. Pastures are transferred taking into consideration one conditional flock taking into consideration sanitarium norms;
629. Distant farmers have to be secured for farmers;
630. Near village pastures should be secured for 2-3- cooperatives;
631. Identify the boundaries of near village pastures till 10-12 km from the settlement.

Card 7

-
632. There is not correct registration of the livestock;
633. Suusamyr was transferred to ayil okmotu for use and pastures were allocated without registration during 2 years of Suusamyr pasture use they collected about KGS7.000.
634. Currently pastures of Suusamyr are transferred to rayon departments on environment.

Card 8

-
635. Good conclusions on impact on the environment!

Card 9.

-
636. The pasture reform did not take into consideration the following: Management; Use; Control; Protection.

Card 10 (Kamalov)

-
637. Urgent inventory of lands;
638. Conclusion: corruption within use of LRF;
639. Local bodies of self-governing are not competent any more;
640. There are a lot of NLA and they do not correspond each other;
641. People do not understand what a cooperative is and there is a need of information and economic ground;
642. Land inspection has to be separated from Gosregister;
643. Independent commission on allocation of LRF

Card 11

-
644. Develop the measures on removal of worsen of pasture land because of incorrect use;

645. The law does not work.

Card 12

646. Approval of Pasture Code;

647. Identification and distribution of pastures in accordance with the types.

Card 13

648. Not allow to use arable land as pastures

Card 14 (E. Isakov)

649. Lease payment for forestry pastures has to be 2 times higher then ordinary;

650. Additions to the legislation, approval of pasture law.

651. Distribution of pastures of all categories has to be done by local self-government;

652. There are many complains from population concerning use of pastures.

Card 15

653. Distribute materials;

654. Impact of livestock breeding on pastures.

Card 16

655. Very good presentation and we want copies of the power points

E. Agriculture

Card 1

656. Regulate the purchasing prices for agricultural goods

Card 2 (E. Isakov)

657. 1. Problems of rotation and sufficiency of agricultural land use may be solved by strengthening of tax policy and financial and lending policy and change the NBK policy.

658. 2. Exempt farmers from taxes for 5 years

659. 3. Lending through credit banks with the low interest rate – not more then 5 %, long-term lending till 10 years and medium term till 5-7 years.

Card 3

660. No activities

Card 4

661. Recommendation №5 about the repair of technical equipment used in agriculture: how can this be done? It is done on the private level and how is it on the government level?

662. Recommendation № 10 about seasonal storage of produce: What about government store houses? How to use them having a deficit of a budget?

663. May be there is a need to assist to export goods (assistance in certification, conclusion of the agreements, etc.

Card 5

664. Low productivity – unstable use of natural resources (pastures)

Card 6.

665. For the development of agriculture it is required: State purchasing; Export; Processing – priority; to solve issues on prices for fuel, chemicals, machinery and seeds

Card 7

666. Processing of agricultural goods at small workshops. It is necessary to establish conditions then it will be possible to sell ready-made goods and the life in the village will be better. For these purposes farmers need long-term interest free loans.

Card 8 (E. Ablesov).

667. After implementation of land reform yields are lower in many places. Land is depleted; the fertilizers are not used because they are very expensive. In this connection there is a need to establish cooperatives for joint use of land and increase of yields and following rotation.

Card 9 (N. Kumushbekov).

668. There is a need to strengthen the data base on the following issues: Collateral, Marketing and Lending.

Card 10 (K. Kulov)

- 669. Support of commodity production by establishment of agricultural cooperatives and rotation;
- 670. Development of organic cropping (ecological certification);
- 671. Establishment of the national information and marketing system for sell of agricultural goods;
- 672. Establishment of a system of marketing of agricultural goods.

Card 11 (Aygul - Kochkor)

- 673. Development of processing industry
- 674. Development of marketing in the regions
- 675. Establishment of employment
- 676. Long-term lending to farmers
- 677. Provision of high-quality seeds
- 678. Advisory and analytical centers
- 679. Inter regional connections (barter) at the state level
- 680. Identify markets (agreement with CIS countries)

Card 12

- 681. 1. Attract investments to agriculture

- 682. 2. Establishment of cooperatives
- 683. 3. Increase volume of lending of agricultural producers and reduce interest rate.
- 684. 4. Improve machinery supply and supply of profitable technology.
- 685. 5. Improve work on training and awareness of the population.

Card 13 (K. Kadyrkulov)

- 686. Employment in rural area and alternative sources of income. There is no competition without it. There is a need to develop advisory service.

Card 14 (Murabaev)

- 687. Agricultural production and marketing require state support.
- 688. Provide machinery to farmers, to provide services to be precise.
- 689. There is a need to use intensive forms of farming and use new technologies.
- 690. Solution of processing problems.

Annex 5: Annotated Bibliography

A. Describing Kyrgyzstan (with occasional comparisons to other countries)

ADB (2005). The Kyrgyz Republic: A gendered transition – Soviet Legacies and New Risks. Gender Country Assessment

691. The gender assessment for Kyrgyzstan explores the gender impacts of the transition development since 1990, highlighting the way in which poverty displays specific gender dimensions. It summarizes these gender dimensions within a framework of decreasing opportunities for women, erosion of women's capabilities, women's increasing (economic and physical) insecurity, and their growing disempowerment. The paper specifically considers the participation of women in the rural economy as well as the effects of land reform on women.

ARD/USAID. (2005) Land Tenure and Property Rights Assessment for Kyrgyzstan.

692. Part of a worldwide attempt to systematize the analysis of land tenure and property rights, this report highlights 5 themes: a) Conflict/Instability, including trans-border conflicts, inequitable land distribution, and limited land use rights; b) Insecure land tenure and property rights; c) landlessness and inequitable land distribution; d) poorly performing land markets; and e) unsustainable natural resource management. This report focuses on land related issues exclusively. To more broadly assess the impact of the land reform on increased agricultural or economic gains or food security would require an in-depth study of upstream and downstream markets, credit availability and access, access to market information, agricultural enterprise, etc.

Bloch, P.C. (2004). Land Privatization and Land Market Development: Two "Unsuccessful" Cases, Kyrgyzstan and Uzbekistan. In D. Macey, W. Pyle and S. Wegren (eds.), *Building Market Institutions in Post-Communist Agriculture: Land, Credit, and Assistance*, Lanham, Md: Lexington Books.

693. This book chapter was commissioned by the editors, whose opinion was that Kyrgyzstan and Uzbekistan are good examples of unsuccessful land reforms: one because it went too far and the other because it has not gone far enough. Using criteria on the pace and extent of land privatization and the creation of new types of farm enterprises, and on trends in agricultural production, the paper reveals that the agricultural sectors of Kyrgyzstan and Uzbekistan have performed as well as those of any country in Central Asia and the Caucasus. Yet the conclusion is that the reforms have been unsuccessful because they have not engendered strong economic growth based on the robust operation of land markets.

Bloch, P., J. Delehanty and M. Roth (eds.). (1996) Land and Agrarian Reform in the Kyrgyz Republic. LTC Research Paper no. 128. Madison WI USA: Land Tenure Center.

694. An early study of the land and agrarian reform process in Kyrgyzstan. Includes analysis of legislation, agrarian structure, institutional change including land registration, and the results of a set of field surveys addressed to heads of rural committees, heads of peasant farms, and rayon akims. A companion unpublished report made a series of recommendations for deepening and broadening of the reforms.

Bobukeeva Meergul, (2000) State regulation of land relations. Law and entrepreneurship, #1, 2000

695. This article considers responsibilities of the Ministry of agriculture and Gosregister of the Kyrgyz Republic concerning their duplication. In the frames of principles of administrative law of the Kyrgyz Republic the author tries to analyze resolutions that regulate responsibilities of two institutions and to give definition to such concepts as “specially authorized bodies” and “general and sectoral management”. The author notes inadmissibility of simultaneous implementation of two functions by Gosregister: technical documentation (land survey works) and issue of right establishment documents, on the one hand, and simultaneous subsequent registration of rights to immovable property. The author says that Gosregister has a double role. It is the source of issuing certificates and registrar of rights to real estate. At the end the author says that conceptual and scientific state approach for solving of such principles is as follows:

1. Clear distribution of functions between corresponding parts of the state apparatus and bodies at the local level.
2. Inadmissibility of interference of some state bodies into functions of the other ones.

CEDAW (United Nations Convention on the Elimination of All Forms of Discrimination Against Women). (2002). Second Periodic Report of State Parties. The Kyrgyz Republic. CEDAW/C/KGZ/2. Submission under Article 18 of CEDAW. United Nations, New York: United Nations.

Childress, M., et al. (2003). Rapid Rural Appraisal of Land Reform in the Kyrgyz Republic. ARD/Checchi, Development of Commercial Law Project. Draft for Comment and Discussion.

696. The paper reviews the progress of land reform in the Kyrgyz Republic and offers recommendations on how to achieve two main development goals: support of decentralization of land governance and support of rural areas with the aim of spurring agricultural growth. Using a rural rapid appraisal methodology, the authors evaluate four components of Kyrgyz land reform: the Land Redistribution Fund, pasture lands, the land market and land conflict. The authors observe that the Land Redistribution Fund suffers from management problems due to unclear assignment of administrative duties. Key findings from the appraisal of the land market highlight the need for non-farm employment opportunities, assistance with agricultural output markets, and the implementation of policies that enable the development of the land rental market. The appraisal of pasture lands revealed a livestock sector that is operating under capacity, suggesting the potential for expansion, but the authors caution that pasture land policy needs to include an environmental perspective in order to minimize environmental degradation and ensure sustainable land use. The persistence of land conflicts in the Kyrgyz Republic following land reform is attributed to two major issues, which the authors argue require continued donor assistance: 1) lack of information and understanding concerning government actions, and 2) lack of donor and government coordination. The appraisal does briefly address existing and potential environmental impacts of land reform.

Dekker, H.A.L. (2003). Property Regimes in Transition, Land Reform, Food Security and Economic Development: A Case Study in the Kyrgyz Republic. Burlington: Ashgate.

697. This very valuable book is a revision of the author's PhD dissertation, and is based on his long experience working on land titling and registration in Kyrgyzstan and other countries. As a scholarly work, it develops a model of the relationships among land reform efforts on one hand and food security and economic development on the other. But it is also very practical: it systematically describes and analyzes the process, problems and results of land reform, and applies the model to assess its impact, as of 2000, on various indicators of agricultural and human progress.

Falkingham, J., (2003) CIS7 conference inequality & poverty in the CIS7 1989-2002, University of Southampton, UK

698. This paper examines the impact of a decade of transition on living standards and welfare in seven of the poorest Republics of the former Soviet Union – Armenia, Azerbaijan, Georgia, Kyrgyzstan, Moldova, Tajikistan, and Uzbekistan (known as the CIS-7).

Gerber, L. (2004) Literature Review: Land Reform in the Kyrgyz Republic, 1991-2004.

699. A useful, if limited literature review (13 sources) covering: the process of land reform; rural life & agricultural policy; land reform implementation challenges – LRF, pasture land, land markets, land registration, land conflicts, land tenure security, and gender; and a brief assessment of the effectiveness of land reform.

Giovarelli, R. (2004) Are Rural Women Disadvantaged in Asset Ownership and Business Relations in the Kyrgyz Republic? BASIS CRSP online document, http://www.basis.wisc.edu/pubs_country.html#k (abstract from article)

700. Over the past 10 years, Kyrgyzstan has privatized most of its agricultural land and distributed it to individual households. These households either farm alone or join together and farm cooperatively. This research seeks to examine whether women have been adversely affected in the process of privatization, asset ownership, or business development. While the legal rules do not disadvantage women, historical customs and beliefs play a major role in rural areas. Using a key informant and focus group approach, we find that women want to and do participate in the market economy. The major impediment to women in asset ownership and business relations is the traditional understanding of gender roles within a family or small business enterprise when both men and women are involved. Many programs exist to assist women in receiving credit and operating small, independently owned enterprises. While dramatic change is not required, women would benefit from additional training, specifically in non-traditional areas for women such as business management and agronomy.

Giovarelli, R. et al. (2005). Land Tenure and Property Rights Assessment for Kyrgyzstan. United State Agency for International Development.

701. This report surveys the land reform experience of Kyrgyzstan with the aim of using an analysis of this experience to answer questions with regional relevance, such as: Which reforms worked and didn't work? How could the sequence of reforms change? How were reform outcomes consistent with prevailing theory? How should reforms proceed? Specific to Kyrgyzstan, the report's purpose is to assess land tenure and property rights trends and recommend remedial measures. The authors of the report identified five main issues related to the land tenure and property rights situation in Kyrgyzstan: 1) conflict and instability, 2) insecure land tenure and property rights, 3) landlessness and inequitable land distribution (contributing to conflict and instability), 4) poorly performing land markets, and 5) unsustainable natural resource management, pertaining largely to pasture use. The recommendations on how to proceed with land reform emphasize the overarching need to increase transparency through improved governance of the five areas of land tenure and property rights that framed the analysis.

Hovard Okman (2000), Land reform. Law and entrepreneurship, #5, 2000

702. In this article the author noted that Kyrgyzstan has started to develop private ownership and land market and strengthen of the law that regulates these issues. However he noted that the Land

Code of the Kyrgyz Republic has provisions that put under a ban sale of rights to agricultural land for 5 years from the moment of purchasing these rights. This ban for land sale that is called "moratorium" embarrasses sales between private owners of agricultural land. It also retains banks on financing (mortgage lending) on the security of land rights because banks can not sell these land rights in case of a debt. Moreover the author speaks about establishment of a fixed registration system and condition on land users' understanding and protection of their rights within land transactions.

Kojobekova, J. (2004) Monitoring of impact of arbitration court on poverty reduction in rural areas. Kalys Consult for DfID.

703. Results of a survey of participants in third-party arbitration of land disputes. Conclusions are that this low-cost, transparent method of settling conflicts benefits rural residents, and has in some cases enabled people to emerge from poverty.

Krever, V., et al. (1998). Biodiversity Conservation in Central Asia: an Analysis of Biodiversity and Current Threats and Initial Investment Portfolio. World Wildlife Fund for Nature.

704. This report assesses the state of biodiversity conservation in Central Asia, arguing for the importance of such as assessment due to the unique geography, which situates the region at an intersection where Asian and Mediterranean flora meet. Wild flora unique to the region include fruit and nut trees such as apple, pear, apricot, pistachio, almond and walnut and bulb plants such as tulips and daffodils. Fauna such as the taiga antelope and the kulan depend on an intact steppe biodiversity for survival. The factors identified as affecting the ecosystems include land privatization, agricultural development, mineral and resource exploitation, trade in wildlife parts and game hunting, and unsustainable grazing and forestry. Land privatization is attributed to environmental problems such as catastrophic local overgrazing in the pastures, forest logging which leads to the increased frequency of mud slides and progressive erosion, and wasteful use of water which leads both to the erosion and salinization of the soils. While at the same time the authors point out that in some countries, which predominantly produced cotton, a post-privatization shift to cultivating fruits and vegetables has improved the environmental situation. A post-Soviet increase in poverty, however, puts pressure on the environment. The authors use a method that analyzes the activities of the various organizations involved with conservation issues in Central Asia. Both land use management practices of the Soviet period and current practices are blamed for deterioration of biodiversity. To address this ecological situation, the authors advance several recommendations that emphasize "institutional strengthening" and "conservation practices."

Kuehnast, K. & Dudwick, N. (2004). Better a Hundred Friends than a Hundred Rubles?: Social Networks in Transition—The Kyrgyz Republic. World Bank Working Paper No. 39. The World Bank, Washington, D.C.

705. This report evaluated the impact of socioeconomic reforms on the characteristics and functions of social networks among households classified as poor and non-poor with the aim of identifying development strategies that did not exclude the poor. A key finding is that social networks are deteriorating, challenging the assumption that social networks among poor can serve as a social safety net, when other assistance activities fail. The author found that when people migrate from rural to urban areas and acquire resources, they do not necessarily share these resources with poor relatives and friends. The author argues that a serious approach to research on poverty alleviation should eliminate isolating poor from non-poor

Kuehnast, K. (2003). Poverty Shock: The Impact of Rapid Economic Change on the Women of the Kyrgyz Republic. In When Things Fall Apart, The World Bank, Washington, D.C. Chapter 3. 33-55.

706. This chapter reports on a study conducted in 1993 that identified groups of women that were vulnerable following the immediate post-Soviet transition. Specifically, the study documented the coping strategies of these women in response to shocks including loss of employment, loss of social network, and deteriorating living conditions. Coping strategies included cultivating household gardens, selling goods in the bazaar. The author also documented changes in attitude among women. She reports a general skepticism among women that the government will assist them and a growing belief that to change their situation they would have to act themselves.

Ministry of Finance of the Kyrgyz Republic. (2003). Cooperative Development and Deepening of Land Reform: monitoring. Volume 7. Center of Economic and Social Reform.

707. This monitoring report reviews the reforms in the agricultural sector and observes that current reforms do not promote sustainable rural development, reduce poverty or increase rural employment opportunities. The authors call for a new approach to problems in the agricultural sector and make the argument that agricultural cooperatives "guarantees" growth in the agricultural sector. In developing their argument for agricultural cooperatives, the authors analyze the impact of agrarian and land reforms on agricultural economics, the functioning of market forces, the current industry structure, its effectiveness, cooperative development, and the effective use of natural, physical, and labor resources. A key conclusion is that the most promising development for the agricultural sector is to develop cooperatives, which are realized among both horizontal and vertical linkages within the sector. The authors believe that cooperatives will be able to compete with other agricultural enterprises and collaborate with government, resulting in a more stable sector.

Rasmussen, K. (1996) Land Rights in the Kyrgyz Republic and their Registration Under the Pilot Immovable Property Registration Project. ICMA Report for USAID. (abstract from report)

708. Since August 1995, ICMA, USAID, and World Bank consultants have been working with officials in the Kyrgyz Republic to develop a legal basis for the registration of rights in immovable property. The registration law was recently introduced into parliament and the next step is to implement a pilot immovable property registration project that will lay the institutional foundation for a registration system. A major task in designing this system lies in determining what rights in immovable property currently exist and establishing a typology for recording these rights on the registration cards. The most difficult task will be to decipher the meaning of land-rights assigned as a result of the various privatization initiatives. Land rights have been in a state of constant flux due to successive land reform initiatives launched from 1991-94. Although a draft Land Code is expected to be introduced to parliament in the second quarter of 1996, the 1991 Code remains the basis of most existing rights in land. These rights are briefly explained and suggestions as to how they might be recorded in light of the draft Land Code are offered.

Sabates-Wheeler, R. (2006) Safety in small numbers: local strategies for survival and growth in Romania and the Kyrgyz Republic. Forthcoming in J. of Development Studies. (abstract adapted from article)

709. Using a comparative study of farm households from poor rural communities in Kyrgyzstan and north-east Romania this paper explores the intricacies of a variety of forms of cooperation in agriculture. The findings highlight the safety net, labour specialisation, asset-pooling and service delivery functions of different groups that enable rural livelihoods to at times cope and at times improve in situations of imperfect information, sluggish labour and land markets and constrained capital markets. The research presented here indicates that small to medium forms of

cooperation provide the rural poor with predictable livelihood strategies under conditions of uncertainty. Specifically, cooperative action, in the form of groups, substitutes for imperfect markets. Despite the push for de-collectivisation and privatisation across transition countries there remains a place for encouraging group initiatives, at least for the medium term, on grounds of both poverty alleviation and agricultural growth.

Spoor, M. (2004) Agricultural Restructuring and Trends in Rural Inequalities in Central Asia. A Socio-Statistical Survey. United Nations Research Institute for Social Development

710. This paper analyses agricultural reform and sector restructuring, inequality and the role of civil society. It focuses on conditions at the outset of reform (a relatively low level of industrialization, large rural populations and poverty) and the particular place that agriculture had and largely still has in the Central Asian economies. It examines the legacy of the Soviet system, which on the one hand stimulated regional development through transfers from the central all-Union budget to the periphery, and on the other hand created a system of peripheral dependency, in which the Central Asian republics' role was to provide primary sector raw materials. It reveals that the agricultural and rural sector, in terms of food production, input for light industries, employment and residence of a majority of the population, was more important than would appear from its contribution to GDP.

Spoor, M., ed., (2003). Agrarian Reform in Post-Soviet States Revisited: Central Asia and Mongolia, in *Transition, Institutions, and the Rural Sector*, Lexington: Lanham, Maryland.

711. The article compares the land and institutional reform experiences of Kazakhstan, Kyrgyzstan, Mongolia and Uzbekistan. This comparison informs an analysis of how the development of land privatization and farm restructuring affects agricultural enterprise performance. Main findings show that deliberate institution-building in the agricultural sector is critical to preventing continued decline in performance. The institutions that are identified as priorities include land markets, credit and savings, research and development, water supply and distribution, and commodity chains.

Spoor, M. (1997). Agrarian Transition in the former Soviet Union Central Asia: stagnation and progress. Working Paper Series No. 243. Institute of Social Studies.

712. This paper reviews the post-Soviet agrarian reform experiences in Central Asia. The author focuses on the processes of land privatization and market liberalization to challenge the prevailing position (at the time) that the speed of economic recovery following the dissolution of the Soviet Union is positively correlated with the pace and extent of privatization and market liberalization. A comparative approach is employed that accounts for different initial conditions and political-economic contexts. A key observation is that reform outcomes are differentiated within regions, districts and village communities of specific countries, suggesting that for transition outcomes to be understood an analysis should take into account not just the differences among countries within the region of Central Asia, but also the differences in the way reforms play out within these countries.

Talgarbekov Bekbolot (2000), Land market in the Kyrgyz Republic. Law and Entrepreneurship, #2, 2000

713. In this article the analyses of development of land market in Kyrgyzstan have been done. The author says that the state policy is directed to establishment of viable and strong farms by creation of the land market at the rural area. The author makes a short historical review of the process of introduction of private ownership to land. He analyses legislation that regulates the order of agricultural land management and which describes the main advantages of the law and tries to explain and excuse some unpopular norms of the law.

Tashbolotov, M. (2001). Problems of Cooperative Development in Agriculture: experience of countries with transition economies.

714. This paper examines the prospects for agricultural cooperative development in Kyrgyzstan by evaluating the experiences of other CIS countries in agricultural cooperative development. The author's key argument is that agricultural cooperative development, important for developing competition within the agricultural sector, requires micro-credit services that allow agricultural enterprises to expand. The author contends that credit unions would offer the best support to agricultural enterprises. At the same time, the author draws on examples from the Russian Federation and Uzbekistan to note that many of the most successful cooperative development schemes have been tied to credit services provided by international donor organizations, and questions the sustainability of this practice. In assessing the state of cooperative development in Kyrgyzstan, the author observes that the biggest barrier to the development of agricultural cooperatives is the tax system. Individual farmers do not pay VAT, but farms, which organize into cooperatives, do pay VAT. For this reason, many farmers do not want to form cooperatives. In conclusion, the author appeals to government "structures" to assist with the development of agricultural cooperatives, especially service cooperatives, which can meaningfully advance land and agrarian reform in Kyrgyzstan.

Tashmatov, A., et al. (2000). Food policy reforms for sustainable agricultural development in Uzbekistan, the Kyrgyz Republic, and Tajikistan. *Food Policy*. 25. 719-732.

715. This paper examines the impact of reform policies on food security in Uzbekistan, the Kyrgyz Republic, and Tajikistan and evaluates this impact in the context of sustainable agricultural development. The authors argue that the divergent paths taken towards a market economy among the case countries largely affect the nature of the food security situation within each country. In Uzbekistan, where the government maintained direct control over agriculture and where there is a Soviet legacy of cotton production combined with the importation of consumable agricultural products, rendering the agricultural sector largely one-sided, the food security situation is already noticeably acute. In Kyrgyzstan, where the government adopted a policy of land reform and farm restructuring, a sharp decrease in production was followed by stabilization of gross farm incomes and growth in the agricultural sector. In Tajikistan, where the government extensive land reforms were also adopted, which included enterprise restructuring, agricultural production levels have declined, and combined with a devastating civil war, have led to a serious food security situation. To address the regional food security situations, the authors argue for deeper reforms including investment in rural infrastructure, agricultural research and extension services. Issues of sustainability in regional agricultural development are not addressed in this paper.

Sabates-Wheeler, R. and M. Childress. (2004) Asset-pooling in uncertain times: implications of smallgroup farming for agricultural restructuring in the Kyrgyz Republic IDS Working Paper 239. Brighton, UK, Institute of Development Studies. (*adapted from article abstract*)

716. The objective of this paper is to examine "individualized" production systems more closely in order to understand better how certain specific organizational approaches to production differ with respect to a set of indicators of technical efficiency. The paper provides quantitative analysis of these new types of farming units and a rationale for a deeper exploration into the nature of these groups. Overall the finding is that total factor productivity of small groups formed on familial and social ties is higher than that of individual farms. The explanation for this hinges primarily on understanding the asset-pooling, risk-sharing and labor specialization functions of groups. As transition agriculture continues to adapt to land reform choices that were made ten years ago, a major policy question facing the Kyrgyz government must be, what kind of agrarian structure should be facilitated in order to promote agricultural growth? Despite the push for

decollectivization there remains a place for encouraging group farming, on grounds of both poverty alleviation and agricultural growth.

WESA (Women Entrepreneurs Support Association of the Kyrgyz Republic) (2003). Women's Rights to Land. Discussion Paper

717. This paper analyses the effects of land reform on women in Kyrgyzstan. It gives special attention to women's ability for small farm entrepreneurship and highlight the challenges women face in this regard.

World Bank. (2004). Kyrgyz Republic Agricultural Policy Update – Sustaining Pro-poor Rural Growth: emerging challenges for government and donors. Document of the World Bank. Environmentally and Socially Sustainable Development, Europe and Central Asia Region. [abstract from WB website]

718. Critical choices must now be made if growth is to be sustained. Significant potential exists for future growth, but bringing out this potential poses a major challenge for government policy. Agricultural strategy must shift its focus towards support for continuous productivity growth by peasant farms in a conducive marketing environment. Key priorities include completion of land reforms (especially in the North); fundamental restructuring and reorientation of public agricultural services, with greater emphasis on private service delivery and cost recovery; and a shift in agricultural public expenditures toward support for private commodity markets and private-sector based systems for technology transfer. In addition, irrigation rehabilitation, operation and maintenance, and cost recovery should continue to receive attention and support. These measures will need to be complemented by broader rural development measures - most importantly the rehabilitation of basic infrastructure in rural areas - in a manner that supports the Government's policy of fiscal and administrative decentralization. Development of rural infrastructure that is locally planned, financed, and maintained, will contribute to both farm and rural non-farm development over the medium and long-term.

World Bank. (2002) The Context for Community Driven Development in Central Asia: Local Institutions and Social Capital in Kyrgyz Republic, Tajikistan and Uzbekistan. First Phase Report: CDD Experience and Lessons to Date. [abstract from WB website]

719. The purpose of the study is to better understand community structures and dynamics in the three Central Asian counties of Kyrgyz Republic, Tajikistan and Uzbekistan in order to contribute to the development of community-driven development operations in the sub-region and improve the quality of community-driven development initiatives already underway. The study has five parts. Part 2 provides a rationale for the importance of community-driven development approaches in Central Asia, highlighting characteristics of the Sub-Region and worldwide experience in community-driven development. Part 3 synthesizes the experience in community-driven development-type initiatives, based on project documents and field interviews. Part 4 draws lessons from the experience and identifies a number of operational implications from the lessons. Part 5 proposes a number of steps that should be taken to make use of current findings and to explore outstanding issues more deeply, including social capital.

World Bank. (2006) Kyrgyz Republic - Water Management Improvement Project. Project Appraisal Document. [abstract adapted from WB website]

720. The Project will have a two-pronged development objective: (i) improving irrigation service delivery and water management for the benefit of a sustainable increase in irrigated agricultural productivity; and (ii) improving national water resource governance for the benefit of water users and the nation as a whole. The project has the following components: (1) Maintenance of

irrigation infrastructure in the Kyrgyz Republic has been under-funded since the end of the Soviet period, as a result of which many systems are in a seriously deteriorated condition. (2) This component will provide assistance to government to achieve sustainable and efficient water resources management, including support to the implementation of the water code, leading to a more productive use of water resources, while protecting the water-related environment. (3) The project will support the formation and development of at least five pilot Federations of Water Users Associations (WUAs) with a view to fully understand the processes and ascertain the viability of this next phase in irrigation management transfer. (4) Department of Water Resources (DWR) will have overall responsibility for project implementation. A small PIU will be formally established before project effectiveness under the DWR, with responsibility for the daily management, administration, and coordination of the project, including procurement and financial management.

World Bank. (2005) An Operational Approach to Assessing Country Ownership of Poverty Reduction Strategies: Analysis and implications, Volume 1, Country case studies, Volume 2. [abstract from WB website]

721. Country ownership is widely seen as crucial to the success of national development strategies, but a robust operational framework to assess it has been elusive. The Poverty Reduction Strategy (PRS) initiative underpinned by the Comprehensive Development Framework (CDF) principles, introduced in 1999, take the question of country ownership to a new level by ensuring an opportunity for a country to take the initiative in defining its own strategy, and take charge of its development. This study offers a common operational approach to assessing country ownership of PRSs. It builds on the findings of the Bank's 2003 CDF Progress Report, which reviewed experience in 48 countries, on PRS reviews prepared by other organizations, and other units within the Bank, and on detailed case studies of the PRS process carried out for the purposes of this study in four countries that have made strong progress in developing nationally, owned development strategies: Bolivia, Ghana, the Kyrgyz Republic, and Senegal. Experience in the case study countries shows that to develop country ownership of PRSs, it is essential to integrate PRS formulation, and implementation into a country's broader decision making processes and systems. The indicators point to increasing institutionalization of the PRS process: to the extent that these elements are in place, country ownership of the PRS is stronger. However, all indicators are unlikely to be equally important in all countries. Countries with weaker governance and institutions like Low-Income Countries Under Stress (LICUS) face considerable challenges in fostering country ownership of the PRS, and are likely to make slower progress than those with stronger institutions.

World Bank (2005). Kyrgyz Republic: The Geographic Distribution of Poverty. (summary adapted from report)

722. Poverty maps, by quantifying suspected regional disparities in living standards and identifying areas falling behind in the process of economic development, can facilitate the design and monitoring of poverty reduction programs. By providing information on the spatial distribution of living standards, they can be an important tool for policymakers in allocation of public transfers. Poverty mapping generally involves two major steps that help overcome the shortcomings inherent in both survey and census data. First, household survey data are used to estimate poverty or expenditure as a function of household characteristics such as household composition, education, occupation housing conditions and asset ownership. Second, census data on those same household characteristics are inserted into the analysis to generate poverty estimates at small geographic units.

World Bank (2004) . Microfinance and the poor in Central Asia: Challenges and Opportunities. Agriculture and Rural Development Discussion Paper 6. Europe and Central Asia Region

723. This study describes the current status of the microfinance system in Central Asia and identifies practical reality-based operational interventions to support the expansion of services. The goal is to enable these countries to take fuller part in the growing microfinance movement for the betterment of their mostly poor rural populations and their overall economies. Specifically, the study attempts to articulate possible short-term interventions for possible donor support over the next two to three years, which could have significant and visible impacts. It also provides an analytical platform for continuing debates on longer term development challenges and options on this important topic among governments, NGOs, key donors, practitioners, and the World Bank.

B. Describing Other Country Experiences

Abdulaev, T.F. Senior researcher of the Institute of economic survey and trade in Tajikistan. February 9, 2006 The review of agrarian reforms during the transition period

724. The review applies to the problem of choosing of new forms of farming and especially cooperative forms of organization of agricultural production. There is the opinion of the scientists from Central and Easton Europe concerning cooperative forms of farming, which open new organizational possibilities for strengthening of the agrarian reforms. The main conclusion is that the model approach or absolute can't give the necessary result.

Acevedo, C., Barry, D. & Herman, R. (1995). El Salvador's Agricultural Sector: macroeconomic policy, agrarian change, and the environment. *World Development*. 23: 12. 2153-2172.

725. This paper evaluates the impact of El Salvador's agricultural policy on macroeconomic growth, sustainable livelihoods, and environmental sustainability. The authors observe an increase in rural poverty following the implementation of reforms and argue that insecurity of rural livelihoods, combined with limited access to capital, is exacerbating environmental and natural resource degradation. The authors frame their analysis not only in terms of land tenure, but also in terms of the available opportunity sets for buying, selling, borrowing and lending. Some of the environmental problems examined include contamination of surface water, deforestation, soil erosion, sedimentation of rivers, lakes and reservoirs, and urban expansion into the countryside that contributes to the country's water problems. A key policy recommendation advanced by the authors is that the poverty and environmental situation requires additional and extensive reforms, which incorporate an environmental dimension into the economic development strategy.

Alpatov A. Land reform in new Russia 2005, Economy and Life

726. This book gives the detail and fundamental analyses of the process of land relation reform in post-soviet Russia. On the base of the analyses the author gives the definition of the land reform and he suggests the model for the system of government and non-government regulation of land and real estate market in Russian Federation. The paper discusses in details the main directions

in the reform of land relations and creation of the effective system of management of government and municipal land resources. The methodology of implementation of state reforms and the complex system of indexes of the efficiency of land reform implementation in the Russian Federation is proposed. The book is interesting for heads and specialists of government and municipal institutions, lawyers and economists that work in the field of land relations and also for researches, students and post-graduate students.

Besley, T. & Burgess, R. (2000). Land reform, poverty reduction and growth: evidence from India. *The Quarterly Journal of Economics*. May. 389-430.

727. This article explores the relationship between redistribution, economic growth and welfare. The authors argue that these land reforms have reduced rural poverty, primarily due to policies that change the terms of land contracts rather than only redistributing land. This hypothesis echoes Acevedo, Barry and Herman's call to evaluate terms that enable buying, selling, borrowing and lending land. To investigate the impact of land reform policies, panel data regressions are run using state-level data that spans 40 years from the early '50s to the 1991. Results suggest that tenancy reforms and the elimination of intermediaries are the main drivers of rural poverty, while landholding ceiling legislation and consolidation of landholdings have only a minor impact on rural poverty. A key argument advanced is that *the way* a policy is implemented affects the poverty outcome, suggesting an investigative approach for a comparative analysis of land reforms in CEE and CIS. India's land reform experience is relevant, because of the high speed at which reforms were conducted. A key difference between India and CEE and CIS is the initial condition of inequality that formed the basis of India's reforms.

Binswanger, H., Deininger, K., Feder, G. (1995). Agricultural Land Relations in the Developing World. *American Journal of Agricultural Economics*, 75, 1242-1248

728. This paper draws on a number of methodological approaches which have been used to explain land relations – tenancy, sharecropping and interlinking, distress sales, dualistic land ownership distributions, classes, and land reform – and their variations over space and time. The paper indicates that the explanatory power of theories on land relations hinges on the complexity, market imperfections, and distortions admitted in the analysis.

Ciaian, P., Swinnen, J. (2005) Land Market Imperfections and Agricultural Policy Impacts in the New EU Member States: A Partial Equilibrium Analysis Discussion Paper no.158 LICOS Centre for Transition Economics, Katholieke Universiteit Leuven

729. The objective of this research is to analyze explicitly how land market imperfections affect the welfare effects of introducing the CAP in the CEECs, or as of 2004, the NEMS. In this paper the authors develop a theoretical framework and use a partial equilibrium model of the land market to analyze how the income and efficiency effects of the implementation of CAP area payments are affected by transaction costs and imperfect competition in the land market in the NEMS.

Cochrane, N. (2007) Promoting Sustainable Market Institutions in the Transition Economies: the Role of International Assistance. Paper prepared for presentation at the joint IAAE- 104th EAAE Seminar Agricultural Economics and Transition: „What was expected, what we observed, the lessons learned."Corvinus University of Budapest (CUB) Budapest, Hungary

730. This paper examines the role of international technical assistance in building the institutions critical to the success of market reform in the Transition Economies. While there have been many successful grass roots projects aimed at helping individual firms or associations compete in the market, projects aimed at institution building (credit markets, market information, agricultural extension, food safety and animal health regulations, etc.) are not always so successful. These projects succeed only when the recipient Government truly buys into the project and is willing to commit its own resources. These services tend to be public goods, so attempts on the part of donors to bypass Government institutions and privatize these activities are usually not sustainable.

De Janvry, Alain (1981), *The Agrarian Question and Reformism in Latin America*. Baltimore: Johns Hopkins University Press

De Janvry, A., Plateau, J.-P., Gordillo, G., Sadoulet, E. (2001). *Access to Land and Policy Reforms*. In A. de Janvry, G. Gordillo, J.-P. Platteau, E. Sadoulet (Eds.), *Access to Land, Rural Poverty, and Public Action* (pp 1-26). New York: Oxford University Press

Deininger, K. (1999). *Making negotiated land reform work: initial experience from Colombia, Brazil and South Africa*. *World Development*. 27: 4. 651-672.

731. This article describes and analyzes a negotiated approach to land reform, which deemphasizes the government's role in land distribution, instead relying on voluntary negotiation of land transfers to drive the process of land reform. The author frames his analysis with a review of various land reform approaches and theories that influenced these approaches, such as the inverse farm-size productivity relationship, lack of credit access resulting in a "poverty trap," initial asset distribution leading to economic growth, and governance structures. Drawing on lessons from Colombia, Brazil and South Africa, the author proposes that this complement to administrative land reform be considered in situations where land is distributed inequitably and where desired productivity levels and a system for fair dispute resolution have not yet been achieved following implementation of extensive land reforms.

Dudwick, N., Fock, K. & Sedik, D. (2005). *A Stocktaking of Land Reform and Farm Restructuring in Bulgaria, Moldova, Azerbaijan and Kazakhstan*. *Environmentally and Socially Sustainable Development, Europe and Central Asia Region*. World Bank.

732. This paper evaluates to what extent land reform policies are "responsible" for increased rural poverty rates. Using farm and household surveys conducted in 2003 and 2004, the authors compare the land reform experiences of Moldova, Bulgaria, Azerbaijan and Kazakhstan to investigate. Key findings include: 1) land reform is not the cause for drops in agricultural production and productivity, 2) complementary reforms are critical to rural poverty outcomes, and 3) farming technology, whether labor-intensive or mechanized, influences rural outcomes. Notably, the authors find that while the land reform policies of Bulgaria and Moldova can be characterized as the "best" in that they were the most democratically designed and implemented, levels of rural poverty in these countries experienced the greatest increase combined with a decrease in the perception of well-being among the population. In contrast, Kazakhstan's land reform approach, which emphasized preserving large farms, thus preserving rural poverty, yielded a rural population with the highest sense of well-being among the four case studies. One explanation for the difference in perceptions of well-being is the oil boom in Kazakhstan, allowing the government to invest in rural infrastructure while continuing to support large farms. The primary argument advanced by the authors is that for rural welfare to improve, labor productivity in rural areas has to improve. The paper does not detail the environmental impacts of land reform and farm restructuring.

Fan, S., Zhang, L. & Zhang, X. (2002). *Growth, Inequality, and Poverty in Rural China: the role of public investments*. Research report 125. IFPRI. Washington D.C.

733. The authors attribute China's success at reducing rural poverty in part to policy and institutional reforms, a practice of enabling equal access to social services and production assets, and public investment in rural areas. The paper's primary objective is to understand the impact of specific public investments on rural poverty in an effort to recommend a second generation of policies that will accelerate the process of rural poverty reduction that has slowed down following two decades of improvement. The authors use provincial-level data and develop a simultaneous

equations model to estimate the marginal effects of different types of governmental expenditure. The analysis shows that expenditures that are designed to enhance production such as agricultural R&D, irrigation, rural education, roads, electricity, and telecommunications led to growth in agricultural production and reduction in rural poverty and inequality. A key finding is that education expenditures had the largest marginal impact on rural inequality and poverty reduction, with a significant impact on growth in production. The authors link education to an increase in rural non-farm employment, accounting for most of the reduction. The authors conclude by advancing the idea that, given governments' limited ability to increase rural investments, available resources need to be used more efficiently through careful targeting. Governments can be assisted in their targeting decisions through analyses that provide reliable information about the marginal effects of different types of government investments.

Fearnside, P. (2001). Land-tenure issues as factors in environmental destruction in the Brazilian Amazonia: the case of Southern Para. *World Development*. 29: 8. 1361-1372.

734. This paper examines the land tenure situation in the Brazilian Amazonia, which is characterized by unequal distribution of land, and the resulting environmental consequences. In describing the consequential deforestation, the author argues that primary causes are the absence of the "rule of law," corruption, and inadequate property law. In seeking measures to reduce environmental degradation and rural poverty and conflict, the author develops several recommendations. First, national policies should be reprioritized and designed to assist family farmers and not solely large farms. Second, deforestation could be slowed if pastureland were reclaimed from large ranchers. Third, policies should be developed that control migration into areas that cannot sustain the influx.

Gardner, B. and E. Serova. (2002) Constraints to Growth in Russian Agriculture. Madison, WI: University of Wisconsin-Madison. BASIS Brief No. 7.

735. Formulates 4 hypotheses about constraints to growth in Russian agriculture: 1) low product prices relative to input prices; 2) incompleteness of the reforms; 3) too much change, too soon; 4) weaknesses in the rest of the economy. The authors do not prioritize these, but note that there will be very different policy implications depending on which of them is the true cause of agricultural stagnation. They urge the BASIS researchers to deal with this issue.

Giovarelli, R. (2005) Land Legislation In The Republic Of Tajikistan. ARD/CHECCHI Commercial Law Project. Draft For Comment And Discussion.

736. An exhasutive review of land legislation in Tajikistan, outlining the formal, written rules of land reform, farm reorganization, and land market development and making extensive proposals for new legislation and procedures for its implementation.

Giovarelli, R. & Bledsoe, D. (2001). Land Reform in Eastern Europe: western CIS, Transcaucasus, Balkans, and EU accession countries. Rural Development Institute. Seattle, WA.

737. This report inventories the land reform experiences of 23 countries in Eastern Europe, including the Transcaucasus and the western CIS including Russia. In comparing the land reform experiences of these countries, the authors evaluate a series of important issues for each country: 1) land privatization, 2) state-owned land reforms, 3) farm restructuring, 4) land transactions, 5) mortgage, 6) registration, 7) role of the public and private sectors, and 8) land consolidation. Following an evaluation of these issues, the authors develop a series of recommendations and detailed policy options. A key recommendation is to develop a land use planning policy.

Griffin, K., Khan, A.R. & Ickowitz, A. (2002). Poverty and Distribution of Land. *Journal of Agrarian Change*. 2: 3. 279-330.

738. This article reviews the arguments for redistributive land reforms in the context of CEE and CIS countries by evaluating global land reform experiences, and makes a comparison between CEE and CIS and the *minifundia* of Latin America, when a farmer majority cultivates very small farms. They base their argument for redistributive land policy that reduces land concentration on two policy implications: 1) output per unit of land is often higher on smaller farms than on larger farms and 2) labor productivity tends to increase with farm size. They argue that land redistribution that reduces land concentration would result in two main benefits. First, it would raise total output and average income, consequently increasing demand for labor in the countryside by increasing the labor intensity of cultivation and rural non-farm employment opportunities. Second, it would minimize inequality by more equally distributing incomes. Therefore, the authors argue, land redistribution could reduce rural poverty. Following an overly general review of "former Soviet bloc countries" that inadequately details specific land reform experiences, the authors turn to a review of "successful" East Asian land reform experiences in order to advance their argument for the adoption of redistributive land reform.

Heath, J. & Binswanger, H. (1996). Natural resource degradation effects of poverty and population growth are largely policy-induced: the case of Colombia. *Environmental and Development Economics*. 1. 65-83.

739. The main argument of this paper is that rural poverty leads to inefficient resource allocation, which leads to natural resource degradation. The authors use the case of Colombia to show how policies that promote modernization of large-scale farming at the expense of labor-intensive family farms induce rural poverty that exacerbates natural resource degradation. They explain the link between rural poverty and natural resource degradation – the opposite of the much-documented Boserup effect – by describing the concentration of impoverished populations on marginal lands, tropical forests, and erodible hillsides. The authors argue that the situation of the nation's poorest citizens was not articulated when agricultural and land policies were developed, and recommend that these adverse policies be eliminated.

Ikonitskaya, Russia. Land Reform and the Law. Social sciences and current situation. 1996. № 4. p. 28-37.

740. The article evaluates the land reform as an important part of economic reform implemented in Russia, which purpose is a formation of socially oriented market economy. One of its main directions is an establishment of private ownership for land and mechanism of the land market. It will change the land system in Russia based on the exclusive ownership of the government to land. To the opinion of the author the priority component of the land reform is legal authorization and development of land relations.

Kerven, Carol, et al. (2003). Retraction and Expansion of Flock Mobility in Central Asia: Costs and Consequences. Proceedings of the VIth International Rangelands Congress, July 26 – August 1, Durbin, South Africa.

741. This paper evaluates changes in flock mobility in Central Asia from a historical perspective. The authors attribute retraction or expansion of flock mobility to a series of policies beginning with collectivization, onto industrialized nomadism and post-Soviet livestock retraction. The authors use data gathered from 43 Kazak households over a period of two years to evaluate the post-Soviet phenomenon of retraction of flock mobility. According to an analysis of results, household decisions among pastoralists to move are based on flock size, ecology of grazing areas, and

household resources. These factors are further constrained by a lack of economic assets. A key observation is that following decollectivization only a few pastoralists have big enough flocks to justify moving seasonally. The majority of pastoralists have very small flocks and uncertain futures.

Keyder, C. and A. Kudat (2000). "Social Dimensions of Agrarian Transformation." Chapter 1 of A. Kudat, S. Peabody and C. Keyder. *Social Assessment and Agricultural Reform in Central Asia and Turkey*. The World Bank, Washington. (adapted from chapter text)

742. This chapter discusses the process of land reform as it was implemented in the Commonwealth of Independent States, with case studies on Central Asia (CA) and Turkey whose purpose is to highlight the specific characteristics of these land reform by evaluating them within the perspective of their social objectives and economic rationale. A discussion of the legal framework within which reform and privatization were conducted seeks to emphasize some of the institutional problems confronting reform and shaping its impact. A subsequent section attempts to identify structural dynamics in the rural society. There is a rich variety of paths, accommodations, and combinations of forms of organization; the task now is to draw some conclusions regarding the social dimensions of the various directions of change in this complex picture. One common characteristic throughout the region, however, is the increased importance of household-based production. This "peasantization" brings with it new economic and social requirements. The last section deals with social services, arguably the most dismal component of the entire tableau of economic and social crisis. The disruption in the delivery of services has itself become one of the factors promoting subsistence agriculture and shaping the specific mode in which households cope with the transition.

Kirchik, O.: Land Reform 1990-2002

743. The certificate identifies the purpose of the land reform in the post-soviet Russia and what have already been done from 1999 up to 2002 in the frames of land reform in Russia.

Land reform : Issues of theory and practice (Armenian example. This and other papers are available at the website www.iet.ru)

744. In this work there is a review of historical and economic evolution of private ownership for land using the examples of Western Europe, Russia and Armenia. The land reform in Armenia and economic growth is discussed. It covers 1991-1996 and 1997-2001.

Lerman, Z. (2003). A Decade of Transition in Europe and Central Asia: Design and Impact of Land Reform. In *Transitions, Institutions and the Rural Sector*, Lexington: Lenham, Maryland.

745. This paper reviews how land reform and farm restructuring policies were implemented and compares the resulting outcomes among transition economies. An analysis of land reform experiences suggests that policy makers should prioritize policies that emphasize individual farming and large farm corporations, which operate under hard budget constraints. The author makes a point to acknowledge that the adoption of these recommended reform priorities should proceed with more caution in some countries than in others. For example, the author argues that in Russia, Ukraine, Belarus, and countries of Central Asia, for political and social reasons, a fast transition to individualized farming is not feasible. This recommendation seems to contradict the experiences of countries like Kyrgyzstan and Kazakhstan.

Lerman, Zvi, Csaki, C & Feder, G. (2001). Agriculture in Transition: Land Policy and Changing Farm Structures in Central Eastern Europe and Former Soviet Union.
<http://www.agri.huji.ac.il/~lermanzv/book.html>.

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746. The on-line book compares land reform and farm restructuring processes in the CEE and CIS. Reasons for why many workers remain on former collective farms rather than exit to manage private farms are discussed and an argument for individualization of farming is made. Market failure or market imperfection and regional and local politics are touted as the two primary reasons that create barriers to transition from collective to individual agriculture.

Lerman, Z., Csaki, C., Feder, G. (2004). Agriculture in Transition: Land Policies and Evolving Farm Structures in Transition Countries. Lanham, MD: Lexington Books. *(adapted from World Bank website)*

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747. This book reviews the role of land policies in the evolving farm structure of transition countries in Central and Eastern Europe (CEE) and the Commonwealth of Independent States (CIS). They show how different policies for land property rights, degrees of control of land rental and sale markets, and procedures for restructuring former collective or state farms resulted in significantly different farm structures in the CEE countries compared with those in the CIS. In particular, secure land rights, greater emphasis on individualization of land, and more liberal land market policies in CEE generated a farming sector with a relatively large share of family farms and viable corporate farms. On the other hand, limited tenure security, ineffective individualization of land rights, and restrictive land market policies in most of the CIS produced a farming structure dominated by large and generally nonviable jointly-owned farms that function much like the old collective farms. Family farms are slow to emerge in transition countries with inadequate land policies. The agricultural sector in countries dominated by inefficient farm organizations is characterized by low productivity and misallocation of resources.

Lerman, Z. and I. Stanchin. (2004) Institutional Changes in Turkmenistan's Agriculture: Impacts on Productivity and Rural Incomes. *Eurasian Geography and Economics*, 45, No. 1. (abstract from article)

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748. Two agricultural economists examine the impact of a series of institutional changes during the 1990s on patterns of land ownership, farm income, crop specialization, and overall agricultural output in Turkmenistan. More specifically, the changes investigated entail the distribution of state-held irrigated land to private plots in 1990–1992, allocation of land to independent private farmers in 1993–1996, and the conversion of collective and state farms to associations of private leaseholders in 1996–1997. The study is based on official government statistics and the authors' survey of private farmers (2001) and leaseholders in peasant associations (2002).

Lerman, Z. and V. Moroz. (1998) Land Reform and Farm Restructuring in Moldova: Progress and Prospects. World Bank Discussion Paper No. 398.

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749. Agricultural reforms, including privatization of land and farm restructuring, are an important cornerstone for overall transformation of the economies of the former socialist world. This paper summarizes the current status of land reform in Moldova and shows how there has been clear progress in creating a market-based agriculture and food sector in Moldova. The results of this study indicate that genuine restructuring and transition to full-fledged private farming have resulted in improved profitability and higher incomes for private farmers than those achieved by traditional collectives.

Lerman, Z., Csaki, C. and K. Brooks. (1995) Land Reform and Farm Restructuring in Ukraine World Bank Discussion Paper No. 270R. Russian edition.

750. This study surveys and evaluates the status of privatization in Ukrainian agriculture. Although the Ukrainian government renewed its commitment to economic reform in 1994, the creation of farms capable of functioning in a market economy lies ahead. The authors present an empirical picture of the transition as viewed at the farm level through the eyes of private farmers, managers of reorganizing farm enterprises, and employees of these enterprises. The study should provide a useful tool for Ukrainian decision makers in assessing accomplishments and identifying the next steps in agricultural privatization.

Lerman, Z. (2007) Land Reform, Farm Structure and Agricultural Performance in CIS Countries. Discussion Paper No. 7.07. The Hebrew University of Jerusalem, Israel

751. The objective of this paper is to examine the impacts of land reform policies in CIS countries on agricultural performance, including growth and productivity. The focal thesis of the study is that agricultural development in CIS is mainly driven by policy factors, and it is changes in policies (whether agricultural or general economic) that cumulatively affect growth, employment, and productivity in the large rural sector in CIS. The author finds International development organizations, such as the World Bank, USAID, and FAO, have a clear role in these countries because of their large rural population and the strong dependence on agriculture as a source of family incomes. The author finds continuing policy advice can help on two interlinked levels: (a) helping CIS farmers achieve higher profitability and thus accelerate capital formation through farming activities; (b) helping CIS farmers use their accumulated profits to diversify into non-agricultural activities as an essential component of a new rural (as distinct from agricultural) development orientation.

Lerman, Z. (2007), The Impact of Land Reform on Rural Household Incomes in Transcaucasia and Central Asia. Discussion Paper No. 9.05. The Hebrew University of Jerusalem, Israel

752. In this article the author focuses on the changes in land use and their impact on rural incomes in a group of particularly agrarian transition countries with relatively large rural populations – the three Transcaucasian states (Armenia, Georgia, and Azerbaijan) and the five Central Asian states (Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan).

Liefert, W. & Swinnen, J. F. M. (2002). Changes in Agricultural Markets in Transition Economies. ERS Agricultural Economic Report No. AER 806. 32 pp, March.

753. The report examines how economic reform in the transition countries of the FSU and CEE has transformed the volume and mix of these countries' agricultural production, consumption, and trade. The report concludes that output decline has been an inevitable part of market reform and that the main goal of agricultural policy in the transition countries should not be to return output to pre-reform levels but rather to increase the productivity of input use.

Macours, K. & Swinnen, J. F. M. (2002). Patterns of Agrarian Change. *Economic Development and Cultural Change*. 365-394.

754. This paper evaluates the direction and magnitude of output and productivity changes in transition economies and presents some hypotheses for divergent patterns of agrarian change among these countries. The authors review documented factors for changes in output and productivity including choice of reform strategies, initial conditions, disruptions of market relationships, regional tensions and statistical problems, and attempt to define their relative importance. Three "patterns" were identified: 1) decline in Gross Agricultural Output (GAO) followed by a large increase in Agricultural Labor Productivity (ALP) involving the Czech Republic, Slovakia and

Hungary, 2) decline in both GAO and ALP involving Russia, Ukraine and Belarus, and 3) growth in both GAO and ALP involving China, Vietnam and Albania.

Macours, K., Swinnen, J., (2007) "Rural Poverty in Transition Countries" LICOS Discussion Papers. Discussion Paper No. 169 LICOS, Centre for Institutions and Economic Performance, Katholieke Universiteit Leven, Belgium

755. This paper uses new poverty data based on household level surveys to analyze changes in rural poverty and rural-urban poverty differences in 23 transition countries of Central and Eastern Europe and the Former Soviet Union. The paper presents a series of hypotheses to explain differences across countries and changes over time.

C.Moss, A.Schmitz. Government Policy and Farmland Markets: The Maintenance of Farmer Wealth. Iowa: Iowa State Press, Blackwell Publishing Company, 2003

756. This unique volume brings together leading farmland authorities in the United States and Canada to examine the economic determinants of land value and the consequences of changes in land values. The authors of this timely book provide expert analysis and review of this subject, examining it from the following perspectives: An historical overview of the structure and performance of farmland markets in the United States. The links between farmland values and agricultural policy in the United States. The capital market dimension of farmland values. The mechanics of farmland markets, especially the cost of buying and selling farmland. Environmental concerns, including the potential impact of urban encroachment. The role of regulations against foreign ownership of farmland on farmland values in Canada.

Ozmitin, V. (1994) Disfarming and redefining in Russia. Sociological survey. March 1994. № 3. p. 61-65.

757. The author discusses the possibilities and prospect of establishment of self-supporting farms that can saturate domestic food market of Russia with its specific cultural and historical experience. There is a retrospective review of different forms of agriculture starting from the time of Peter the First and finishing by the perturbation of the Soviet time. In this connection the author evaluates started in the 80th efforts to reconstruct the agricultural production. The author characterizes tendencies of land privatization and transfer to agreement relations between farmers and the government.

Platteau, Jean-Phillippe (1996), 'The Evolutionary Theory of Land Rights as Applied to Sub-Saharan Africa: A Critical Assessment.' 'Development and Change' Volume 27.

RNR & agricultural team, Adams, M.(2004) Land reform, agriculture and poverty reduction. Working paper for the Renewable Natural Resources and Agriculture Team, DFID policy division

758. This working paper looks at the relationship between land reform, agricultural growth and poverty. It presents what is currently known about the impact of land reform on agricultural growth and poverty with focus on identifying ways forward for the African context. The paper tries to look at questions of equality, tenure insecurity and governance issues and raises the question in what regard these form the cornerstones for successful land reform implementation. To this end, analysis is made of what is currently known and not known about land reform to identify possible ways forward for technical assistance on land reform.

Rolfes, L. (2003). The Impact of Land Titling in Ukraine: An Examination of the Results from an 800-Person Sample Survey. RDI Report No. 119. Seattle (USA): Rural Development Institute

759. The survey shows that the conversion of land shares into physically-demarcated and titled land parcels has generated meaningful benefits to land reform beneficiaries. Especially promising results are that working-age recipients are more sanguine about the future, as are those who have had their titled land for longer periods of time.

Rozelle, S. & Swinnen, J. F. M. (2004). Success and Failure of Reform: Insights from the Transition of Agriculture. *Journal of Economic Literature*. XLII. 404-456.

760. This article highlights the differences in approaches to agrarian reform among transition countries. Three analytical objectives are pursued: 1) document post-reform trends in agricultural performance, 2) examine price and subsidy changes, property rights reform, and market liberalization, and 3) draw lessons from findings. The authors point out that China's and Vietnam's success can partially be attributed to maintenance of government-run marketing channels, but, citing various studies, they caution that this instance of success does not recommend the adoption of the same approach in the CEE and CIS. The authors observe similar post-reform outcomes in East Asia and CEE, while CIS outcomes stand apart. A comparative analysis is employed to inform policy makers and scholars about the relationship between reform and economic growth. Notably, a general conclusion is made that links economic growth to property rights and policies that "improved the marketing environment." The paper does not evaluate the impact of reforms on the environment in the 28 transition countries reviewed.

Rozelle, S. & Swinnen, J. F. M. (2000). Transition and Agriculture. Working Paper No. 00-021, Department of Agricultural and Resource Economics, University of California-Davis, October.

761. This paper searches for explanations to success and failure of reform efforts in CEE and FSU countries. To that end, it documents post-reform trends in agricultural performance in Asia, CEE and FSU, identifies reform strategies and institutional innovations, analyzes the institutions that have affected the transition to a market agricultural economy, and develops policy recommendations. Evidence suggests that "successful" reforms have elements of both gradual and radical reforms. The authors conclude that while price distortions and the pace of market liberalization initially have a big impact on explaining differences in success or failure of reforms, the impact decreases over time. In contrast, the impact of factors such as investment, land rights, and farm restructuring increases as the reform process evolves.

Serova, E. and B. Gardner. (2005) Factor Markets in Russian Agriculture: Current Conditions and Policy Options. Madison, WI: University of Wisconsin-Madison. BASIS Brief No. 31.

762. Following up on their 2002 *BASIS Brief*, the authors argue that the preferred path to economic growth and prosperity in Russian agriculture is a generally liberal economic approach to markets, leaving scope for new management and organization forms to flourish or fail, with governmental efforts focusing on mitigating against some of the risks faced by agricultural investors.

Shagaida, N. (2005) Living with Constraints: Russia's Agricultural Land Market. Madison, WI: University of Wisconsin-Madison. BASIS Brief No. 36

763. Russia's agricultural land market to date is overwhelmingly a lease market; few parcels are purchased and sold. The sales market is constrained by a) the fact that most land is not owned, but rather has the legal form of joint share ownership; b) even if owned, rights to it are not registered; c) high transactions costs caused by complex legislation and institutions; d) difficult access to mortgage finance; e) high demand for land for residential and other nonagricultural purposes in areas near growing cities. Recommendations include the creation of a land market

information system, the reduction in transactions costs, and a tightening of rules about conversion of agricultural land to nonagricultural purposes.

Skliarov, I. (1999) Land and Property Complex in Russia. Social surveys. 1999. № 3. p. 37-46.

764. The base of the article is the results of the analyses of work on the reform of social-economic sphere in Nizhniy Novgorod, theoretical review of the modern legislation that regulates land and property complex in Russia and the data on interviews of experts and population. The interviews were conducted in spring 1998 in Nizhniy Novgorod. The purpose of the author is to analyze domestic strategies of management of land and property complex as compared with the tendencies of the world farming practice.

Sikor, T. (2003). The Commons in Transition: Agrarian and Environmental Change in Central and Eastern Europe. *Environmental Management*. 34: 2. 270-280.

765. This article presents a framework for examining changes in resource governance in Central and Eastern Europe following the implementation of extensive agrarian reforms. The author observes that legal rules designed to protect broad societal interests do not reflect the practices of common pool resource management on the ground. In reality, individual interests direct the management of common pool resources, resulting in natural resource degradation and reduced stocks of resources. A comparative approach is employed to inform the development of an analytical framework for analyzing how the outcomes of post-socialist reforms affect the governance of the commons and environmental change in CEE. The author identifies several environmental effects of agrarian reforms: 1) loss of landscape and biodiversity, 2) deterioration of irrigation and drainage infrastructure, 3) water pollution, and 4) soil degradation. A key observation is that there are serious distributive issues to contend with, requiring programs that detail the specific rights and duties that accompany land use and ownership.

Spoor, M. (2005) Land Reform, Rural Poverty and Inequality in Armenia: A Pro-Poor Approach to Land Policies. ISS/UNDP Land, Poverty and Public Action Policy Paper No. 6. Institute of Social Studies (ISS) Centre for the Study of Transition and Development (CESTRAD) and CIDOB, Barcelona, Spain

766. This analysis intends to contribute to the development of 'pro-poor land policies' in Armenia, and is focused primarily on improving the position of peasant farms and their poor and vulnerable households, for which land is still the main 'safety network'.

Suleimmenov, M. & Oram, P. (2000). Trends in feed, livestock production, and rangelands during the transition period in three Central Asian countries. *Food Policy*. 25. 681-700.

767. This paper compares and evaluates agricultural policies in Kazakhstan, Kyrgyzstan, and Uzbekistan in order to derive lessons from that can be used to address some of the food-security challenges facing pasturelands and livestock production systems. In Kazakhstan, the government approach to reform was not to invest in agriculture and adopted reforms which emphasized liberalization and privatization, sustain "an absence of agricultural policy" with reforms emphasizing liberalization and privatization. As a result, the input suppliers were enabled to set the terms of trade and the farm sector collapsed. Kyrgyzstan adopted a similar approach to Kazakhstan, but the authors observe different outcomes due to the smaller size of the sector. A key observation is that the proportion of individual farms is higher in Kyrgyzstan than in Kazakhstan. Uzbekistan's approach to agricultural reform was different. It did not fully liberalize output prices for key crops such as cotton, and the government maintained its control over crop production, excluding the production of fruits and vegetables. The changes in livestock production of all three countries also reflect the differences in reform strategies. While meat production in Kyrgyzstan and Kazakhstan fell by 26.8 percent and 54 percent relatively, meat

production in Uzbekistan increased by 46.9 percent. The authors argue that recovery in the livestock sector is not possible without the provision of support to livestock producers.

Swinnen, J.F.M. & Heinegg, A. (2001). On the Political Economy of Land Reforms in the Former Soviet Union. LICOS-Center for Transition Economics, Katholieke Universiteit Leuven.

768. The authors review the various procedures adopted for the implementation of land reform policies, particularly reform of property rights, among transition countries of the former Soviet Union. The authors argue that the land reform processes of the former Soviet Union are incomplete, resulting in property rights in the form of land shares, compared with countries in Central and Eastern Europe, which have progressed further with their reforms resulting in systems of private property rights in land. In attempting to explain this difference and the divergent reform outcomes, the authors consider three main factors: 1) historical legacies and institutions, 2) available agricultural technology, and 3) political freedom. Three hypotheses on transition emerge from the authors' analysis. First, demand for land privatization is low except in countries which privatized land after WWII. Second, where agriculture is labor-intensive, land reforms and farm restructuring were more extensive. When considering the technology factor, the authors find a stark difference between Central Asian republics and the Caucasus and Moldova, suggesting to them that the nomadic pastoral grazing systems which characterize agriculture in Central Asia reinforce the technology hypothesis. Third, political reforms are a prerequisite for progress in land reforms.

Swinnen, J.F.M, Vranken, L. (2003) Land Rental Markets and Household Farms in Transition: Theory and Evidence from Hungary. LICOS Centre for Transition Economics, Discussion Paper No. 129. Katholieke universiteit Leuven, Belgium

769. This paper analyses the determinants of household farms' participation in land rental markets in transition countries and what affects their access to land through rental markets. The authors find that land rental markets reallocate land to households with better farm management capacities and less endowed with land. Households combine buying and renting of land to extend their farms. The continued domination of large farm organizations in some regions restricts household's access to land. Rural credit and labour market imperfections have an important impact on land rental markets.

Swinnen, J., Vranken, L. (2007) "Patterns of Land Market Developments in Transition" LICOS Discussion Papers, Discussion Paper no. 179 LICOS Centre for Institutions and Economic Performance, Katholieke Universiteit Leuven, Belgium

770. Transition countries provide a natural experiment to study the development of land markets. This paper provides survey-evidence of the variation in the development of land markets, identifies a series of patterns, and provides a set of hypotheses to explain these variations in land market development.

Thiesenhusen, W. C. (1995): Broken Promises: Agrarian Reform and the Latin American Campesino. Boulder, CO: Westview Press

771. William C. Thiesenhusen's *Broken Promises: Agrarian Reform and the Latin American Campesino* analyzes and compares six models of twentieth century agrarian reform in Latin America. The author interprets the history of agrarian reform in Mexico, Bolivia, Guatemala, Chile, Nicaragua, and El Salvador. In the first chapter, "Introduction to Rural Poverty in Latin America," the author asks a fundamental question: "Is land reform still relevant?" He considers the 1980s a watershed decade that altered the traditional cry for land reform as free market and export-oriented economic policies were instituted by governments to combat the economic decline of the region. In the wake of the debt crisis and civil wars, governments pursued policies to attract capital for development. Thiesenhusen proposes an analysis and evaluation of previous

agrarian reform policies in order to establish a basis for comparison with other world regions that are also considering land reform.

Toth, Erzsebet. 2001. Characteristics of land ownership and land utilization structure ten years after economic-social changes in Hungary, *Zemedeska Ekonomika*, 47:7, p. 322-326.

772. This article describes the structure of the Hungarian agricultural sector in 2001. The author discusses land utilization in terms of farm size, and concludes that for many farms land provides the only source of income. Although many small farms are not viable, the author emphasizes the importance of the state to act as a social welfare provider and to support small farm operations. Recommendations are made to 1) help some farms enter the competitive sector, 2) support land selling or farm shut down if it leads to viable production units, or 3) facilitate voluntary cooperation among subsidiary farms in production, sale, and processing.

USAID. (2002). Environmental Impacts of Land Privatization in Select Countries of Eastern Europe and Eurasia: an assessment of priority issues. Final draft report. Prepared for the Environment and Natural Resources Division, Bureau for Europe and Eurasia, United States Agency for International Development.

773. This report documents the positive and negative environmental impacts that have occurred following land privatization and farm restructuring in CEE and FSU. Country-level surveys were used to gather data on environmental impacts and the policy, economic and cultural factors that might influence these impacts. The report includes a comprehensive summary of conclusions and a comparative analysis of all 15 countries studied followed by full reports for the 15 countries. The authors framed their analysis with the hypothesis that environmental impacts result from a combination of factors including land privatization, levels of legal and institutional development, and economic and market changes. The report reviews three sectors: agriculture, forestry, and wetlands and protected areas. Key findings are: 1) different pre-privatization land and forest use and ownership practices lead to different post-reform approaches to outcomes of privatization, 2) most forest land is still state-owned, 3) alternatives of privatized forestry have emerged, and 4) while land reform does not directly impact wetlands, the economic pressures that result do. When evaluating the economic, political, and institutional factors, the authors identify both positive impacts, such as improvements in air and water quality, and negative impacts such as drainage of wetlands, soil erosion, inefficient water use, salinization, groundwater contamination, pesticide and fertilizer misapplication, overgrazing, deforestation, and conversion of agricultural land to urban development.

USAID/ARD. (2005) Land Reform and Farm Reorganization in Tajikistan: Policy Issues Paper. USAID/ARD CAR Land Tenure Reform Project. (*wording of abstract borrowed from the report*)

774. A policy-oriented followon to Giovarelli (2005). Usefully recommends a step-by-step procedure to adapting Tajikistan's land legislation to the needs of the agricultural sector: 1. Establish a working group. 2. Consider requesting a legislative document establishing the working group to work on a specific set of laws. 3. Divide the working group into smaller drafting groups and assign one piece of legislation to each group. 4. Hold regular meetings (bi-weekly) of the larger working group to review and comment on the drafts coming from the smaller drafting groups. 5. International experts provide examples of how similar problems were solved in other countries. 6. Once the first drafts are complete, hold workshops to present the legislative drafts and receive feedback from local governments, farmers, and other participants in the reorganization. 7. Refine the drafts based on these workshops in the legislative drafting groups. 8. Final approval of the drafts from the larger working group. 9. Publish the working drafts in local newspapers and request comment within one month. 10. Agree with the Land Committee to submit the draft legislation for consideration by the President or Parliament.

Uzun, V. (2000). Agrarian Reform in Russia in the 1990s. In Norsworthy, L.A. (Ed.), Russian Views of the Transition in the Rural Sector, Washington DC: The World Bank

775.

Uzun, V. (2005) Adapting to a Market Economy: Changes in Russia's Farm Structure. Madison, WI: University of Wisconsin-Madison. BASIS Brief No. 34

776. Uzun is one of the principal architects of the early stages of the reforms in Russia. He states that Russian agriculture is characterized by a wide spectrum of organizational forms. The share of large corporate farms in agricultural resources and production has steadily declined since 1990, while small enterprises have become the main producer, employer, and source of income for the rural population. At the same time, the shrinking corporate farm sector is increasingly differentiated by financial health and performance, with the share of the largest "best performers" rapidly growing at the expense of the weak unprofitable farms. Russian agricultural policy continues to channel support to the largest farms, ignoring the increasing role of small agricultural enterprises. As a result, government support programs and subsidies have virtually no impact on the efficiency of agriculture. The conclusion is that government must revise its policy priorities in view of the changing structure of agricultural production.

Van den Brink, R., H. Binswanger, J. Bruce, G. Thomas, and F. Byamugisha, (2005). Consensus, Confusion, and Controversy: Selected Land Reform Issues in Sub-Saharan Africa

777. Land reform can be divided broadly into land tenure reform (the establishment of secure and formalized property rights in land) and land redistribution (the transfer of land from large to small farmers). This paper therefore is in two parts. The first part focuses on property rights, giving a short narrative of some of the key land tenure and land policy issues. Though these issues remain politically sensitive, a solid consensus is emerging on how to deal with them, but only once the confusion is cleared up surrounding private common property and formal and informal rights. The second part addresses redistributive land reform, the redistribution of property rights in land from large to small farmers. A heightened sense of urgency surrounds the need to address land redistribution, especially in the former settler colonies in southern Africa, but controversy exists regarding the appropriate implementation mechanisms. The study highlights the case of South Africa, because success there would have tremendous regional and international implications for land redistribution. A policy framework for redistributive land reform is outlined, within which the competing paradigms compete where it actually matters, on the ground.

Waeterloos, E. & Rutherford, B. (2004). Land Reform in Zimbabwe: Challenges and Opportunities of Poverty Reduction among Commercial Farm Workers. *World Development*. 32: 3. 537-553.

778. This paper assesses the Zimbabwe's lackluster land reform package, otherwise characterized as a "fast-track resettlement program" with competing agendas, and draws conclusions about poverty reduction. In addressing the poverty situation that has plagued Zimbabwe before, during and after the "fast-track" program, the authors evaluate the particular plight of commercial farm workers to inform the development of policy recommendations. Using household data on farm workers gathered in 1998, the authors analyzed farm worker profiles to identify determinants of different livelihood strategies and poverty outcomes. A key finding was that most farm workers are completely dependent on farm employment for their livelihoods, suggesting a need to advance land reforms that reduce the dependence of farm workers on large farm employers.

Wily, L. A. (2004) Looking for Peace on the Pastures: Rural Land Relations in Afghanistan. Afghanistan Research and Evaluation Unit, Synthesis Paper Series.

779. Based on three rural provincial field studies, this report makes a series of recommendations: a) the outstanding tenure issue facing rural Afghanistan relates to pastures and requires clear legal and practical support for common property as private, group-owned estates belonging to specific villages or clusters of villages; b) and related, there is an urgent need for public land to be redefined as nationally-owned property, as a residual category beyond local commons, and administered (not owned) by the government of the day; c) and similarly, there is an outstanding need for the overhaul of current land administration systems. As a matter of priority, such a system should operate at a community or minimally, district level and be made locally accountable, rather than be accountable to the central state, and which in its procedures for adjudication and recognition of rights builds directly upon established majority customary norms.

World Bank. (1997) Land Reform in Ukraine: The First Five Years. Discussion Paper No. 371.

780. This study summarizes the first five years (1991-96) of agrarian reforms in Ukraine, presenting the results of a farm-level survey conducted in 11 provinces between January and March 1996. The findings show that the growth of private farming has slowed down after a vigorous start and that the number of independent family farms appears to have stabilized at around 33,000. Distribution of land and asset shares has been completed in roughly half the farms surveyed. Ukrainian agriculture remains dominated by large collective structures, and the failure of large farms to adapt to new economic conditions has resulted in a distinct deterioration of their financial performance. The survey suggests that land reform in Ukraine is in danger of stagnation and that the government must create the necessary institutional and market conditions to invigorate reforms.

Zimmerman, F. (2000). Barriers to participation of the poor in South Africa's Land Redistribution. *World Development*. 28: 8. 1439-1460.

781. This paper presents the land redistribution experience of South Africa and evaluates its impact on poverty. The author shows that while South Africa's land redistribution program was designed to both alleviate poverty and racially restructure society, in reality the poor continue to experience only limited access to benefits. Given this reality, the author questions the efficacy of continuing on the present land redistribution trajectory. An analysis of South Africa's land policy shows how demand-led targeting, which is based on a willingness-to-pay criterion that is designed to direct assets to where they are most wanted, results in imbalanced distribution of land that excludes the poorest of the poor. A key observation to explain the ineffectiveness of the land redistribution program at alleviating rural poverty is that there is not a rural labor surplus, suggesting that perhaps policies should shift towards providing incentives for the poor to migrate to areas experiencing labor shortages. The author uses a linear programming model to explore this internal migration puzzle. Several barriers to participation in the land redistribution program are outlined: level of risk borne to the beneficiaries, up-front costs, education and farming skills, need for rural services, and difficulties of potential long-term moves. In conclusion, the author recommends that policies be designed and implemented that provide extension and access to capital to the poor that would otherwise be excluded.

Annex 6: Land Reform Survey - Interview Forms

Note: the lay-out of the forms here presented has been compacted to fit this document.

Bishkek 2006

Questions for rural area household's representatives

(Read) My name is _____, and I am working with a team of researchers studying the process of land reform and its economic and social impacts in Kyrgyzstan. We are interviewing many different households and farms in your village and in other villages in Chui, Naryn and Osh. You were selected randomly from a list of households in your oblast. All information provided will be totally confidential. Data will only be used in aggregate form to provide indicators of broad trends of how farm households have developed since privatization. Names and details of individuals will not be released to any government department or other organization, or to the public. Neither your name nor your address will ever be associated with the information that you have given. This interview will take about one and a half hours.

Case number				
-------------	--	--	--	--

Oblast: _____ Raion: _____ Village

Code of the area												
------------------	--	--	--	--	--	--	--	--	--	--	--	--

Interviewer's name: _____ Date of Interview: _____ / _01_ /

2006 r.

Interviewer's Remarks (If any): _____

I. Household Demography and Income-earning opportunities

1.1 How many members are in your household?

children (younger than 16) _____ Adults _____

1.2 Name of household head _____ (the household head is the most active in the household)

1.3 Sex of household head: _____ (Female = 1, Male = 2)

1.4 Ethnicity of household head: _____
(1 = Kyrgyz, 2 = Russian, 3 = Uzbek, 4 = Dungan, 5 = Korean, 6 = Uighur, 7 = other)

1.5 If different from the household head, name of person interviewed: _____

1.6 Sex of interviewee: _____ (Female = 1, Male = 2)

1.7 Please provide detailed information about household members aged 7 and above. Household members include all who currently consider your household their permanent location.

No	Name -----	Relati onship with head (see codes)	Sex 1=F 2=M	Age	Marital Status (see codes)	Educati onal level (see codes)	Econo mical activity (see codes)	Household farm work		Other house- hold work (laundr y, cooking , etc.)	Other jobs that earn monthly or daily wages or other income (beside household ---work) Codes: 1=work on personal farm, 2=work on different farm in oblast, 3=work ---- in another oblast 4=work in another country, 5=small trade, 6=crafts, 7=other (e.g. other work in village, government work, NGO work, specify____)						
								On average , how many hours worked per day?	On average , how many months worked per year?		What job?	On average , how many hours worked per day?	How much earned per month? (N = in- determi nate	What job?	On average , how many hours worked per day?	How much earned per month?	
	A	1.	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
1																	
2																	
3																	
4																	
5																	
6																	
7																	
8																	
9																	

Codes:

For question 1: 1 = household head, 2 = husband or wife, 3 = sister or brother of the head 4 = sister or brother of the husband (wife), 5 = son or daughter, 6 = son or daughter of the head, 7 = son or daughter of the husband (wife) 8 = grandchild, 9 = parents of the head, 10 = parents of the wife (husband), 11 = grandparent, 12 = niece or nephew, 13 = other

For question 4: 1 = married, 2 = marriage is not registered, 3 = divorced (legally), 4 = separated, 5 = widow or widower, 6 = single

For question 5: 1 = University degree; 2 = unfinished university education; 3 = completed special school; 4 = completed secondary school (10-11 levels); 5 = uncompleted secondary school (7-9 levels), 6 = primary school (-4 levels); 7 = uncompleted primary school (1-2 levels); 8 = No primary education; 9 - other (training)

For question 6: 1 = work, 2 = study and work, 3 = only study, 4 = disabled, 5 = too old to work, 6 = Can work but do not work; 7 = too young to work

II. Land and Property Allocation

- 2.1 Does your family own a land share?** _____ (Yes = 1, No = 2) IF NO, SKIP TO 2.31 of the spouse
- 2.2 In what year did your family receive land?** _____ (Yes = 1, No = 2) IF YES, SKIP TO 2.5
- 2.3 Did you receive your land from the Land Redistribution Fund?** _____ (Yes = 1, No = 2) IF NO, SKIP TO 2.5
- 2.4 If you received land from the LRF, in what year did this happen?** _____
- 2.5 Did you accept your land share when it was first offered to you?** _____ (Yes = 1, No = 2) IF YES, SKIP TO 2.7
- 2.6 If no, why did you not accept your land share immediately? (explain)**

- 2.7 Does your family have more than one land plot?** _____ (Yes = 1, No = 2) IF NO, SKIP TO 2.9
- 2.8 If your family has more than one plot in your land share, how many?** _____
- 2.9 Do separate household members have land shares?** _____ (Yes = 1, No = 2) IF NO, SKIP TO 2.11
- 2.10 If separate household members have land shares, how many members?** _____
- 2.11 Do you have a land certificate (act) for your land share?** _____ (Yes = 1, No = 2, I don't know = 3) IF NO, SKIP TO 2.17
- 2.12. How many plots are listed in the State Act?**
- 2.13 Is your Certificate (Act) registered in Gosregister?** (Yes = 1, No = 2, I don't know = 3)
- 2.14 If you have a certificate for the land plot, do you have a map of the plot location in it?** _____ (Yes = 1, No = 2, I don't know = 3)
- 2.15 Are names of all family members for the land plot(s) listed in the land certificate?** _____ (Yes = 1, No = 2, I don't know = 3) IF YES, SKIP TO 2.16

2.16 Who is listed in the land certificate?:

	Number		Number		Number
2.161 Head		2.168 Daughter		2.1615 Parents of the head	
2.162 Spouse		2.169 Stepson		2.1616 Parents of the spouse	
2.163 Brother of the head		2.1610 stepdaughter		2.1617 Grandfather	
2.164 Sister of the head		2.1611 son-in-law		2.1618 Grandmother	
2.165 Brother of the spouse		2.1612 daughter-in-law		2.1619 nephew	
2.166 Sister of the spouse		2.1613 grandson		2.1620 niece	
2.167 Son		2.1614 granddaughter		2.1621 other	

2.17 What is the location of your land in relation to your household?

Land plots (do not include the home garden next to your house)	Plot (ha).	Location from house (km) 9999 I do not know
1		
2		
3		
4		
5		
6		

2.18 Do you use all of the land in your land share? ____ (Yes = 1, No = 2) IF YES, SKIP TO 2.20

2.19 If you do not use all of your land, why not (multiple responses possible)? ____ (see codes below)

Codes for reasons land is not used

The taxes are too high	01	Water access is poor	04
The land quality is poor	02	Do not have enough labor	05
The location of land plot is inconvenient	03	Other	06

2.20 Did you receive a property share? ____ (Yes = 1, No = 2) IF NO, SKIP TO 2.22

2.21 In what year did you receive a property share?

Type of property (equipment, buildings, money)	Quantity at the time of allocation	Explanation

2.22 From what sources did you learn about the process of land and property allocation (Select THREE)?**Codes for sources of information**

Ministry of Agriculture	01	Neighbors	06
Rural Committee	02	Relatives	07
Farm Committee	03	Non-governmental organizations	08
General meeting of kolkhoz	04	Other (specify) _____	09
Kolkhoz/Sovkhoz manager	05	I did not learn about it	10

2.23 Do you think that the allocation of land was fair? _____ (Yes=1, No=2) IF YES, SKIP TO 2.25**2.24 If no, what are the main reasons (Select THREE)? _____ (see codes below)****Codes for reasons land allocation was unfair**

Land area was too small	01
Land area was smaller than neighboring farms	02
Land is of poorer quality than others received	03
The land share was located too far away	04
I was not fully informed of my rights	05
I had no choice	06
I did not fully understand my responsibilities	07
Local officials were not willing and not able to answer questions	08
Other (explain)	09

2.25 Which of the following categories best describes your perceptions of how social factors and statutory law influence land reform processes in your aiyl okmotu: no influence = 1, somewhat of an influence = 2, a big influence = 3?

	Social factors			Law			Explain
Land allocation	1	2	3	1	2	3	
Land use decisions	1	2	3	1	2	3	
Land sales, purchases, leases	1	2	3	1	2	3	
Land divisions	1	2	3	1	2	3	
Land dispute resolution	1	2	3	1	2	3	
Land inheritance	1	2	3	1	2	3	

**2.26 Did you live in this raion during the land and agrarian reform process? _____
(Yes = 1, No = 2) IF YES, SKIP TO 2.28**

2.27 If you did not live in this village during reforms, where did you live? (specify)

Other settlement of this rayon	1	
Settlement of the other rayon	2	The other oblast
Other rayon of this oblast	3	The other country
	4	
	5	

Please answer the following questions based on where you were living during reforms.

	Negotiations between households									Did women participate	In which year?	Satisfaction level		
	1	2	3	4	5	6	7	8	9	yes – 1 no – 2 I do not know – 3		Very unsatisfied-1 Not satisfied-2 No opinion-3 Somewhat satisfied-4 Very satisfied-5		
Committee of the farm.....														
Village committee.....														
General meeting of kolkhoz/sovkhoz														
Brigade.....														
Managers of kolkhoz/sovkhoz....														
Mullah.....														
Clan.....														
I do not know...														
2.28 Who made a decision on land share allocation?	1	2	3	4	5	6	7	8	9	1	2	3	4	5
2.29 Who made a decision on the method of allocation?	1	2	3	4	5	6	7	8	9	1	2	3	4	5
2.30 Who made a decision on the size of the land share?	1	2	3	4	5	6	7	8	9	1	2	3	4	5
2.31 Who made a decision on the location of the land share?	1	2	3	4	5	6	7	8	9	1	2	3	4	5

III. Farm Enterprise Information

3.1 What is the origin of your farm? _____

Separated from kolkhoz	1	Exists from pre-reform times	5
Separated from sovkhoz	2	Seed farm	6
Separated from multifamily farm	3	Other	7
Emerged as a result of merger of smaller farms	4		

3.2 In what year did you begin to farm independently on your land share? _____

3.3 When you began to farm independently, what was your farm's legal status _____

Cooperative (commercial)	1
Peasant farm registered as legal entity	2
Peasant farm registered as physical person	3
Joint-stock company	4
Association of Peasant Farms	5
Other (explain)	6

3.4 Has the legal status of your farm enterprise changed since you first began your farm?
 _____ (Yes =1, No =2) IF NO, SKIP TO 3.6

3.5 If yes, what is your current legal status? _____

Cooperative (commercial)	1
Peasant farm registered as legal entity	2
Peasant farm registered as physical person	3
Joint-stock company	4
Association of Peasant Farms	5
Other (explain)	6

3.6 Did you pool land shares with other households? _____ (Yes =1, No =2) IF NO, SKIP TO 3.10

3.7 If you pooled land shares, with whom did you pool land shares? _____

Family or kin	1
Friends or members of community	2
Other	3

3.8 If you pooled land shares with other households, since you first pooled land shares have any households exited? _____ (Yes = 1, No = 2)

3.9 If you pooled land shares with other households, since you first pooled land shares have any households joined? _____ (Yes = 1, No = 2)

Who makes the decisions on:

Production	3.10	
Marketing	3.11	
Finances	3.12	
Management	3.13	

Code for decisions

Board (or heads of families)	1
Wife	2
Husband	3
Both husband and wife	4
General meeting	5
Director	6
Farm head	7

3.14 Is your household a member of any association? _____ (Yes = 1, No = 2) IF NO, SKIP TO 3.16

3.15 Which association?

Farmers association	1
Water users association (WUA)	2
Association of rural water users	3
Credit union	4
Other (explain)	5
Not a member	6

--	--

3.16 What benefits do you receive from membership in these associations? (explain)

3.17 What was your job before you began to farm your land share? (specify) _____

3.18 Did you have farming experience before you began to farm your land share? _____
(Yes = 1, No = 2) IF YES, SKIP TO 3.19

3.19 If you did not have farming experience, how did you acquire it? _____

Learning by doing	01
Neighbors	02
Training program	03
University degree	04
Other (explain)	05

3.20 What information channels do you use to get information on farming-related matters (such as price, government decisions, developments in other regions, technologies, land market, etc.), employment, educational or training opportunities, questions related to social and municipal services (Select THREE)? _____

Codes for sources of information

Newspapers	01	Processors	08
Written material/leaflets/newsletters	02	Other farms	09
Radio programs	03	Other families	10
Television	04	Contact in government	11
Library	05	Other (specify) _____	12
Internet	06	None	13
Input suppliers	07		

IV. Livelihood

4.1 How would you rate your wealth/income in relation to other people in your village?

Lower=1 the same=2 don't know=3 a little higher=4 substantially higher=5

4.1.1. Which benefits do you receive?

Social (family) allowances 01 Unemployment benefit 03
Single monthly allowances 02 Other 04

4.2 Since receiving your land share, has your household faced any of the following major changes?

	Type of major change	Yes = 1, No = 2		Coping strategy (code)	
4.21	Loss of household member (number)	1	2		
4.22	Household member became very sick or badly injured	1	2		
4.23	Fire	1	2		
4.24	Crop failure	1	2		
4.25	Animal deaths/theft	1	2		
4.26	Theft or being cheated	1	2		
4.27	Household member lost non-farm employment	1	2		
4.28	Divorce	1	2		
4.29	Increase in family obligations	1	2		
4.210	Loan default	1	2		
4.212	Other (specify)	1	2		

Codes of coping strategies

01	Spent savings	07	Sold land/residential house
02	Reduced household consumption	08	Got help from relatives/friends
03	Borrowed money	09	Got help from NGOs
04	Sold livestock	010	Household member migrated for work
05	Sold transport or farm equipment	011	Got help from government
06	Rented-out land	012	Other (specify)

4.3 Which of the following categories best describes your perceptions of changes since you received your land share: *improved, stayed the same, worsened*?

	(Improved = 1, Stayed the same = 2, Worsened = 3)			
Opportunities for your children	4.31	1	2	3
Support for the elderly	4.32	1	2	3
Agricultural knowledge	4.33	1	2	3
Mobility	4.34	1	2	3
Independent decision-making	4.35	1	2	3
Family support	4.36	1	2	3
Workload	4.37	1	2	3
Occupational satisfaction	4.38	1	2	3
Ability to survive	4.39	1	2	3
Ability to increase wealth	4.310	1	2	3
Other (specify)	4.311	1	2	3

V. Investments and Credit

5.1 Have you ever performed any of the following investments related to your land?

Type of investment	Yes = 1 No = 2		Finance code
Improvement of soils	1	2	5.11
Tillage practices that avoid erosion	1	2	5.12
Property boundary markers: fences, trees, etc.	1	2	5.13
Other	1	2	5.14

Code of financing source:

Own funds	01	NGO	06
Inheritance/gift	02	Government	07
Relative	03	Another credit institution (explain)	08
Friend	04	Donor organizations	09
KAFC	05	Other	10

5.2 Have you ever made any of the following investments related to your farm?

	Type of investment	Yes = 1, No = 2		Finance code
5.21	Planting of trees or orchards	1	2	
5.22	Installation and maintenance of wells and/or irrigation systems	1	2	
5.23	Purchase of agricultural machinery	1	2	
5.24	Construction of farm buildings	1	2	
5.25	Training for yourself and others in cultivation techniques or farm management	1	2	
5.26	Other (explain)	1	2	

Code of financing source:

Own funds	01	NGO	06
Inheritance/gift	02	Government	07
Relative	03	Another credit institution (explain)	08
Friend	04	Donor organizations	09
KAFC	05	Other	10

5.3 What has prevented your household from making investments on your farm? _____ (see codes below)

Codes for not making investments

I have no credit	01	I have no interest in investing in my farm	04
I only lease land for a short time period	02	Other	05
I have no children to assist me	03	Not applicable	06

5.4 Have you ever applied for credit? _____ (Yes = 1, No = 2) IF NO, SKIP TO 5.6

• **5.5 Where have you applied for credit? ANSWER AND GO TO NEXT SECTION**

KAFC	01
NGO	02
Government	03
Credit Union	04
Another credit institution (explain)	05
Did not apply	06

--	--

5.6 If you have not applied for credit, why not? (more than one answer possible)

Not necessary	01
High interest rate	02
Repayment period is not convenient	03
No trust in credit institution	04
Legal procedures are too complicated	05
Fear of losing land or other assets	06
I do not know where to go	07
No sources of collateral	08
Other	09

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5.7 Financing (Loan) Activity Since Beginning to Farm

Loan No.	Year of Activity	Finance code	Source of Collateral	Amount borrowed		Interest rate, % per annum, N = no interest	Loan period, months (If less than 1 month: 0.7 month = 20 days; 0.5 month = 15 days; 0.2 month = 6 days, N = no defined period)	How much to repay?				Purchased with loan	
				In kind (write # and unit, convert to som)	In cash			In kind or labor (# and unit, convert to som)	In cash	Kind of expenses, code	Amount, som		
1	1	2	3	4	5	6	7	8	9	10	11	12	13
2				Price	Amount				Price	Amount			
3													
4													
5													
6													

2 Code of financing source:

Own funds	01
Inheritance/gift	02
Relative	03
Friend	04
KAPC	05
NGO	06
Government	07
Another credit institution (explain)	08

12 Code of expenses type:

Petroleum products (rcm)	01
Seeds	02
Fertilizer	03
Machinery	04
Other	05
Livestock	06
Buildings	07
Ceremonial activities	08
Land improvement/drainage	09

3 Code for sources of collateral

Land	01	Future livestock	04
House	02	Future credit	05

Other:	03	Did not use collateral	06
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VI. Additional sources of income

6.1 Do you offer paid services to other farmers? _____ (Yes = 1, No = 2) IF NO, SKIP TO

6.3

6.2 If yes which of them?

6.2 If yes which of them:

Type of services		Annual income, som N = part of exchange or free	
Technical services: 6.21			
Plowing		6.22	
Harvesting		6.23	
Other field cultivation work		6.24	
Transportation		6.25	
Agricultural products processing		6.26	
Veterinary services		6.27	
Agrochemical services		6.28	
Organize the purchase and sale of product		6.29	
Other (explain)	6.30		
	6.31		

6.3 Do you lease out farm assets, including land? _____ (Yes = 1, No = 2) IF NO, SKIP TO

6.5

6.4 Asset Type		Annual income, som
6.41		
6.42		
6.43		

6.5 Do you receive pensions, benefits, subsidies etc.? _____ (Yes = 1, No = 2) IF NO, SKIP TO

6.7

6.6.Type of government transfer		Monthly income, som (Enter total amount for household)	
Pension		6.51	
Benefit		6.62	
Subsidies		6.63	
Alimony		6.64	
Other (explain)	6.65		
	6.66		

6.7 Do you receive remittances (money or goods) from family members? _____ (Yes = 1, No = 2)

6.8 Compared to before you received your land share, to what extent do your relatives assist you with money or goods?

Much more=1 More=2 About the same=3 Less=4 Much less=5

6.9 What is your dependence on non-farm employment relative to before you received your land share?

Much higher=1 Higher=2 About the same=3 Lower=4 Much Lower=5

VII. Land Sales, Purchase and Leasing

7.1 Have you ever leased out your land? _____ (Yes = 1, No = 2) IF NO, SKIP TO 7.27

7.2. If Yes what did you lease?

Type of land	Year leased out	Area, ha	Annual lease per ha, som	Lease period, years	Written agreement Yes = 1, No = 2		Tenant 1 neighboring farm, 2 relatives, 3 large farm		
Irrigated					1	2	1	2	3
Dry, arable									
Perennial									
Hayfields									

7.3 If you lease out land, what are the main reasons for leasing out land (Select THREE)?

Codes for reasons for leasing out land

Do not have enough labor	01
Do not have enough machinery	02
The location of land plot is inconvenient	03
Land is of very poor quality	04
Do not have enough money for household expenses	05
Do not have enough money to for inputs to cultivate land	06
Other (specify)	07

--	--

7.4 Have you ever leased in land? _____ (Yes = 1, No = 2) IF NO, SKIP TO 7.8

7.5 If Yes what exactly have you leased?

Type of land	Year leased in		Area, ha		Annual lease per ha, som		Lease period, years		Written agreement Yes = 1, No = 2		From whom? (1 = neighboring farm, 2 = relatives, 3 = large farm, LRF = 4, other = 5)
Irrigated									1	2	1 2 3 4 5
Dry									1	2	1 2 3 4 5
Perennial									1	2	1 2 3 4 5
Hayfields									1	2	1 2 3 4 5
Pasture: Near pasture									1	2	
Intensive pasture									1	2	
Far pasture									1	2	

7.6 If you leased in land from the LRF, in what year(s) did you lease in land? _____

7.7 If you lease in land, what are main reasons for leasing in land (Select THREE)? _____ (see codes below)

Codes for reasons for leasing in land

Leased in land is near the house	01
Leased in land is of high quality	02
Leased in land has access to irrigation	03
Leased in land is close to markets	04
Leased in land is more profitable to cultivate	05
Enough labor is available to cultivate more land	06
Not enough land is available for the household's needs	07
Other (specify)	08

7.8 Would you like to lease more land? _____ (Yes = 1, No = 2)

7.9 What are the main difficulties associated with leasing in (more) land (Select THREE)?

Nobody in my area wants to lease out land	01
I do not know if there are farmers in my area who want to lease out land	02
I do not know the appropriate price for leasing	03
I do not know if it is legal to lease land	04
I do not have the financial means to lease land	05
Others (specify)	06
No difficulties	07

7.10 Have you ever bought land? _____ (Yes = 1, No = 2) IF NO, SKIP TO 7.12

7.11 Buying of Land

Type of land	Date of purchase		Area, ha		Amount per ha, som		Is this price fair? Yes = 1, No = 2		What percentage have you paid?	From whom? (1 – neighboring farm, 2 – relatives, 3 – large farms, 4 – other (explain))
Irrigated							1	2		1 2 3 4
Dry							1	2		1 2 3 4
Perennial							1	2		1 2 3 4
Hayfields							1	2		1 2 3 4
Land with a house							1	2		1 2 3 4

7.12 Could you purchase (more) land if you wanted to? _____ (Yes = 1, No = 2)

7.13 What are the main difficulties associated with purchasing (more) land (Select THREE)?***Codes for main purchasing difficulties***

Nobody in the area wants to sell land	01
I do not know who in the area wants to sell land	02
Difficult to determine appropriate land price	03
Land transaction process (legal rules, registration) is complicated	04
Land transaction process (legal aspects, registration) is expensive	05
Household does not have the financial means to purchase land	06
Other (specify)	07
No difficulties	08

7.14 Have you ever sold any land? _____ (Yes = 1, No = 2) IF NO, SKIP TO 7.17**7.15. Sold land**

Type of land	Date of sale	Area, ha	Amount per ha, som	Is this price fair? Yes = 1, No = 2		What percentage have you received?	To whom? (1 – neighboring farm, 2 – relatives, 3 – large farms, 4 – other (explain))			
Irrigated				1	2		1	2	3	4
Dry				1	2		1	2	3	4
Perennial				1	2		1	2	3	4
Hayfields				1	2		1	2	3	4
Land w a house				1	2		1	2	3	4

7.16 If you sold land, what are the main reasons you sold land (Select THREE)?

Needed cash for doing other business	01	Ceremonial obligations	07
To pay for health treatment	02	Divorce	08
Needed cash for consumption needs	03	Household members migrate out	09
To pay debts	04	Household members change occupation	10
Death obligations	05	Other family obligations (education)	11
The land is of poor quality	06	Other (explain)	12

7.17 Are you using any land that you do not own and that you do not lease? _____ (Yes = 1, No = 2)**7.18 If yes, how much land? _____ ha****7.19 How did you acquire this land? _____*****Codes for land acquisition***

From a neighbor	1
From a family member	2
From aiyl okmotu, land of low productivity	3
Other	4

VIII. Experience with Organizations

8.1 Since receiving your land share, has your household dealt with the following organizations on land-related matters?

	Did you deal with this organization? (Yes = 1, No = 2)		Level of satisfaction (1=very unsatisfied, 2=not satisfied, 3=no opinion, 4=somewhat satisfied, 5=very satisfied)					Explanation
Organization								
8.11 Gosregister	1	2	1	2	3	4	5	
8.12 Aiyl okmotu	1	2	1	2	3	4	5	
8.13 Raion Administration	1	2	1	2	3	4	5	
8.14 Oblast Administration	1	2	1	2	3	4	5	
8.15 Ministry of Agriculture	1	2	1	2	3	4	5	
8.16 Center of Land and Agrarian Reform	1	2	1	2	3	4	5	
8.17 Rural Committee	1	2	1	2	3	4	5	
8.18 Other (specify)	1	2	1	2	3	4	5	
8.19 Other (specify)	1	2	1	2	3	4	5	

IX. Agricultural Production

9.1 Do you have a home garden? _____ (Yes = 1, No = 2) IF NO, SKIP TO 9.4

9.2 Compared to before you received your land share, which category best describes how much you rely on your home garden for household consumption?

Much more	1	Less	4
More	2	Much less	5
About the same	3		

9.3 Do you sell products that are produced in your home garden? _____ (Yes = 1, No = 2)

9.4 If you cultivate your land share, what is the main reason?

	Circle ONE
Provide food for the family	1
Provide work for family members	2
Earn cash income	3
Be independent	4
Other (explain)	5

9.5 What tasks were/are typically performed by men and women in the household, both before you received your land share and today?

		Before land certificate 1 = Women 2 = Men 3 = Both			Today 1 = Women 2 = Men 3 = Both		
9.51	Own farm or plot, <i>of which</i>						
9.52	Livestock / cattle	1	2	3	1	2	3
9.53	Poultry	1	2	3	1	2	3
9.54	Operating machinery	1	2	3	1	2	3
9.55	Fieldwork	1	2	3	1	2	3
9.56	Marketing	1	2	3	1	2	3
9.57	Administration, payments, paperwork	1	2	3	1	2	3
9.58	Overall management	1	2	3	1	2	3
9.59	Outside farm work as employee	1	2	3	1	2	3
9.510	Non-farm employment or self employment	1	2	3	1	2	3
9.51	Household work (food preparation, cleaning, child care)	1	2	3	1	2	3

9.6 Please specify what inputs have you utilized this year in your farm production, where you obtained them, and what problems you had accessing adequate inputs:

Input	Quantity used (kg)		Quantity taken from own production (kg)		Quantity purchased (kg)		Main source (ONE only) (code) Purchased from neighboring farm -1 Purchased from commercial supplier-2 Received from processor/trader as part of contract-3 Obtained from large farm in lieu of salary-4 Provided by NGO (ex. RAS)-5 Taken from own production-6 Other (specify)-7	Indicate problem(s) in obtaining production inputs: (Select THREE): Lack of cash-1, High price-2 Absence from the market-3 Low quality-4, Transportation problems-5 Other (specify)-6 No problems-7						
Seeds							1 2 3 4 5 6 7	1	2	3	4	5	6	7
Organic fertilizer							1 2 3 4 5 6 7	1	2	3	4	5	6	7
Inorganic fertilizer							1 2 3 4 5 6 7	1	2	3	4	5	6	7
Pesticides and chemical fertilizers							1 2 3 4 5 6 7	1	2	3	4	5	6	7

9.7 Production costs	Total cost for production since November 2004 (som) or N = not applicable	
Labor costs (excluding household labor)		
Seeds and seedlings		
Animal feed (excluding feed produced by household)		
Fertilizer (excluding fertilizer produced by household)		
Fuel		
Electricity		
Other oil products		
Pesticides and chemical fertilizers		
Spare parts		
Other repair materials		
Machinery services		
Veterinary services		
Consulting services		
Insurance		
Taxes and fees included in production costs		
Land tax		
Land rent		
Other costs		

9.8 Please rank the following problems you face in trying to make your farm profitable. (1 = not a problem, 2 = somewhat of a problem, 3 = no opinion, 4 = a serious problem, 5 = the most serious problem)

Problems		1	2	3	4	5
Do not own enough land	9.81					
Not enough land available to lease in	9.82					
Disputes over rights to land	9.83					
Land is of poor quality	9.84					
Not enough family members to help with labor	9.85					
I am too old	9.86					
Shortage of water for crops	9.87					
Bad drainage	9.88					
No good access roads	9.89					
There is no marketplace to sell produce nearby	9.810					
Prices of inputs too high	9.811					
Prices for products are too low	9.812					
Do not have access to good pastureland	9.813					
I need more information about:	9.814					
I can not get credit	9.815					
Other:	9.816					
No problems	9.817					

9.9 Please rank the following aspects of your livelihood and farming activities today, before you received your land certificate, and what you expect in five years.

	Today		Before land certificate		In five years		Explanation	
9.91 On a scale from 1 (=very difficult) to 5 (= very easy), how difficult is it to support your household?								
9.92 On a scale from 1 (= very difficult) to 5 (= very easy), how difficult is it to market your agricultural production?								
9.93 On a scale from 1 (=very difficult) to 5 (=very easy), how difficult is it to obtain seeds, fertilizer and pesticides?								
9.94 On a scale from 1 (=very difficult) to 5 (=very easy), how difficult is it to access agricultural equipment?								
9.95 On a scale from 1 (=very difficult) to 5 (=very easy), how difficult is it to obtain satisfactory irrigation?								
9.96 On a scale from 1 (=very difficult) to 5 (=very easy), how difficult is it to obtain a loan for farm investments?								
9.97 On a scale from 1 (=very difficult) to 5 (=very easy), how difficult is it to obtain agricultural advisory services?								

X. Livestock and Pasture Use

Animal type	10.1 How many head did you have before restructuring?		10.2 How many head of livestock did you receive during restructuring?		10.3 How many do you have now?		10.4 Explanation (sold, bought, born, died, slaughtered, etc.)	
Cows								
Horses								
Sheep								
Goats								
Donkeys								
Pigs								

10.5 From where do you obtain fodder for your livestock? _____

Grow on own land share	1
Buy from neighbors	2
Other	3

10.6 Do you pasture livestock? _____ (Yes = 1, No = 2) IF NO, SKIP TO

10.7 On what pasture does your livestock graze?

		Type of Pasture					
		Near		Intensive		Far	
	Cows						
	Horses						
	Sheep						
	Goats						
	Donkeys						
Who pastures your livestock? (see codes)	Cows						
	Horses						
	Sheep						
	Goats						
	Donkeys						
For how many months do you pasture livestock?							
What is the fee?							

Codes for who pastures

Family members	01	I do not use this type of pasture	04
Shepherd	02	Other (specify)	05
Communal responsibility	03		

10.8 If you do not use the far pasture, why not? _____ (

Poor road access	01	Too far away	03
Far pasture is leased to someone else	02	Other (specify)	04

10.9 Do you use pastureland for any other purposes besides grazing animals? _____ (Yes = 1, No = 2) IF NO, SKIP TO NEXT SECTION

10.10 If you use pastureland for any other purpose, what is the purpose?

Tourism	01
Production of crops	02
Picking up of herbs	03
Bee keeping	04
Other	05

XI. Land Disputes

11.1 Since you received your land certificate document, have you ever been involved in a land dispute? _____ (Yes = 1, No = 2) IF NO, SKIP TO NEXT SECTION

11.2 On which land did the dispute occur?

Irrigated, arable	1	Hayfield	4
Dry, arable	2	Pasture	5
Perennial land	3	Residential	6

11.3 What was the type of land dispute? _____ (

Boundary	1	Takings	5
Ownership	2	Use	6
Division	3	Water access	7
Easement	4	Other	8

11.4 With whom was the land disputed? _____ (see codes below)*Codes for with whom was the land dispute?*

Relatives	1	GosRegister	5
Neighbors	2	Farm administration	6
Government	3	Other	7
Aiyl okmotu	4		

11.5 In what year did the dispute begin? _____**11.6 Was the land dispute resolved?** _____ (Yes = 1, No = 2) IF NO, SKIP TO 11.10**11.7 If the dispute was resolved, who resolved it?** _____

Resolved by mutual agreement	1	Resolved by oblast officials	4
Resolved by aiyl okmotu	2	Private lawyers	5
Resolved by community leaders	3	NGO	6
Court	4	Other	7
Resolved by raion officials	5		

11.8 If the dispute was resolved, what has been the cost of dealing with the dispute?
_____ som**11.9 Were you happy with the resolution?** _____ (Yes = 1, No = 2)**11.10 If the dispute was unresolved, why do you think it is unresolved?**

Corruption	1
Application to the wrong agency	2
Lack of specialists' competence	3
No interest from the farm	4
Big cost	5
The farm did not want to dispute	6
Other	

XII. Environmental Issues

12.1 Which of the following categories best describes your perceptions of environmental changes since you received your land certificate: *improved, stayed the same, worsened*?

	Improved = 1, Stayed the same = 2, Worsened = 3, Do not know = 4					To what do you attribute this change?	
Fertility of soil	12.1	1	2	3	4		
Erosion of crop land	12.2	1	2	3	4		
Quality of irrigation water	12.3	1	2	3	4		
Quality of potable water	12.4	1	2	3	4		
Quality of near pastureland	12.5	1	2	3	4		
Quality of intensive pastureland	12.6	1	2	3	4		
Quality of far pastureland	12.7	1	2	3	4		
Other	12.8	1	2	3	4		

XIII Access to Common Property Resources

13.1 Does your household use resources from common or public areas? ____ (Yes = 1, No = 2), IF NO, SKIP TO Section XIV

13.2 Resources on a public (common) area

		If yes, compared to before you received your land certificate, has the amount you gathered or used this year: increased-1, stayed the same-2 or decreased -3? (Circle number 1, 2, 3)			
13.21	Animal grazing	1	2	3	
13.22	Grasses/herbs	1	2	3	
13.23	Firewood	1	2	3	
13.24	Wild animals	1	2	3	
13.25	Materials for construction	1	2	3	
13.26	Fish	1	2	3	
13.27	Berries	1	2	3	
13.28	Nuts	1	2	3	
13.29	Other	1	2	3	

XIX. Gender Questions for Quantitative Survey

Number of the respondent from question 1.7

14.1 Household consumption

In the past 7 days, how many people have eaten meals in the household?

14.2 Members aged 15 and above _____

14.3 Members aged 14 and below _____

14.4 In the past 7 days, what was the total value of food and beverages consumed in your household?

Food Item	If yes, how much did you spend on this item? (som)	Self-produced or collected or given (som)
14.41 Rice		
14.42. Oil and fats		
14.43 Beans		
14.44 Sugar		
14.45 Cereals (bread, flour, grains, pasta)		
14.46 Tea		
14.47 Fresh fruit		
14.48 Other fruits and seeds (pistachios, walnuts, almonds, sunflower, etc.)		
14.49 Fresh vegetables		
14.410 Preserved vegetables and fruits		
14.411 Potatoes		
14.412 Eggs		
14.413 Poultry (chicken, turkey, etc.)		
14. 414 Fish		
14.415 Meat		
14.416 Dairy products (milk, kumis, ayran, etc.)		
14. 417 Non-alcoholic beverages (bottled water, juice, bottled soft drink, etc.)		

14.5 Household expenditure on non-food items:

During the past 12 months (one year), has anyone in your household purchased any of the following items?	If yes, how much did you spend on this item? (som)	If yes, which member purchased this item? (Enter code from household roster)
14.51 Women's clothing		
14.52 Men's clothing		
14.53 Children's clothing		
14.54 Women's footwear		
14.55 Men's footwear		
14.56 Children's footwear		
14.57 Education		
14.58 Medicines and health services (doctor fees, hospital charges, etc.)		
14.59 Small kitchen appliances (electric teapot)		
14.510 Kitchen utensils (pots, pans, buckets, tools, etc.)		
14.511 Small electrical items (radio, watch, clock, etc.)		
14.512 Large appliances (stove, refrigerator, washing machine, sewing machine)		
14.513 Home entertainment (television, radio, video or music player)		
14.514 Vehicle (bicycle, motorcycle, car, truck)		
Total		

14.6. Did you receive a land share? _____ (Yes=1, No=2)

14.7 Did you participate in distribution of land and allocation of land for your family?
 _____ (Yes=1, No=2)

14.8. Do you have a land share now? _____ (Yes = 1, No = 2) IF YES, skip to question 14.10.

14.9 If you don't have your land share now, what happened to it? _____ (

It is with my parents' household	1	It was gifted	4
It is abandoned	2	It was taken by authorities	5
It was sold	3	Other (specify)	6

14.10. Is your name on the land certificate? _____ (Yes = 1, No = 2, I don't know = 3)

14.11 Which of the following categories best describes how important having your name of the land certificate is: *not important* = 1, *a little important* = 2, *no opinion* = 3, *important* = 4, *very important* = 5? _____

14.12 Who was the head of household at the period of land distribution?

Respondent	1	Father-in-law of respondent	5
Husband of respondent	2	Son of respondent	6
Father of respondent	3	Other (specify)	7
Mother of respondent	4		

14.13 Who is the head of the head of household now?

Respondent	1	Father-in-law of respondent	5
Husband of respondent	2	Son of respondent	6
Father of respondent	3	Other (specify)	7
Mother of respondent	4		

14.14 If a change occurred, what is the reason?

The head died	1
The head has removed	2
Another head of the household	3
Other	4

14.15 As a result of this change was a land certificate changed to your name?

(Yes = 1, No = 2, I don't know = 3)

14.16 Was this change registered?

(Yes = 1, No = 2, I don't know = 3)

14.17 Have you inherited land? (Yes = 1, No = 2) IF NO, SKIP TO 14.22**14.18 Did you have any of the problems connected with inheritance?**

	Yes- 1 No - 2		Yes - 1 No - 2
Dispute with family members		Dispute with government agencies	
Dispute with ayil okmotu		Other (specify)	

14.19 How did you solve the dispute?

With the help of the family.....		Ayil okmotu.....	5
With the help of community organizations.....	1 2	Governmental agencies	6
With the help of lowers.....	3 4	Other (explain).	7
Court decision.....			

14.20. Was the dispute solved fair? (Yes = 1, No = 2)**14.21 Are you are currently married?: (Yes = 1, No = 2) IF NO, SKIP TO 14.24****14.22 Did you have a land share in your parents' household? _____ (Yes = 1, No = 2)**

14.23 When you got married, what happened to that land share?

Left behind with no personal economic benefit	1
Transferred to other family members with no personal economic benefit	2
Sold to family members at market value	3
Transferred to family members as a gift or dowry	4
Maintain ownership of land share	5
Other (explain)	6

14.24 Are you are currently divorced:**14.25 . After your divorce, did you retain the house?** _____ (Yes = 1, No = 2)**14.26 After your divorce, did you retain the land share ?** _____ (Yes = 1, No = 2)**14.27 Was the house sold to others to provide cash benefit?** _____ (Yes = 1, No = 2)**14.28 . Was the land sold to others?** _____ (Yes = 1, No = 2)**14.29 If you retained the land share, what best describes the way it is used?** _____ (

Operated solely by you (and children)	1
Operated by you with help from family members	2
Operated by you with help from hired labor	3
Leased to others	4
Sold to others	5
Not used	6

14.30. Did you have any of the following disputes in dividing property after divorce:

	Yes = 1, No = 2	
Dispute with husband (and his family) over land		
Dispute with husband (and his family) over house		
Dispute with husband (and his family) over assets		
Couldn't afford payment to court		
Perception of the community that it's a shame to be public with your problem		
Lack of information or knowledge on your rights		
Dispute with others (please specify)		

14.31 If you had a dispute, was the dispute resolved? _____ (Yes = 1, No = 2)**14.32. How was the dispute resolved?** _____

Was not resolved	1
By agreement with husband	2
With assistance of family	3
With assistance of community organization	4
With assistance of lawyers	5
With a court decisio	6
With assistance of the aiyl okmotu	7
With assistance of government agencies	8
Other (specify)	9

14.33. Was it solved fair? _____ (Yes = 1, No = 2)

14.34 From which sources did you get information about your ability to buy, sell, lease and inherit land? _____

Training programs/NGO/Projects	01	Mass media	06
Aiyl okmotu	02	Other	07
Community organizations	03		
Husband	05		
Other women			

14.35. Which of the following categories best describes what is important to you with respect to land shares: *not important = 1, somewhat important = 2, very important = 3*?

	Not important = 1, Somewhat important = 2, Very important = 3		
126.1 Source of food for family	1	2	3
126.2 Source of income for household	1	2	3
126.3 Ability to bequeath through inheritance or gift	1	2	3
126.4 Ability to sell	1	2	3
126.5 Ability to lease	1	2	3
126.6 Other (specify)	1	2	3

14.36 Which of the following categories best describes how important types of land are to income generation for your family: *not important = 1, somewhat important = 2, very important = 3*?

	Not important = 1, Somewhat important = 2, Very important = 3		
14.361 Household garden	1	2	3
14.362 Arable land share	1	2	3
14.363 Dry land share	1	2	3
14.364 Pasture	1	2	3
14.365 Other (specify)	1	2	3

14.37 Which of the following factors most influence your ability to buy, sell, lease, inherit, use and gift land: *no influence = 1, somewhat of an influence = 2, a big influence = 3*?

	Religion			Customs			Statutory law		
14.371 I can buy land	1	2	3	1	2	3	1	2	3
14.372 I can sell land	1	2	3	1	2	3	1	2	3
14.373 I can lease land	1	2	3	1	2	3	1	2	3
14.374 I can inherit land	1	2	3	1	2	3	1	2	3
14.375 I can use land	1	2	3	1	2	3	1	2	3
14.375 I can gift land to my children	1	2	3	1	2	3	1	2	3

Dear Interviewer! Could you please ask questions to each member of the household over 7 (number of the respondent see in 1.7.) .

	1 respondent	2 respondent	3 respondent	4 respondent	5 respondent	6 respondent	7 respondent	8 respondent
14.38. How many hours during a day do you use for the following activities during <u>agricultural work season</u>?								
Employment or self-employment								
14.381 In your household or land share								
14.382 Work in the other farms								
14.383 Work in non-agricultural work sector or self-employment								
House work								
14.384 Cooking or children care								
14.385 Personal time (sleeping, cooking)								
14.386 Free time								
14.39. How many hours do you spent to other activities <u>during the other seasons</u>								
Employment or self-employment								
14.391 In your household or land share								
14.392 Work in the other far								
14.393 Work in non-agricultural work sector or self-employment								
Home work								
14.394 Cooking, cleaning or children care								
14.395 Personal time (sleeping, cooking)								
14.396 Free time								
14.40. How much days per day <u>during agricultural season</u> do members of the family spent to the following activities?								
14.401 Livestock								
14.402 Poultry								
14.403 Machinery management								
14.404 Field work								
14.405 Marketing								
14.406 Administration (payment and paper work)								

THANK YOU

Annex 7: Land Reform Survey – Descriptive Statistics

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Section I. Demography and income generation opportunities

Table 1. Geographical structure of the sample

Oblast	Rayon	Number	% of total sample
Chui – total		169	34.2
	Kemin	70	14.2
	Sokuluk	99	20.0
Osh – total		175	35.4
	Aravan	75	15.2
	Uzgen	100	20.2
Naryn – total		150	30.4
	At-Bashy	100	20.2
	Kochkor	50	10.1
Total sample		494	100.0

Table 2. Household size by oblast/rayon (1.1)

Oblast	Rayon	All people				Adults				Children			
		Mean	Median	Min	Max	Mean	Median	Min	Max	Mean	Median	Min	Max
Chui – total		4.01	4	1	9	2.86	3	1	6	1.15	1	0	4
	Kemin	4.67	5	1	7	3.19	3	1	6	1.49	1	0	4
	Sokuluk	3.55	3	1	9	2.63	2	1	6	0.92	0	0	4
Osh – total		5.30	5	1	12	3.53	3	1	9	1.77	2	0	6
	Aravan	5.19	5	2	9	3.52	4	1	7	1.67	2	0	4
	Uzgen	5.38	5	1	12	3.53	3	1	9	1.85	2	0	6
Naryn – total		4.55	5	1	10	2.99	3	0	8	1.55	1.5	0	5
	At-Bashy	4.54	4.5	1	10	2.98	2.5	0	8	1.56	1.5	0	5
	Kochkor	4.56	5	2	7	3.02	3	1	6	1.54	1.5	0	4
Total sample		4.63	5	1	12	3.14	3	0	9	1.49	1	0	6

The largest size of household has been registered in Osh oblast, the smallest – in Chui oblast.
Typical household includes 3 adults and 1-2 children.

Table 3. Household heads by gender and ethnicity, 1.3-1.4)

Oblast	Rayon	Gender				Ethnicity							
		Women		Men		Kyrgyz		Uzbek		Russian		Other	
		No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Chui – total		53	31.4	116	68.6	106	62.7	2	1.2	46	27.2	15	8.9
	Kemin	12	17.1	58	82.9	70	100.0	0	0.0	0	0.0	0	0.0
	Sokuluk	41	41.4	58	58.6	36	36.4	2	2.0	46	46.5	15	15.2
Osh – total		22	12.6	153	87.4	118	67.4	53	30.3	2	1.1	2	1.1
	Aravan	8	10.7	67	89.3	23	30.7	51	68.0	0	0.0	1	1.3
	Uzgen	14	14.0	86	86.0	95	95.0	2	2.0	2	2.0	1	1.0
Naryn – total		16	10.7	134	89.3	147	98.0	0	0.0	1	0.7	2	1.3
	At-Bashy	8	8.0	92	92.0	100	100.0	0	0.0	0	0.0	0	0.0
	Kochkor	8	16.0	42	84.0	47	94.0	0	0.0	1	2.0	2	4.0
Total sample		91	18.4	403	81.6	371	75.1	55	11.1	49	9.9	19	3.8

Men prevail among household heads; the share of women among heads is relatively large only in Sokuluk rayon. This correlates with high number of Russians among heads in this rayon.

Ethnic Kyrgyz are dominant in the whole sample and in four of six rayons apart from Sokuluk (where Russians compose a majority) and Aravan (where Uzbeks dominate). In Sokuluk rayon other ethnicities are also visible.

Table 4. Age composition of the households (1.7)

Oblast	Rayon	Median age, years	Age structure, % of all household members 7+ years old			
			7-14	15-25	26-65	66+
Chui – total		31	18	24	50	8
	Kemin	30	20	21	51	8
	Sokuluk	32	16	26	49	8
Osh – total		26	20	28	45	7
	Aravan	27	19	28	46	7
	Uzgen	26	21	28	44	7
Naryn – total		27	22	23	48	7
	At-Bashy	27	22	25	47	6
	Kochkor	28	23	20	49	8
Total sample		28	20	26	47	7

All raions and oblasts have similar age structure with slightly older population in Chui oblast. Children and youth compose almost half of those older than 7 years old, elderly people are just 7% of total population above 7.

Table 5. Household members by education (1.7)

Oblast	Rayon	Education structure, % of all household members 7+ years old					
		Complete/incomplete higher	Professional secondary	General secondary	Basic secondary	Complete/incomplete primary	No education
Chui – total		11	12	44	15	17	1
	Kemin	8	6	57	7	20	2
	Sokuluk	12	18	33	21	16	1
Osh – total		11	15	42	13	17	2
	Aravan	9	12	48	12	16	3
	Uzgen	12	18	38	14	16	2
Naryn – total		10	11	42	18	17	2
	At-Bashy	8	13	41	20	17	1
	Kochkor	14	6	42	15	19	4
Total sample		10	13	43	15	17	2

Slightly less than one quarter of all household members has higher or professional secondary education (Sokuluk and Uzgen have this share above the average, and Kemin – much below the average). Majority of population have general secondary and basic secondary (9 grades) education. People with primary education or without education are mainly children.

Table 6. Economic activity/inactivity by age and gender, % of total number of the age/gender group (1.7)

Age/gender groups	Work	Work and study	Study	Do not work by health reasons	Do not work because of age	Do not work, able-bodied people
7-14 all	0.0	1.2	98.8	0.0	0.0	0.0
Girls	0.0	1.5	98.5	0.0	0.0	0.0
Boys	0.0	1.0	99.0	0.0	0.0	0.0
15-25 all	32.8	9.3	42.9	1.0	0.0	14.0
Women	31.4	5.8	46.6	0.9	0.0	15.2
Men	33.9	12.0	39.9	1.1	0.0	13.1
26-65 all	71.4	0.2	0.1	2.7	6.8	18.8
Women	64.5	0.2	0.0	2.8	10.3	22.2
Men	78.0	0.2	0.2	2.7	3.3	15.6
66+ all	11.3	0.0	0.0	4.6	84.1	0.0
Women	6.0	0.0	0.0	4.8	89.2	0.0
Men	17.6	0.0	0.0	4.4	77.9	0.0
All population	42.7	2.7	30.8	1.9	9.5	12.4
Women	38.6	1.8	31.0	2.0	12.6	14.1
Men	46.6	3.6	30.6	1.8	6.6	10.8

As could be expected, children mainly study, young people – work and study, working age people work and elderly people retired. However, the rate of those unemployed or non-participating in the labor force is relatively high in the 15-25 and 26-65 age groups. Many such people live in Sokuluk and Kochkor raions. There are no too big gender differences; one could observe that men of working age work more than women of comparable age, the share of women among unemployed/non-participating in the labor force is larger than among men. These data may reflect traditional roles of men and women in a household, according to which men should earn money (and work) and women take care of house work (and formally do not participate in labor force). Still non-participation rate of women is not very high and very different from that of men; this may indicate that traditional roles are not followed too strictly, especially taking into account the need for majority of people to participate in agricultural work.

Table 7. Work on household plot by age and gender (1.7)

Age/gender groups	Share of those working on household plot among total number of the age/gender group, %	Number of working days per month			Number of working months per year		
		Mean	Median	Maximum	Mean	Median	Maximum
7-14 all	41	2.1	2	10	6.0	5	10
Girls	37	2.0	1	10	5.7	5	9
Boys	46	2.1	2	7	6.3	6.5	10
15-25 all	66	3.0	2	8	5.3	5	10
Women	59	2.6	2	8	5.2	5	10
Men	73	3.2	2	8	5.3	5	10
26-65 all	81	3.4	3	10	5.8	6	12
Women	73	3.4	3	10	5.7	6	10
Men	88	3.4	3	10	5.8	6	12
66+ all	60	3.2	2	10	6.2	6	12
Women	52	3.7	3	10	6.4	7	10
Men	69	2.7	2	8	6.0	5	12
All population	68	3.1	2	10	5.7	5	12
Women	61	3.1	2	10	5.7	5	12
Men	74	3.1	3	10	5.7	5	12

In general, about 70% of people work on their household plots 2-3 days per month during 5-6 months of a year. This is mainly task of working age people, but children and elderly also actively participate in this work. Men are involved into this work more than women.

Table 8. Other work in household (cooking, laundry, etc.) by age and gender (1.7)

Age/gender groups	Share of those involved into other work in household among total number of the age/gender group, %	Number of working hours per day		
		Mean	Median	Maximum
7-14 all	31	1.6	1	4
Girls	34	1.8	2	4
Boys	28	1.3	1	3
15-25 all	60	2.7	2	12
Women	79	3.3	3	12
Men	44	1.8	1	11
26-65 all	65	3.6	4	12
Women	93	4.1	4	12
Men	38	2.4	2	12
66+ all	47	2.9	3	7
Women	64	3.2	3	7
Men	26	1.8	1	4
All population	55	3.1	3	12
Women	75	3.6	4	12
Men	37	2.0	1	12

In general, majority of women spend on other household work 3-4 hours per day; only third part of men is involved into this work, on which they spend 1-2 hours daily.

Table 9. Paid work (1.7)

Type of work	Share of employed among all people aged 15+	Number of working hours per day			Monthly wage, soms		
		Mean	Minimum	Maximum	Mean	Minimum	Maximum
Work on own farm	28.8	4.9	1	12	752.1	90	4000
Work on other farm	0.6	9.3	8	12	1437.5	1000	2500
Work in other oblast	1.0	8.4	8	10	2593.8	800	7000
Work in other country	0.7	8.3	7	12	4018.2	1200	9000
Small trade	2.3	6.7	3	12	1823.4	150	5000
Crafts	0.5	7.4	4	10	1628.6	100	3000
Other (government service, NGO, etc.)	11.2	7.6	2	12	1680.2	200	5000
All types of work	45.1	5.9	1	12	1226.0	90	9000

Only 45.1% of people of working age reported employment outside their household and only 16.3% work outside their farm and just 1.7% work outside their oblast (seems to be too little number). Patterns of work on own farm and outside the farm are different. In average, people allocate around 5 hours per day for work on their own farms; this allows them to earn low income of 752 soms/month. Employment outside own farm implies working 7-9 (up to 12) hours per day, and this employment generates disproportionately higher earnings of 1400-4000 soms/month depending on the employment type. Work outside their home location is associated with considerably higher pay, which is reasonable (otherwise people would not leave their villages).

Section II. Devolution of land and property

Table 10. Ownership of land share (2.1-2.2)

Oblast	Rayon	Percentage of farms having their own land share	Year of land devolution		
			Median	Earliest	Latest
Chui – total		79	1996	1991	2005
	Kemin	99	1995	1991	1999
	Sokuluk	66	1999	1991	2005
Osh – total		98	1995	1991	1999
	Aravan	100	1996	1994	1999
	Uzgen	97	1995	1991	1996
Naryn – total		84	1992	1990	1997
	At-Bashy	97	1993	1990	1997
	Kochkor	58	1992	1992	1996
Total sample		87	1995	1990	1997

Practically all interviewed households in four rayons have their own land share, but in Sokuluk and Kochkor the sample include many households without land. The land was distributed early in Naryn oblast, obviously people identified their land pieces well in advance to official distribution of land. In contrast, land distribution in Sokuluk was late, there are households in the sample receiving their land only in 2005 and it is possible that the households without land in this rayon did not have time to receive land yet.

Table 11. Receiving land from the Land Redistribution Fund (2.3-2.4)

Oblast	Rayon	Percentage of farms receiving land from LRF	Year of land devolution		
			Median	Earliest	Latest
Chui – total		2	1998	1994	2000
	Kemin	4	1998	1994	2000
	Sokuluk	0			
Osh – total		3	1994	1994	1995
	Aravan	0			
	Uzgen	5	1994	1994	1995
Naryn – total		3	1994	1991	2003
	At-Bashy	4	1994	1991	2003
	Kochkor	0			
Total sample		3	1994	1991	2003

Just few farms (3%) received land from LRF in three of six rayons. They received it during long period of time.

Table 12. Delays with receiving land share (2.5-2.6)

Oblast	Rayon	Percentage of farms receiving land shares without delay	Participation in multifamily farm	Reasons of delay with receiving the land share, % of total number of farms			Lack of resources and other reasons
				Uncertainty	Administrative barriers (kolkhoz put obstacles, etc.)	Living in other place	
Chui – total		76	0	10	3	4	7
	Kemin	93	0	0	0	7	0
	Sokuluk	59	0	21	6	0	14
Osh – total		90	6	0	1	0	4
	Aravan	79	13	0	1	0	7
	Uzgen	98	0	0	0	0	2
Naryn – total		98	0	2	0	0	1
	At-Bashy	97	0	2	0	0	1
	Kochkor	100	0	0	0	0	0
Total sample		88	2	4	1	1	4

Majority of farms received their land shares without any delay; however, this was not the case in Sokuluk and Aravan rayons. Main reasons of delays were connected with hesitation of farmers in the conditions of uncertainty, lack of resources needed for productive use of land and difficulties in relationships in larger groups (former kolkhozes, multifamily farms).

Table 13. Number of land plots and land shares per farm (2.5-2.10)

Oblast	Rayon	Percentage of farms having plots with number of land plots equal				Percentage of farms with number of land shares exceeding one		
		1	2	3	4-5	Total	2-5 shares per farm	6-9 shares per farm
Chui – total		74	22	3	1	64	60	4
	Kemin	94	6	0	0	95	86	9
	Sokuluk	52	38	6	3	34	34	0
Osh – total		56	42	2	0	9	5	4
	Aravan	91	9	0	0	5	4	1
	Uzgen	29	68	3	0	12	6	6
Naryn – total		95	5	0	0	30	24	6
	At-Bashy	98	2	0	0	36	29	7
	Kochkor	86	14	0	0	7	7	0
Total sample		73	25	2	0	32	28	5

Majority of farms (73%) has only one land plot, 25% - two land plots, and only 2% of farms have three and more plots. Relatively large proportion of farms with multiple land plots is characteristic for Sokuluk and Uzgen rayons. As for the number of land shares per farm, the situation is very different in different parts of the country: just 9% of farms have more than one share in Osh oblast, and 65% - in Chui oblast (and 94% in Kemin rayon); Naryn oblast lies in between these two. These data may reflect regional peculiarities of land reform implementation.

Table 14. Availability and details of land share certificate (2.11-2.14)

Oblast	Rayon	Percentage of farms with land share having land share certificate	Percentage of farms with number of land plots listed in land share certificate equal				Percentage of farms with the certificates registered in State Register ¹	Percentage of land share certificates with/without attached maps ¹	
			1	2	3	4-5		With map	Without map
Chui – total		99	75	20	4	2	100	99	1
	Kemin	99	96	4	0	0	100	99	1
	Sokuluk	98	53	36	8	3	100	100	0
Osh – total		97	71	29	0	0	98	98	1
	Aravan	95	97	3	0	0	100	99	1
	Uzgen	99	51	49	0	0	97	98	0
Naryn – total		98	96	4	0	0	100	97	0
	At-Bashy	97	99	1	0	0	100	96	0
	Kochkor	100	86	14	0	0	100	100	0
Total sample		98	79	19	1	0	99	98	0

Practically all people with land shares have land share certificate registered in the State Register with a map of the land plot attached. Number of plots in the certificate basically corresponds to the actual number of plots belonging to the household, while 7% of farms have only one plot in the certificate and more than one plot in reality, and 3 farms (less than 1%) with more plots in the certificate, than in reality.

Table 15. People listed in the land share certificate (2.15-2.16)

Oblast	Rayon	Percentage of farms with the certificate listing all family members	Farms with the certificate including the following family members (% of all farms with incomplete coverage of family members in the certificate)				
			Head of the household	Spouse	Son (s)	Daughter(s)	Other family members
Chui – total		75	97	67	67	30	12
	Kemin	54	100	68	65	26	13
	Sokuluk	97	50	50	100	100	0
Osh – total		69	100	83	62	56	35
	Aravan	46	100	87	63	58	34
	Uzgen	85	100	71	57	50	36
Naryn – total		67	100	80	56	49	32
	At-Bashy	72	100	69	46	38	31
	Kochkor	48	100	100	73	67	33
Total sample		70	99	78	61	47	28

70% of certificates list all family members; this indicator varies greatly by rayon – from less than 50% in Aravan and Kochkor to almost 100% in Sokuluk. In those farms, where the certificate does not list everybody, head of household is included in 99% of all cases, spouse – in 78%, sons and daughters – in 61% and 47% correspondingly, other family members – just in 28% of cases. Difference between sons and daughters, which may reflect gender differences, is visible, but not large (except of Kemin).

¹ Remaining respondents do not know answer on this question.

Table 16. Size of and distance to land plot (2.18)

Oblast	Rayon	Land plot area, ha				Distance from home to land plot, km			
		Mean	Median	Minimum	Maximum	Mean	Median	Minimum	Maximum
Chui – total		3.2	2.5	0.1	20.0	3.5	3.0	0.5	12.0
	Kemin	2.8	2.5	0.1	9.5	4.4	4.0	1.0	9.0
	Sokuluk	3.4	2.2	0.1	20.0	3.0	2.0	0.5	12.0
Osh – total		0.6	0.3	0.1	3.7	8.0	8.5	0.5	16.0
	Aravan	1.1	0.6	0.1	3.7	3.9	4.0	1.0	10.0
	Uzgen	0.3	0.2	0.1	2.9	10.4	10.0	0.5	16.0
Naryn – total		2.6	2.5	0.4	6.0	4.0	3.0	1.0	50.0
	At-Bashy	2.8	2.8	0.5	6.0	3.4	3.0	1.0	12.0
	Kochkor	2.1	2.0	0.4	5.6	5.8	3.0	1.0	50.0
Total sample		2.1	1.6	0.1	20.0	2.9	2.4	0.5	50.0

There is considerable variation in land plot size and remoteness by oblast. Land plots in Chui and Naryn are of comparable size and distance from home, while land plots in Osh oblast are much smaller and, in Uzgen rayon, much more distant from villages.

Table 17. Use of all land share area (2.18, 2.19, 2.20)

Oblast	Rayon	Percentage of farms cultivating all land share area	Reasons for non-cultivation of part of land share (% to all farms having land share) ²				
			Poor quality of land	Inconvenient location	Poor access to water	Lack of labor force	Other
Chui – total		81	2	7	1	9	7
	Kemin	94	1	0	0	1	4
	Sokuluk	66	3	14	3	17	9
Osh – total		97	0	1	0	1	2
	Aravan	95	0	1	0	1	4
	Uzgen	99	0	0	0	1	0
Naryn – total		93	1	2	1	4	2
	At-Bashy	97	0	2	1	2	0
	Kochkor	79	3	0	0	10	10
Total sample		91	1	3	1	4	3

In four of six rayons almost all land share area is used by owners; this percentage is considerably lower in Sokuluk and Kochkor rayons. In both rayons the main impediment to use of land is lack of labor force in a household; in addition to that, inconvenient location creates problems in Sokuluk. Nobody indicated taxation as a reason for not using their land.

Of those, who do not use their land share in full, 95% do not report receiving property share. So, it could be some correlation between lack of property and incomplete use of available land. Thus, lack of labor and physical capital seem to be the most important reasons for incomplete utilization of land.

² Respondents might choose more than one reason.

Table 18. Receiving land share (2.20, 2.21)

Oblast	Rayon	Percentage of farms receiving property share	Year of property share distribution			Difference between year of receiving property share and year of receiving land share (% of all farms receiving property share)			
			Median	Earliest	Latest	-1 ³	0	1-2	3+
Chui – total		13	1995	1991	2005	6	39	28	28
	Kemin	16	1993	1991	1997	9	45	36	9
	Sokuluk	11	2001	1992	2005	0	29	14	57
Osh – total		3	1997	1994	2002	0	50	17	33
	Aravan	8	1997	1994	2002	0	50	17	33
	Uzgen	0							
Naryn – total		32	1992	1990	1996	5	90	5	0
	At-Bashy	38	1992	1990	1996	5	89	5	0
	Kochkor	10	1994	1992	1994	0	100	0	0
Total sample		15	1993	1990	2005	5	72	13	11

Low percentage of farms reported that they received a property share; only in At-Bashy rayon share of such farms exceeded one-third; in Uzgen no farms reported getting any property. The process of property devolution took place mainly in the first part of 1990s; in Sokuluk and in Aravan, property devolution happened later than in other rayons. Majority of farms received property simultaneously with land; in almost a quarter of cases there was some gap between receiving land share and property share, and in 11% cases the delay of receiving property share was 3 and more years. In 5% cases farms in kemin and At-Bashy reported that they received property share before receiving land share.

Table 19. Types of distributed property by year of property devolution (2.21)

Year of property devolution	Percentage of farms receiving property share during the period	Types of property (% of all receiving property shares ⁴)			
		Agricultural buildings, structures and their parts	Agricultural machinery	Money	Other
1990-1993	59	63	29	5	3
1994-1996	25	56	69	0	0
1997-2005	16	30	0	60	20
1990-2005	100	56	34	13	5

More than half of farms received agricultural buildings, structures and their parts; one-third of farms received agricultural machinery. On later stages of the devolution process cases of property distribution in monetary form had become more frequent. Amazingly low number of farms indicated receiving livestock (only one farm, which is included into “other” category). Obviously, people do not remember details of property devolution process (or do not want to speak about these details). So, these data should be taken with caution. The same relates also to the comparison of property structure by period of time.

³ I.e., property share was received one year before the land share.

⁴ Some respondents received more than one type of property.

Table 20. Sources of information about the land and property devolution process (% of all farms receiving land share⁵, 2.22)

Oblast	Rayon	Ministry of agriculture	Village committee	Farm committee	General meeting of kolkhoz	Kolkhoz/sovkhov leadership	Neighbors	Relatives	NGO	Did not know about the process
Chui – total		1	58	1	41	57	51	37	2	0
	Kemin	1	83	1	16	51	39	42	4	0
	Sokuluk	0	32	0	68	63	65	32	0	0
Osh – total		8	52	9	33	50	48	51	2	1
	Aravan	19	63	1	48	17	72	49	0	3
	Uzgen	0	44	15	22	75	30	53	4	0
Naryn – total		2	13	2	63	55	44	40	0	1
	At-Bashy	2	9	3	65	49	36	35	0	1
	Kochkor	0	24	0	59	72	69	59	0	0
Total sample		4	43	5	44	53	48	44	2	1

The most important sources on information on the devolution process were kolkhoz/sovkhov leadership, village committee, general meeting of kolkhoz, neighbors and relatives (each covering 40-50% of farms). The role of ministry of agriculture and NGOs was not visible. In general, people were informed well, less than 1% of surveyed farms did not know about the process.

Table 21. Fairness of land distribution (% of all farms receiving land share, 2.23, 2.24)

Oblast	Rayon	Reasons for considering the land distribution as unfair ⁶								Local authorities could not/did not want answer farmer questions
		Fair	Too small land plots	Uneven land plot size	Uneven land quality	Too distant plots	No full info on farmer rights	No choice	No full understanding of farmer responsibilities	
Chui – total		83	5	4	6	4	9	7	7	1
	Kemin	96	3	1	0	3	1	0	1	0
	Sokuluk	69	8	6	12	6	17	15	12	3
Osh – total		92	2	3	2	3	1	3	1	1
	Aravan	85	5	7	1	8	3	7	3	1
	Uzgen	98	0	0	2	0	0	0	0	0
Naryn – total		91	4	4	4	3	3	2	3	1
	At-Bashy	92	2	5	2	2	4	2	4	1
	Kochkor	90	10	0	10	7	0	3	0	0
Total sample		89	4	3	4	4	4	4	3	1

Almost 90% of all respondents consider land distribution as fair. This share is significantly lower only in Sokuluk rayon. There is no dominating reason of considering land distribution unfair. In Sokuluk many people indicated incomplete info on farmer rights, lack of choice, incomplete understanding of own responsibilities and uneven land quality as reasons of unfairness of the process; in Kochkor, the leading reasons are too small land plot size and uneven quality of land.

⁵ Respondents could choose up to three answers on this question.

⁶ Respondents could choose up to three answers on this question.

Perception of unfairness is region-specific: in Kochkor, where people have land plots about the sample average, there are complaints about small plot size, while in Uzgen, where the land plots are the smallest in the sample, nobody raise this issue.

Table 22. Perception of fairness of land distribution by gender and ethnicity (2.23)

Gender of household head	Ethnicity of household head	Percentage of people considering the land distribution as fair (% of all people in gender/ethnicity group)
Women	Kyrgyz	82
	Uzbek	86
	Russian	60
	Other	50
	All	76
Men	Kyrgyz	95
	Uzbek	83
	Russian	72
	Other	90
	All	91
All	Kyrgyz	93
	Uzbek	83
	Russian	68
	Other	83
	All	89

Regarding gender and ethnicity of household heads, Russians (both women and men) demonstrate more pessimism with respect to the fairness of the process. However, it should be taken into account that majority of Russian household heads is concentrated in Sokuluk rayon, so this reflects not only ethnic, but also geographic/administrative environment difference (in this rayon the share of non-Russians considering the process as fair is 73%, i.e., much below 91% for the total sample). One could also notice that women are generally more skeptical than men regarding fairness of the land distribution process.

Chui – total	52	13	28	7	52	41	1	30
Kemin	84	14	0	1	90	9	0	1
Sokuluk	18	11	58	12	12	75	2	60
Osh – total	11	45	33	11	19	52	6	23
Aravan	20	56	24	0	32	53	13	1
Uzgen	4	37	39	20	8	51	1	40
Naryn – total	25	37	37	2	44	19	10	27
At-Bashy	27	36	36	1	55	10	1	34
Kochkor	17	38	41	3	7	48	41	3
Total sample	28	33	33	7	36	39	6	26
Land inheritance								
Chui – total	51	9	31	8	84	3	7	6
Kemin	90	9	0	1	97	1	0	1
Sokuluk	11	9	65	15	71	5	14	11
Osh – total	5	35	54	5	25	62	8	5
Aravan	11	51	36	3	29	53	15	3
Uzgen	1	24	68	7	22	68	3	7
Naryn – total	29	28	40	4	52	10	12	27
At-Bashy	34	24	38	4	62	4	0	34
Kochkor	10	41	45	3	17	28	52	3
Total sample	26	25	43	6	51	28	9	12

In general, people more believe that social factors play limited or no role in land-related issues. The most popular answer is “partially influence”. In Kemin, people more inclined to recognize influence of social factors, people in Kochkor, Sokuluk and Uzgen are most skeptical on influence of social factors. The perception of the role of legislation is much stronger, in general just one-seventh – one-tenth part of respondents believe that legislation plays no role. Again, in Kemin people more think of importance of legislation, while in Kochkor respondents do not perceive legislation as influencing land-related decisions. However, there is much of variation depending on specific aspect of land relationships.

Table 24. Assessment of influence of social factors and legislation on different aspects of land reform by gender and ethnicity (% of all farms having land share, 2.25)

Gender/ethnicity of HH head	Social factors				Legislation			
	Strongly influence	Partially influence	Do not influence	No answer	Strongly influence	Partially influence	Do not influence	No answer
GENDER								
Land allocation								
Women	19	26	47	7	37	41	6	16
Men	18	47	32	4	37	44	4	15
Land use decisions								
Women	15	43	32	10	34	40	7	19
Men	17	55	24	4	32	45	6	17
Sales, purchase and lease of land								
Women	28	24	38	10	46	26	10	18
Men	30	38	28	4	43	28	12	16
Land distribution								
Women	9	44	34	13	29	40	9	22
Men	21	49	26	5	34	37	12	17
Land dispute resolution								
Women	21	26	41	12	40	24	15	22
Men	29	34	31	6	43	30	8	18

Land inheritance								
Women	24	19	47	10	60	18	6	16
Men	27	26	42	5	49	30	9	11
ETHNICITY								
Land allocation								
Kyrgyz	15	47	34	4	37	42	3	18
Uzbek	32	53	15	0	21	74	6	0
Russian	20	8	60	13	60	20	10	10
Other	33	17	42	8	42	42	8	8
Land use decisions								
Kyrgyz	16	55	24	5	30	44	5	21
Uzbek	19	75	6	0	30	62	8	0
Russian	18	13	55	15	55	20	13	13
Other	25	33	33	8	33	42	17	8
Sales, purchase and lease of land								
Kyrgyz	31	36	29	4	45	26	8	20
Uzbek	32	55	13	0	34	43	23	0
Russian	20	13	55	13	45	18	28	10
Other	8	33	42	17	33	33	17	17
Land distribution								
Kyrgyz	17	51	26	6	34	36	9	21
Uzbek	23	68	9	0	21	62	15	2
Russian	28	5	55	13	48	13	30	10
Other	25	33	25	17	25	33	25	17
Land dispute resolution								
Kyrgyz	31	31	31	7	45	26	6	23
Uzbek	15	58	26	0	23	62	13	2
Russian	20	13	55	13	53	13	25	5
Other	8	33	42	17	33	33	17	17
Land inheritance								
Kyrgyz	32	24	39	5	54	26	7	14
Uzbek	6	45	49	0	23	62	15	0
Russian	10	13	63	15	65	8	18	10
Other	8	17	50	25	67	17	0	17

There do not seem to be any considerable difference between men and women in assessing the importance of social factors and legislation for land relationships. From the point of view of ethnicity, Uzbeks seem to believe that social factors do influence land-related decision-making, Russians and others do not put much weight to social factors, and Kyrgyz are in between. Regarding the influence of legislation, all ethnic groups recognize it, while Uzbeks are slightly more skeptical, and Russians tend to consider it strongly influential.

Table 25. Assessment of influence of social factors and legislation on different aspects of land reform vs. perception of fairness of the reform (% of all farms having land share, 2.25)

Perception of fairness of the land reform	Social factors				Legislation			
	Strongly influence	Partially influence	Do not influence	No answer	Strongly influence	Partially influence	Do not influence	No answer
Land allocation								
Fair	17	44	34	4	36	44	4	16
Unfair	26	38	34	2	47	40	6	6
Land use decisions								
Fair	16	54	25	5	32	44	5	1
Unfair	26	45	26	4	36	40	15	9
Sales, purchase and lease of land								
Fair	29	35	31	5	43	27	12	18
Unfair	30	45	23	2	45	36	15	4
Land distribution								
Fair	17	49	27	7	33	37	11	19
Unfair	34	38	26	2	38	36	19	6
Land dispute resolution								
Fair	28	32	33	8	42	29	8	21
Unfair	30	40	28	2	49	28	17	6
Land inheritance								
Fair	27	25	42	6	49	29	9	13
Unfair	23	21	53	2	66	19	11	4

There are not too big differences between those considering the land reform fair and unfair. One could notice only that in such issues as sales, purchase and lease of land, land distribution and land dispute resolution people perceiving the land reform as unfair more believe in the importance of social factors.

Almost everybody (99%, question 2.26) lived in the same rayon during the land and agrarian reform implementation.

Table 26. Decision-making on land reform issues, part I (% of all farms having land share, 2.28-2.31)

Oblast	Rayon	Village committee	Decision-making body				Participation of women in the decision-making process		
			General meeting of kolkhoz/sovkhoz	Kolkhoz/sovkhoz leadership	Other	Do not know and no answer	Yes	No	Do not know and no answer
Land share allocation									
Chui – total		40	31	26	2	1	51	39	10
Kemin		65	9	22	4	0	36	61	3
Sokuluk		12	54	31	0	3	66	15	18
Osh – total		67	13	3	4	12	11	66	23
Aravan		57	25	7	3	8	13	59	28
Uzgen		75	3	1	5	15	9	71	20
Naryn – total		17	52	29	2	0	44	45	10
At-Bashy		22	57	21	1	0	34	53	13
Kochkor		0	38	59	3	0	79	21	0
Total sample		44	30	18	3	5	33	51	16
Selection of allocation method									
Chui – total		39	32	27	1	1	51	39	10
Kemin		65	12	22	1	0	38	61	1
Sokuluk		11	54	32	0	3	66	15	18
Osh – total		63	16	4	4	12	12	65	23
Aravan		48	33	8	3	8	15	57	28
Uzgen		75	3	1	5	15	9	71	20
Naryn – total		17	61	22	0	0	42	48	10
At-Bashy		22	68	10	0	0	34	53	13
Kochkor		0	38	62	0	0	69	31	0
Total sample		42	34	16	2	5	33	52	15
Size of land area to be allocated									
Chui – total		41	27	30	1	1	51	39	10
Kemin		70	7	22	1	0	38	61	1
Sokuluk		11	48	38	0	3	65	15	20
Osh – total		62	17	3	5	13	13	63	24
Aravan		45	36	5	4	9	19	52	29
Uzgen		75	3	1	5	15	9	71	20
Naryn – total		17	53	13	17	0	42	47	11
At-Bashy		22	54	3	22	0	34	53	13
Kochkor		0	52	48	0	0	69	28	3
Total sample		42	31	14	7	6	33	51	16
Location of land shares									
Chui – total		41	28	28	1	1	51	39	10
Kemin		70	7	22	1	0	38	61	1
Sokuluk		11	49	35	2	3	65	15	20
Osh – total		63	17	3	4	13	12	64	24
Aravan		47	36	5	3	9	15	56	29
Uzgen		75	3	1	5	15	9	70	21
Naryn – total		17	56	27	1	0	44	45	11
At-Bashy		22	56	23	0	0	34	53	13
Kochkor		0	55	41	3	0	76	21	3
Total sample		43	32	18	2	6	33	51	16

Table 27. Decision-making on land reform issues, part II (% of all farms having land share, 2.28-2.31)

Gender/ethnicity of HH head	Perception of fairness of the land reform	Village committee	Decision-making body				Participation of women in the decision-making process		
			General meeting of kolkhoz/ sovkhos	Kolkhoz/ sovkhos leadershi p	Other	Do not know and no answe r	Yes	No	Do not know and no answer
GENDER									
Land share allocation									
Women		32	37	21	4	6	54	21	25
Men		46	29	18	2	5	29	57	14
Selection of allocation method									
Women		28	44	22	0	6	54	21	25
Men		45	32	15	2	5	29	58	13
Size of land area to be allocated									
Women		32	40	22	0	6	51	22	26
Men		44	29	13	8	5	30	56	14
Location of land shares									
Women		31	41	22	0	6	53	21	26
Men		45	30	17	3	5	29	56	14
ETHNICITY									
Land share allocation									
Kyrgyz		48	27	17	3	5	32	54	14
Uzbek		43	32	9	4	11	13	66	21
Russian		13	55	28	0	5	68	13	20
Other		42	17	42	0	0	42	42	17
Selection of allocation method									
Kyrgyz		46	32	15	2	5	32	54	14
Uzbek		42	34	9	4	11	9	70	21
Russian		10	55	30	0	5	68	13	20
Other		42	17	42	0	0	42	42	17
Size of land area to be allocated									
Kyrgyz		45	31	11	9	5	33	53	14
Uzbek		53	23	8	4	13	8	70	23
Russian		10	48	38	0	5	65	13	23
Other		42	8	50	0	0	42	42	17
Location of land shares									
Kyrgyz		45	31	17	2	5	33	53	14
Uzbek		51	26	8	2	13	8	70	23
Russian		10	50	33	3	5	65	13	23
Other		42	8	50	0	0	42	42	17
FAIRNESS									
Land share allocation									
Fair		48	28	17	3	4	31	56	13
Unfair		15	43	28	2	13	47	17	36
Selection of allocation method									
Fair		46	33	15	2	4	32	55	13
Unfair		11	47	30	0	13	40	23	36

		Size of land area to be allocated						
Fair	45	30	12	7	5	32	54	14
Unfair	17	36	30	4	13	40	23	36
		Location of land shares						
Fair	46	31	16	3	5	32	54	14
Unfair	17	36	34	0	13	40	23	36

Table 28. Decision-making on land reform issues, part III (% of all farms having land share, 2.28-2.31)

Oblast	Rayon	Year of decision-making			Degree of satisfaction				
		Median	Earliest	Latest	Very unsatisfied	Not satisfied	No opinion	Somewhat satisfied	Very satisfied
Land share allocation									
Chui – total		1996	1991	2003	1	14	9	75	1
Kemin		1995	1991	1999	0	3	3	94	0
Sokuluk		1997	1991	2003	2	26	15	55	2
Osh – total		1995	1991	1999	2	5	44	48	1
Aravan		1996	1994	1999	0	5	19	75	1
Uzgen		1995	1991	1996	4	4	64	27	1
Naryn – total		1992	1990	1997	0	6	3	87	4
At-Bashy		1993	1990	1997	0	5	3	88	4
Kochkor		1992	1992	1996	0	7	3	86	3
Total sample		1995	1990	2003	1	8	21	68	2
Selection of allocation method									
Chui – total		1996	1991	2003	1	14	9	75	1
Kemin		1995	1991	1999	0	3	3	94	0
Sokuluk		1997	1991	2003	2	26	15	55	2
Osh – total		1995	1991	1999	2	5	44	48	1
Aravan		1996	1994	1999	0	4	20	75	1
Uzgen		1995	1991	1996	4	5	63	27	1
Naryn – total		1992	1990	1997	0	6	4	87	3
At-Bashy		1993	1990	1997	0	4	3	89	4
Kochkor		1992	1992	1996	0	10	7	83	0
Total sample		1995	1990	2003	1	8	22	68	2
Size of land area to be allocated									
Chui – total		1996	1991	2003	1	14	9	75	1
Kemin		1995	1991	1999	0	3	3	94	0
Sokuluk		1997	1991	2003	2	26	15	55	2
Osh – total		1995	1991	1999	2	4	24	68	1
Aravan		1996	1994	1999	0	4	24	71	1
Uzgen		1995	1991	1996	4	4	25	66	1
Naryn – total		1992	1990	1997	0	6	3	87	3
At-Bashy		1993	1990	1997	0	5	3	88	4
Kochkor		1992	1992	1996	0	10	3	86	0
Total sample		1995	1990	2003	1	8	13	76	2
Location of land shares									
Chui – total		1996	1991	2003	1	16	9	74	1
Kemin		1995	1991	1999	0	3	3	94	0
Sokuluk		1997	1991	2003	2	29	15	52	2
Osh – total		1995	1991	1999	2	5	23	69	1
Aravan		1996	1994	1999	0	5	23	71	1
Uzgen		1995	1991	1996	4	4	23	68	1
Naryn – total		1992	1990	1997	0	6	4	87	3
At-Bashy		1993	1990	1997	0	4	3	89	4
Kochkor		1992	1992	1996	0	14	7	79	0
Total sample		1995	1990	2003	1	9	13	76	2

Fair	1995	1990	2000	1	4	22	71	2
Unfair	1996	1991	2003	2	40	19	38	0
Size of land area to be allocated								
Fair	1995	1990	2000	1	4	12	81	2
Unfair	1996	1991	2003	2	43	21	34	0
Location of land shares								
Fair	1995	1990	2000	1	4	12	81	2
Unfair	1996	1991	2003	2	47	17	34	0

There are no significant differences in the year of decision-making on land reform with regards to gender, ethnicity and perception of the reform fairness (other than those related to distribution of ethnic groups by rayon).

The degree of satisfaction with the reform is higher among men – household heads, than among women; among Kyrgyz and Uzbek, than among Russians and other; and, expectedly, those who consider the reform fair are much more satisfied with its different aspects, than those who believe the reform was unfair.

Section III. Information about the farm

Table 30. Methods of the farm creation (% of all farms having land share, 3.1)

Oblast	Rayon	Separated from kolkhoz/sovkhoz	Separated from multifamily farm	Result of merger of smaller farms	Exists from pre-reform times	Seed farm	Other
Chui – total		97	2	0	1	0	0
	Kemin	94	4	0	1	0	0
	Sokuluk	100	0	0	0	0	0
Osh – total		55	38	1	1	1	5
	Aravan	83	12	1	0	0	4
	Uzgen	33	58	0	2	1	6
Naryn – total		98	2	0	0	0	0
	At-Bashy	100	0	0	0	0	0
	Kochkor	93	7	0	0	0	0
Total sample		81	16	0	1	0	2

Absolute majority of all farms has been created by separation from kolkhoz/sovkhoz. The only exemption is Uzgen rayon, where farms basically emerged separating from multifamily farm.

Table 31. Year of the farm creation and status at that moment (3.2-3.3)

Oblast	Rayon	Year of creation			Co-operative	Status of the farm at the moment of creation (% of all farms having land share)					Other
		Median	Earliest	Latest		Peasant farm – legal entity	Peasant farm – physical person	Joint-stock company	Farm association		
Chui – total		1997	1991	2005	0	24	75	0	1	1	
	Kemin	1995	1992	1999	0	3	96	0	1	0	
	Sokuluk	2000	1991	2005	0	46	52	0	0	2	
Osh – total		1995	1991	2002	12	6	80	1	1	0	
	Aravan	1996	1994	1999	8	1	91	0	0	0	
	Uzgen	1995	1991	2002	15	9	72	2	1	0	
Naryn – total		1993	1990	2000	0	5	94	0	0	1	
	At-Bashy	1993	1990	1999	0	5	94	0	0	1	
	Kochkor	1992	1992	2000	0	3	97	0	0	0	
Total sample		1995	1990	2005	5	11	83	0	0	0	

Majority of farms started their operations in the first half of 1990s, yet some farms are new, especially in Sokuluk rayon. Majority of all farms was created as peasant farms without creation of a legal entity. In Sokuluk almost half of farms have been created as peasant farms – legal entities, and in Osh oblast some farms were initially established as cooperatives.

Table 32. Change of the farm status over time (% of all farms having land share, 3.3-3.5)

Oblast	Rayon	Farms, which did not change their status	Farms, which changed their status		Other
			From <i>Cooperative</i> to <i>Peasant farm – physical person</i>	From <i>Peasant farm – legal entity</i> to <i>Peasant farm – physical person</i>	
Chui – total		79			
Kemin		100	0	0	0
Sokuluk		43	0	57	0
Osh – total		94	4	1	2
Aravan		92	6	2	0
Uzgen		96	1	0	3
Naryn – total		100	0	0	0
At-Bashy		100	0	0	0
Kochkor		100	0	0	0
Total sample		91	2	6	1

Majority of farms did not change their status from the moment of creation. The only rayon, where much has changed is Sokuluk. The main direction of change is from peasant farms-legal entities and coops to peasant farms without creation of a legal entity.

Table 33. Pooling of land shares (% of all farms having land share, 3.6-3.9)

Oblast	Rayon	Farms, which did not pool their land shares with anybody else	Farms, which pooled their land shares with		Farms, which pooled land and, later, had some households exited
			Family members or relatives	Friends or community members	
Chui – total		90	8	2	2
Kemin		100	0	0	0
Sokuluk		80	17	3	3
Osh – total		92	3	5	6
Aravan		97	3	0	0
Uzgen		88	3	9	10
Naryn – total		98	2	0	2
At-Bashy		99	1	0	0
Kochkor		93	7	0	7
Total sample		92	4	4	3

Majority of farms did not pool their land with anybody else. Attempts of pooling of land shares were more or less visible in Sokuluk and Uzgen; however, in Uzgen, majority of pooled farms failed on a later stage. No one reported subsequent joining of their initially pooled land with land of other farmers.

Table 34. Change of the farm status vs. pooling of land with other farmers (% of all farms having land share, 3.4-3.9)

	Farms, which pooled their land shares with other farmers	Farms, which did not pool their land shares with anybody else
Farms, which changed their status	18	82
Farms, which did not change their status	6	94

Change of farm status is more typical for farms pooling land, than for those not pooling their land shares. However, as main direction of farm status change is dissolution of large units into individual household farms, this result may be interpreted in a sense that *some* of those dissolving coop/peasant farm - legal entity still preferred to pool their land.

Table 35. Decision-making on farms (% of all farms, 3.10-3.13)

Area of decision-making	Board (or heads of families)	Wife	Husband	Both husband and wife	General meeting	Farm head
Production	45	3	22	15	2	13
Marketing	42	5	21	18	2	13
Finances	40	4	21	21	2	13
Management	44	3	21	16	2	14

The most popular decision-making mechanism is through farm board composed by heads of families. The role of husband is much more important than that of wife; yet, one-fifth to one-sixth of farms report joint decision-making by husband and wife.

Table 36. Participation of farms in associations (% of all farms, 3.14-3.15)

Oblast	Rayon	Participation in associations		Benefits from participation	
		WUA	Do not participate in any association	Access to irrigation water	No benefits
Chui – total		57	43	51	4
	Kemin	99	1	99	0
	Sokuluk	14	86	2	9
Osh – total		35	65	27	2
	Aravan	81	19	61	5
	Uzgen	0	100	0	0
Naryn – total		0	100	0	0
	At-Bashy	0	100	0	0
	Kochkor	0	100	0	0
Total sample		32	68	27	2

Farmers did not report any participation in associations other than Water User Association (WUA). In Kemin and Aravan majority of people are involved in them, few farmers are WUA members in Sokuluk, and no farmers participate in WUA in other rayons. Obviously, the main benefit people are getting from participation in WUAs is access to irrigation water. However, In Sokuluk and Aravan some people do not see real benefits from this membership.

Table 37. Experience of work in agriculture (% of all farms, 3.16-3.18)

Oblast	Rayon	Availability of agricultural experience before start of farming on the own land share		Channels of getting agricultural experience	
		Yes	No	Learning by doing	Neighbors
Chui – total		60	40	39	0
Kemin		77	23	23	0
Sokuluk		43	57	55	0
Osh – total		44	56	46	10
Aravan		63	37	31	5
Uzgen		30	70	58	13
Naryn – total		87	13	12	2
At-Bashy		88	12	12	0
Kochkor		83	17	10	7
Total sample		62	38	34	4

Majority of farmers in At-Bashy, Kochkor, Kemin and Aravan rayons had previous agricultural experience; in Sokuluk and Uzgen only minority worked on land before receiving their land share. Those, who had not agricultural experience, accumulated it basically in the process of learning by doing, while few others relied on support from neighbors.

Table 38. Channels of getting agricultural and other relevant information (% of all farms, 3.19)

Information channel	Percentage of farms using this channel ⁷
Newspapers	54
Written material/leaflets/newsletters	16
Radio programs	12
Television	59
Library	0.4
Internet	0.6
Input suppliers	1
Processors	13
Other farms	34
Other families	42
Contact in government	0.2
Other	0.6
None	3

The most popular information channels are TV, newspapers, other farms and families.

⁷ Respondents could choose up to three channels they use.

Section IV. Livelihood

Table 39. Relative position of the farm in their village terms of wealth/income (% of all farms, 4.1)

Oblast	Rayon	Below average	About average	Slightly above average	Significantly above average	Do not know
Chui – total		22	60	7	0	11
	Kemin	7	81	11	0	0
	Sokuluk	32	45	4	0	18
Osh – total		9	49	31	2	8
	Aravan	19	61	11	3	7
	Uzgen	2	40	47	2	9
Naryn – total		14	59	19	7	1
	At-Bashy	18	49	23	10	0
	Kochkor	6	80	12	0	2
Total sample		15	56	19	3	7

In all rayons, majority of farmers classify themselves as average people; in Uzgen, respondents consider themselves as having incomes slightly above the average.

Table 40. Receiving state benefits (% of all farms, 4.1.1)

Oblast	Rayon	Social benefits	Unified monthly benefit	Other
Chui – total		1	1	0
	Kemin	0	0	0
	Sokuluk	1	1	0
Osh – total		13	26	0
	Aravan	4	13	0
	Uzgen	20	36	0
Naryn – total		15	14	3
	At-Bashy	14	21	4
	Kochkor	18	0	0
Total sample		10	14	1

Main types of benefits are social benefits and unified monthly benefit (UMB). People in Chui do not report receiving them. In Osh oblast the share of recipients is higher and goes as high as 36% of UMB recipients in Uzgen rayon.

Table 41. Changes in household life and households' reaction (% of all farms, 4.2)

Changes	Farms, which had this kind of change	Coping strategies											Got help from government	Other
		Spent savings	Reduced household consumption	Borrowed money	Sold livestock	Sold transport or farm equipment	Rented-out land	Sold land/residential house	Got help from relatives/friends	Got help from NGOs	HH member migrated for work			
Loss of household member	6.7	5.5		0.2	0.4				0.8					
Household member became very sick or badly injured	9.1	3.2	1.0	1.8	2.2		0.2		0.6					
Fire	0.2						0.2							
Crop failure	4.0	2.2	0.4		0.8				0.8					1.4
Animal deaths/theft	4.3	1.6	0.8		0.4									
Theft or being cheated														
Household member lost non-farm employment	0.4			0.2	0.2									
Divorce	0.8		0.4						0.2					0.2
Increase in family obligations	8.7	1.0	1.0	3.0	1.0				2.4					0.2
Loan default	2.8			1.6	0.4		0.2		0.4					
Other	0.8				0.2		0.2					0.2	0.2	
All kinds of changes	30.2	12.1	3.2	5.9	5.3	0.0	0.6	0.0	5.3	0.0	0.2	0.2	0.2	1.8

Almost one-third of all households have been affected by different changes. Most typical strategies of coping with the changes include use of own savings, borrowing of money and getting help from relatives and friends. Selling of assets (land, equipment, etc.) is not a popular strategy.

Almost all farms are now peasant farms without establishing legal entity, so no correlation between type of farm and coping strategy is possible to trace.

Table 42. Perception of changes in life after receiving land share (% of all farms, 4.3)

Kind of change	Life improved	No change	Life worsened	No answer
Opportunities for your children	57	23	7	14
Support for the elderly	28	48	6	18
Agricultural knowledge	59	24	1	16
Mobility	35	44	3	18
Independent decision-making	58	23	1	18
Family support	55	24	7	15
Workload	45	28	10	17
Occupational satisfaction	37	34	12	17
Ability to survive	51	22	10	16
Ability to increase wealth	49	24	10	17
Other	0	0	0	100

Generally people are positive about changes in their lives after land reform, majority of answers state either improvement (especially with regards to opportunities for children, agricultural knowledge, independent decision-making, family support, workload, ability to survive, and ability to increase wealth), or no change (characteristic in regards to support for the elderly, mobility, and occupational satisfaction). About one-seventh – one-sixth of all respondents did not answer these questions.

Section V. Investments and credit

Table 43. Investments in land and farm by source of financing (5.1-5.2)

Type of investments	% of farms making investments	Source of financing (% of all farms, which made investments of this type)								
		Inheritance/ gift	Relative	Friend	KAFC	NGO	Government	Another credit institution	Donor organizations	Other

In general, farms are not very active in investments. Even the most widespread types of investments – planting of trees or orchards, construction of farm buildings and improvement of soils – have been done by just one-fourth to one-third part of farms. Other types of investments are done rarely.

The main source of financing is own funds. The only other noticeable source of financing is Kyrgyz Agricultural Financial Corporation (KAFC).

Year of receiving land does not affect investment activity; for both investing and not-investing farms have the same median year of getting land (1995) and very similar earliest and latest years – 1991 (1990) and 2003 (2005) correspondingly. As follows from the table 14, practically all farms have land certificate and registered it with Gosregister, so tracing of any relationship between investment activity and land certificate availability/registration is not possible.

Table 44. Reasons for not-investing into own farm (% of all farms with land share, 5.3)

No credit	10
No children to assist me	3
No interest in investing in my farm	19
Other	20

Most popular reasons for farmers for not investing into their farm are lack of interest (!) and no access to credit. Among those few, who selected “other” reason and explained their choice, are people, who said they have no own funds to invest (pls. see previous table indicating that own fund is prevailing source of investment funds).

Table 45. Application for credit (% of all farms with land share, 5.4-5.6)

Farmers, who ever applied to credit	15.5
Places to apply for credit	
KAFC	13.4
NGO	0.2
Government	0.2
Credit union	1.4
Another credit institution	0.2
Reasons for not-applying	
Not necessary	29
High interest rate	56
Repayment period is not convenient	21
No trust in credit institution	6
Legal procedures are too complicated	23
Fear of losing land or other assets	30
Do not know where to go	3
No sources of collateral	12
Other	0.5

Less than one-sixth of all farms applied for credit. The main (and, in fact, almost the only) credit institution to apply is KAFC. The main reasons for not-applying are high interest rate, fear of losing assets, no need (!), complicated legal procedures, and inconvenient repayment period.

Table 46. Selected reasons for not-application for credit by gender/ethnicity of household head
(% of all farm heads of corresponding category, 5.5, 1.3-1.4)

Gender/ethnicity	Legal procedures are too complicated	No sources of collateral
Gender		
Women	18	12
Men	24	12
Ethnicity		
Kyrgyz	20	11
Uzbek	42	8
Russian	18	18
Other	25	33

There is no large gender differences in considering legal procedures too complicated or lack of collateral. Ethnic differences do take place: Uzbeks much more often see legal procedures as too complicated, and Russians and others are constrained with lack of collateral more often than Kyrgyz and Uzbek.

Table 47. Main financing (loan) characteristics (5.7)

Year of activity			
Median			2004
Earliest			1992
Latest			2005
Source of financing (in % to number of all financing operations)			
Own funds			53
KAFC			30
Other			17
Collateral (in % to number of all financing operations)			
House			54
No collateral			42
Other			3
Share of credits provided in kind (in % to number of all financing operations)			10
Amount of operation, thousand soms			
Median			17.5
Maximum			900
Share of operations on interest-free basis ⁸ (in % to number of all financing operations)			42
Interest rate, % per annum			
Median			16
Maximum			36
Minimum			13
Loan period, months			
Median			3
Maximum			36
Minimum			0.7
Repayment amount, thousand soms			
Median			5
Maximum			1,665
Minimum			1
Use of loan funds			
Type of expenditures	% of all operations	% of all funds	
Petroleum products	14		1
Seeds	25		6
Fertilizer	3		5
Machinery	2		4
Livestock	47		83
Buildings	3		0
Land improvement/drainage	5		0

Majority of loans have been taken recently as median year for operations is 2004. Main source of borrowed funds is KAFC, and main type of collaterals is residential house. Amounts of operations usually are not high, the median is 17.5 thousand soms (somewhat above 400 USD). Median interest rate is 16% (consistent with recent KAFC rates), and loan period is 3 month, i.e., almost all loans are of short-term nature. Majority of operations relate to livestock purchases (almost half of all operations and five-sixth of all funds).

⁸ Own funds, relatives, NGO.

Section VI. Additional sources of income

Table 48. Offering paid services to other farmers (6.1-6.2)

Service type	Farms offering service (% of all farms)	Annual income, thousand som		
		Median	Minimum	Maximum
All types	3.6	15.5	1	90
Technical services	1.6	5.5	1	25
Plowing	1.0	6	1	7
Harvesting	1.2	5.5	1	8
Other field cultivation work	1.6	5	1	50
Transportation	1.6	6	4	90
Other	0.4	15.8	3.5	28

Very few farmers offer services to other farmers. Median income they earn is 15.5 thousand som.

Table 49. Leasing land and other assets (6.3-6.4)

Farms leasing assets (% of all farms)	1.4
Annual income, thousand som	
Median	1.8
Minimum	0.8
Maximum	30.0

Even fewer farmers lease their land and buildings.

Table 50. Receiving transfers from government (6.5-6.6)

Transfer type	Farms receiving transfers (% of all farms)	Monthly income, som		
		Median	Minimum	Maximum
All types	56	640	75	3,200
Pensions	36	800	100	3,200
Benefits	25	320	75	750

Majority of households receive government transfers: pensions and benefits. Median pension is 800 som per month and median benefit is 320 som per month.

Table 51. Assistance from relatives (6.7-6.8)

Households receiving remittances from family members (% of all households)	31.6
Change in the relatives' assistance in comparison to pre-land-reform time (% of all households receiving assistance)	
Assistance significantly increased	6
Assistance somewhat increased	49
About the same	37
Assistance somewhat decreased	5
Assistance significantly decreased	3

Almost one-third of households receive assistance from their family members. Majority of people see some increase in the assistance in comparison to time before the land reform.

Table 52. Change in dependence on income from non-farm activities in comparison to time before land reform (% of all households, 6.9)

Dependence significantly increased	13
Dependence somewhat increased	23
About the same	54
Dependence somewhat decreased	9
Dependence significantly decreased	2

36% of people depend on non-farm income now more than in pre-reform times; for 54% the situation has not changed, and for 11% dependence on non-farm income reduced.

Section VII. Land sales, purchase and leasing

Table 53. Renting-out land (7.1-7.3)

Farms, which rented their land out (% of all farms)		7
Reasons for renting-out (% of farms renting-out land) ⁹		
Lack of labor force		69
Lack of machinery		14
Inconvenient location of land plot		9
Poor quality of land		26
Lack of money for household expenses		66
Info on renting arrangements	Irrigated land	Dry land
Farms renting-out land of this type (% of farms renting-out land)	94	23
Year of renting-out		
Median	2001	2000
Earliest	1995	1995
Latest	2005	2005
Rented area, ha		
Median	1.5	1.35
Minimum	0.1	0.2
Maximum	7.0	8.9
Rent rate, som/ha		
Median	2,000	2,000
Minimum	100	300
Maximum	10,000	3,000
Renting period, years		
Median	1	3
Minimum	1	1
Maximum	7	6
Availability of written agreement (% of all farms renting-out land)	39	25
Tenant (% of all farms renting-out land)		
Neighboring farm	64	63
Relatives	27	25
Large farm	6	13
No answer	3	0

Few farms (just 7%) rent their land out. The main reason is lack of labor force in household and lack of money for household expenses. Arrangements for irrigated and dry land¹⁰ do not differ significantly: median area is 1.3-1.5 ha, median rent rate is 2 thousand soms, median renting period is 1-3 years, and most common tenant is a neighboring farm.

In more than 50% cases farms selecting the most popular reasons for renting-out land are the same, so no difference in renting arrangements is traceable. There is no statistically significant correlation between rent rate and period for both irrigated and dry land.

⁹ Respondents could choose up to three answers.

¹⁰ Other types of land have not been reported to be involved in rent relationships.

Table 54. Renting-in land (7.4-7.9)

Farms, which rent-in land (% of all farms)		8
Reasons for renting-in land (% of farms renting-in land) ¹¹		
Land is near the house		21
Land is of high quality		15
Land has access to irrigation		72
Land is close to markets		3
Land is more profitable to cultivate		44
Enough labor is available to cultivate more land		36
Not enough land is available for the household's needs		67
Other		3
Information about renting arrangements	Irrigated land	Near pasture
Farms renting-in land of this type (% of farms renting-in land)	100	3
Year of renting-out		
Median	2002	
Earliest	1995	2000
Latest	2005	
Rented area, ha		
Median	1.0	
Minimum	0.1	5.0
Maximum	7.0	
Rent rate, som/ha		
Median	2,000	
Minimum	60	1,000
Maximum	9,000	
Renting period, years		
Median	2	
Minimum	1	10
Maximum	5	
Availability of written agreement (% of all farms renting-in land)	77	100
Land owner (% of all farms renting-in land)		
Neighboring farm	59	
Relatives	10	
LRF	31	
Year of renting land from LRF		
Median		2003
Earliest		1995
Latest		2005
Farms wanting to rent-in more land ((% of all farms renting-in land)		59
Reasons preventing farms from renting-in more land (% of farms renting-in land) ¹²		
Nobody wants to lease out land		51
I do not know if there are farmers in my area who want to lease out land		51
I do not know the appropriate price for leasing		49
I do not know if it is legal to lease land		23 ¹³
I do not have the financial means to lease land		38
Others (specify)		26
No difficulties		15

¹¹ Respondents could choose up to three answers.¹² Respondents could choose up to three answers.¹³ 9 farms.

The situation with renting-in land is very similar to that with renting-out: approximately the same percentage of farms is involved into these relationships, type (mainly irrigated land, see footnote 10), area, rate, period, partner in renting relationship (mainly neighboring farm). Majority of people claim they have a written agreement with their land owner, this somewhat contradicts to rather low share of farms renting-out land and claiming availability of such contract with their tenants.

Majority of people would like to expand their rented-in area; most popular reasons for not expanding it include: lack of land for rent around and lack of knowledge on appropriate prices for leasing.

There is no statistically significant difference in rent rate and rent period depending on the type of owner of rented land. Of 12 farms renting-in land from LRF, 11 have written agreement. Because almost all farms are peasant farms without establishing legal entity, there is not farm type variation, and its relationship with type of land owner is not traceable.

Table 55. Purchasing land (7.10-7.13)

Farms, which bought land (% of all farms)	1.2	
Info on transactions	Irrigated land	Dry land
Farms, which purchased land of this type (% of all farms, which purchased land)	67	50
Year of purchase		
Median	2003	1997
Earliest	1993	1994
Latest	2005	1998
Area, ha		
Median	2.25	1.3
Minimum	1.7	0.5
Maximum	3.5	1.5
Price, som/ha		
Median	4,000	
Minimum	3,500	1,000
Maximum	15,000	
Farms perceiving price as fair (% of all farms, which purchased land)	100	100
Percentage of price has been paid	100	100
Seller (% of all farms, which purchased land)		
Neighboring farm	100	33
Relatives	0	33
Large farm	0	33
Possibility to purchase more land (% of all farms)		61
Difficulties with purchasing land ¹⁴ (% of all farms)		
Nobody in the area wants to sell land		23
I do not know who in the area wants to sell land		24
Difficult to determine appropriate land price		35
Land transaction process (legal rules, registration) is complicated		20
Land transaction process (legal aspects, registration) is expensive		10
Household does not have the financial means to purchase land		39
Other		2
No difficulties		3

¹⁴ Respondents could choose up to three answers.

Just 6 farms (1.2% of all farms) purchased land. These were plots with area of 1-2 ha and price much higher for irrigated land, than for dry. Main difficulties with land purchase are with lack of supply, no money to buy it and no established land pricing system. Complexity and high costs of legal procedures do not seem to be major impediment.

Because of small number of farms purchasing land, no disaggregation makes sense and no relationship with (almost uniform) farm type is traceable.

Table 56. Selling land (7.14-7.16)

Farms, which sold land (% of all farms)	0.4 (2 farms)
Type of land	Irrigated
Year of purchase	
I case	2004
II case	2005
Area, ha	
I case	0.1
II case	2.0
Price, som/ha	
I case	7,500
II case	10,000
Farms perceiving price as fair (% of all farms, which sold land)	100
Percentage of price has been paid	
I case	80
II case	100
Buyer (% of all farms, which sold land)	
Neighboring farm	50
Relatives	50
Reasons for selling land ¹³ (% of all farms, which sold land)	
To pay debts	50
Other (nobody can work on land)	50

Only two households sold their land – too little data for analysis.

Table 57. Use of land, which is not own and is not rented (7.17-7.19)

Farms using such land (% of all farms)	2.6
Source of this land (% of all farms using such land)	
Neighbor	39
Family member	8
Aiyl okmotu, land of low productivity	46
Other	8
Land area, ha	
Median	1.0
Minimum	0.2
Maximum	1.4

Few farms use land belonging to neighbors or aiyl okmotu and are of no use for owners.

Section VIII. Experience with Organizations

Table 58. Farms, which had contacts with organizations (% of all farms, 8.1)

Oblast	Rayon	Gos-register	Aiyl okmotu	Rayon Administration	Oblast Administration	Ministry of Agriculture	Center of Land and Agrarian Reform	Rural Committee
Chui – total		88	87	4	0	2	14	30
	Kemin	97	100	1	0	1	26	52
	Sokuluk	78	72	6	0	3	2	6
Osh – total		44	90	15	3	6	38	33
	Aravan	87	93	28	3	0	13	41
	Uzgen	10	87	5	3	11	57	27
Naryn – total		56	65	12	0	0	2	5
	At-Bashy	61	65	6	0	0	1	1
	Kochkor	38	66	31	0	0	3	17
Total sample		61	81	11	1	3	20	24

Majority of people had contacts with aiyl okmotu and Gosregister (less in Kochkor and Uzgen); significant number of farms in Osh oblast and Kemin rayon had experience with CLAR and rural committee, and in Aravan and Kochkor – with rayon administrations. Almost nobody had contacts with oblast administrations and the Ministry of Agriculture.

Table 59. Level of satisfaction with contacts with organizations (% of those, who had contacts, 8.1)

Oblast	Rayon	Very unsatisfied	Not satisfied	No opinion	Somewhat satisfied	Very satisfied
Gosregister						
Chui – total		1	3	32	45	19
Kemin		0	1	51	46	1
Sokuluk		2	6	8	43	41
Osh – total		5	32	15	48	0
Aravan		6	35	12	46	0
Uzgen		0	10	30	60	0
Naryn – total		4	7	4	84	0
At-Bashy		2	5	2	92	0
Kochkor		18	18	18	45	0
Total sample		3	13	20	56	8
Aiyl okmotu						
Chui – total		1	1	4	59	32
Kemin		0	0	0	67	33
Sokuluk		2	2	10	49	29
Osh – total		0	34	11	50	5
Aravan		0	13	6	71	10
Uzgen		0	51	15	32	1
Naryn – total		4	7	4	85	0
At-Bashy		0	6	5	89	0
Kochkor		16	11	0	74	0
Total sample		1	17	7	61	13
Rayon Administration						
Total sample		4	15	20	57	4
Oblast Administration						
Total sample		0	0	40	60	0
Ministry of Agriculture						
Total sample		7	7	14	71	0
Center of Land and Agrarian Reform						
Total sample		1	41	16	40	2
Rural Committee						
Total sample		1	6	16	65	13

Prevailing level of satisfaction with relationships with all organizations is "Somewhat satisfied"; only for CLAR the number of those who are somewhat or very satisfied is equal to those very or somewhat unsatisfied. In Uzgen people are not satisfied with their aiyl okmotu, and in Aravan people are more critical than usual with regards to Gosregister.

Section IX. Agricultural production

Table 60. Household plot info (% of all households, 9.1-9.3)

Oblast	Rayon	Availability of plot	Change in the role of household plot in domestic consumption					Selling of produce from the HH plot
			Significantly increased	Increased	No change	Decreased	Significantly decreased	
Chui – total		95	3	2	69	6	0	21
Kemin		99	1	3	93	1	0	1
Sokuluk		92	4	1	52	9	0	34
Osh – total		94	6	15	70	5	2	2
Aravan		89	7	23	64	4	3	0
Uzgen		97	6	10	74	6	1	3
Naryn – total		91	7	9	57	10	1	16
At-Bashy		97	10	11	63	11	2	3
Kochkor		80	0	6	44	8	0	42
Total sample		93	5	9	65	7	1	13

Majority of households have land plots near their houses and majority of households do not see big change in the role of these plots in their domestic consumption. People basically use products from household plots for own consumption, marketed part vary from 0% in Kemin to 52% in Aravan rayon.

Table 61. Reasons for cultivating own land share (% of all farms with land share, 9.4)

Oblast	Rayon	Provide food for the family	Provide work for family members	Earn cash income	Be independent	Other
Chui – total		83	2	12	2	1
Kemin		94	1	4	0	0
Sokuluk		71	3	20	5	2
Osh – total		59	6	34	0	1
Aravan		29	1	69	0	0
Uzgen		82	9	7	0	1
Naryn – total		75	3	13	7	2
At-Bashy		72	4	15	6	2
Kochkor		83	0	7	10	0
Total sample		71	4	21	3	1

The main reason for working on land share plot is “provision of food for family” with very closely linked reason “to earn money” going second. Working on land for employment or for independence does not appear to be popular answers.

Table 62. Change in gender responsibilities in household labor division (% of all households, 9.5)

Type of work	Households with the following gender responsibilities before receiving land certificate			Households with the following gender responsibilities now		
	Women	Men	Both	Women	Men	Both
Livestock / cattle	9	52	39	7	50	43
Poultry	21	28	51	19	35	46
Operating machinery	1	98	1	3	92	5
Fieldwork	2	69	29	3	51	46
Marketing	2	72	26	3	70	27
Administration, payments, paperwork	8	76	16	8	60	32
Overall management	4	75	21	4	70	26
Outside farm work as employee	4	39	58	5	45	51
Non-farm employment or self employment	13	35	52	12	27	61
Household work	95	2	3	92	3	5

The responsibilities of women and men for different types of work have not changed dramatically after the land reform. However, one could notice some shift from previously men's responsibilities to gender-neutral types of activities; examples are administration (the share of households, in which this has become responsibility of both women and men, has doubled), overall management and non-farm employment, where also there is some increase in the share of households, where both genders are involved. Increase in the role of women in fieldwork, which traditionally was men's area, arguably could be linked to large labor emigration of men leaving women to cultivate household's land.

Table 63. Use of inputs for crop production (9.6)

	Seeds	Organic fertilizers	Inorganic fertilizers	Pesticides and chemicals
Farms reporting use of this input (% of all farms with land)	63	14	21	22
Median quantity used, kg/ha	93	426	308	2
Farms purchasing this input (% of all farms using this input)	69	40	100	100
Share of farms purchasing all input they used, %	60	36	100	100
Main source of inputs (% of all farms using this input)				
Purchased from neighboring farm	11	11	4	1
Purchased from commercial supplier	47	16	91	98
Received from processor/trader as part of contract	1	4	3	0
Obtained from large farm in lieu of salary	1	4	0	0
Provided by NGO	0	0	0	0
Taken from own production	39	65	1	0
Other	1	2	2	1
Problems in obtaining production inputs				
Lack of cash	35	15	64	77
High price	59	16	95	95
Absence from the market	40	15	63	70
Low quality	35	15	34	39
Transportation problems	6	18	16	2
Other	0	0	1	0
No problems	36	65	2	5

Not all farms reported use of seeds, and minority uses fertilizers and chemicals. The role of purchased inputs depend on type of input: organic fertilizers are mainly produced on the farm, for seeds different people use own resources (31%), purchased resources (60%) or share these two (9%); and, obviously, all inorganic fertilizers and chemicals are purchased. Main source of all inputs apart from organic fertilizers are commercial suppliers, own production is important for organic fertilizers and, partially, for seeds. Key problems with inputs are high prices, lack of cash and absence from the market; low quality of inputs is also a problem for approximately one-third of people responding to this question.

Table 64. Production costs (9.7)

Types of costs	Median unit costs, som/ha	Median share in total costs, %
Labor costs (excluding household labor)	1429	18
Seeds and seedlings	889	10
Animal feed (excluding feed produced by household)	1760	32
Fertilizer (excluding fertilizer produced by household)	1600	16
Fuel	667	23
Electricity	480	8
Other oil products	359	4
Pesticides and chemical fertilizers	343	5
Spare parts	968	7
Other repair materials	429	6
Machinery services	862	26
Veterinary services	154	4
Consulting services	789	4
Insurance	567	5
Taxes and fees included in production costs	294	3
Land tax	360	6
Land rent	1759	15
Other costs	750	7
Total costs	3989	

The most important cost items for typical farm are animal feed, machinery services, and fuel. Other significant items are hired labor, fertilizers, land rent, and seeds and seedlings.

Table 65. Problems with increase in profitability (% of all farms. 9.8)

Types of problems	Not a problem	Somewhat of a problem	No opinion	A serious problem	The most serious problem
Do not own enough land	43	21	11	16	10
Not enough land available to lease in	33	32	13	15	8
Disputes over rights to land	62	13	15	7	4
Land is of poor quality	14	35	12	30	8
Not enough family members to help with labor	30	29	9	25	8
I am too old	57	14	22	5	3
Shortage of water for crops	22	33	10	25	10
Bad drainage	22	28	20	26	5
No good access roads	24	40	11	18	7
There is no marketplace to sell produce nearby	25	17	19	15	24
Prices of inputs too high	14	6	7	24	49
Prices for products are too low	3	18	7	20	52
Do not have access to good pastureland	19	21	32	18	11
I need more information about some aspects of farming	0	0	0	1	1
I can not get credit	25	33	24	9	9
No problems			10		

People are most concerned about low prices for their produce and high prices for production inputs. Next goes access to marketplace. Other important problems are environment- and long-term sustainability-related issues such as low quality of land, shortage of water for crops and bad drainage.

Table 66. Dynamic perception of different difficulties in farming and household keeping (rating based on scale from 1 “very difficult” to 5 very easy”, 9.9)

Difficulties	Before getting land certificate		Today		In five years	
	Mean	Median	Mean	Median	Mean	Median
Supporting household	2.77	2	2.55	2	3.17	3
Marketing agricultural production	3.41	3	2.94	2	3.74	2
Obtaining seeds and other inputs	3.23	3	2.53	2	3.56	3
Accessing agricultural equipment	3.18	2	2.56	2	3.40	3
Obtaining satisfactory irrigation	3.88	3.5	3.56	3	4.14	4
Obtaining loan for farm investments	3.04	2	3.28	3	4.02	3
Obtaining agricultural advisory services	4.01	3	4.22	4	4.81	5

With regards to majority of aspects of farming, people assess current situation as more difficult, than it was it was before getting land certificate, while difference is not very big. Notably, they see some easing in access to loans and agricultural advisory services, i.e., in the areas, which are relatively new for farmers and where aid provided to the Kyrgyz agriculture was considerable. People are pretty optimistic and expect that situation would become easier in five years. They are especially optimistic about irrigation (median rating is 4) and advisory services (median rating is 5).

Section X. Livestock and pasture use

Table 67. Change in livestock numbers in the course of restructuring (heads per farm, 10.1-10.4)

Livestock type	Number before restructuring			Number received during restructuring			Current number		
	Mean	Median	Maximum	Mean	Median	Maximum	Mean	Median	Maximum
Cows	1.9	1	11	1.9	1	10	2.8	2	30
Horses	1.8	1	20	1.4	1	10	2.2	1	15
Sheep	14.0	10	180	29.0	18	450	15.6	10	200
Goats	5.4	5	20	15.2	5	54	5.8	5	25
Donkeys	1	1	1	0	0	0	1.1	1	2
Pigs	3.1	2	10	0	0	0	2.9	2	6

During restructuring farms received numbers of cattle and horses comparable to that they had before it and much more sheep and goats that were in private property in pre-reform time. As a result, current numbers of livestock belonging to households are now higher, than before restructuring. However, the extent of increase is much smaller than numbers of livestock transferred to private property. Well-known problems of murrain, theft of animals and necessity to sell livestock were cited by respondents as reasons for this disproportionally low current numbers of animals.

Table 68. Sources of fodder for livestock (% of all farms, 10.5)

Oblast	Rayon	Grow on own land share	Buy from neighbors	Other (bazaar)
Chui – total		70	17	14
Kemin		91	9	0
Sokuluk		52	23	26
Osh – total		39	56	5
Aravan		49	46	5
Uzgen		32	62	6
Naryn – total		86	12	2
At-Bashy		92	6	2
Kochkor		70	30	0
Total sample		63	31	7

Majority of people grow fodder on their own land share; second important source of fodder is neighbors, especially in Osh oblast.

Table 69. Pasture use (10.6-10.7)

	Near pastures	Intensive pastures	Far pastures
Farms pasturing their livestock (% of all farms)		80	
Farms using these types of pastures for grazing (% of all farms pasturing their livestock):			
Cattle	64	25	18
Horses	23	14	8
Sheep	13	19	31
Goats	12	12	6
Donkey	5	0	0
Stock keeping of cattle			
Family members	77	49	14
Shepherd	21	41	82
Communal responsibility	2	8	2
Other	0	2	2
Stock keeping of horses			
Family members	89	31	21
Shepherd	11	63	79
Communal responsibility	0	4	0
Other	0	2	0
Stock keeping of sheep			
Family members	78	9	6
Shepherd	10	83	84
Communal responsibility	12	5	10
Other	0	3	0
Stock keeping of goats			
Family members	86	11	5
Shepherd	3	89	75
Communal responsibility	11	0	20
Other	0	0	0
Stock keeping of donkey			
Family members	100		
Shepherd	0	15	
Communal responsibility	0		
Other	0		
Period of keeping livestock on pastures (months)			
Median	7	5	6
Minimum	3	4	5
Maximum	11	12	12
Fee for pasturing			
Median	120	800	525
Minimum	40	48	2
Maximum	2000	6200	7000

Majority of farms use pastures for keeping their livestock. For cattle, horses and goats people more use near pastures, and for sheep – far pastures. Stock keeping of animals on near pastures is mainly responsibility of family members, and intensive and far pastures shepherd is largely in charge of it (for cattle, family members play important role on intensive pastures too). Period of pasturing, in average, is 5-7 months, and fee depends on many factors, but is about of few hundred of soms. The

¹⁵ Not enough responses.

highest fee is for use of intensive pastures. Fee information in the questionnaire is not disaggregated by type of livestock, so it is impossible to establish a relationship between, who is pasturing livestock, and fee amount.

Table 70. Other pasture-related questions (10.8-10.10)

Reasons for not-using far pastures (% of all households):

Poor road access	2
Far pasture is leased to someone else	5
Too far away	29
Other	2
Use of pastureland for any other purposes besides grazing animals (% of all households)	
Tourism	0
Crop growing	0
Herb gathering	1
Beekeeping	0
Other	0
Do not use for other purposes	99

The main reason for not-using far pastures is the long distance to them. People do not use pasture for purposes other than grazing animals.

Section XI. Land disputes

Table 71. Involvement in land disputes (% of all farms with land share, 11.1)

Oblast	Rayon	Farms, which were involved in land dispute
Chui – total		2
	Kemin	0
	Sokuluk	5
Osh – total		3
	Aravan	0
	Uzgen	6
Naryn – total		7
	At-Bashy	9
	Kochkor	0
Total sample		4

Just 4% of all farms were involved in land disputes. Because of few dispute cases in the sample, any disaggregation would not produce statistically significant results.

Table 72. Details of the disputes (% of all farms, which were involved in land disputes, 11.2-11.6)

Type of disputed land	
Irrigated land	78
Dry land	22
Subject of dispute	
Boundary	22
Division	50
Use	6
Water access	22
Another participant(s) of dispute	
Relatives	6
Neighbors	39
Aiyl okmotu	50
Other	6
Year of dispute start	
Median	1999
Earliest	1992
Latest	2005
Resolution of dispute achieved	
Yes	61
No	39

The land disputes were mainly related to irrigated land. Main subject of dispute is land division (half of cases). The most frequent another side of dispute was aiyl okmotu, and neighbors go second. Timing of disputes spread for the whole independence period. In 61% cases disputes were resolved.

Table 73. Dispute resolution (11.7-11.10)

Method of dispute resolution (% of all farms, which disputes had been resolved)	
Resolved by mutual agreement	27
Resolved by aiyl okmotu	64
Resolved by community leaders	9
Cost of dispute resolution, som	
Mean	105
Median	0
Minimum	0
Maximum	1000
Satisfaction with dispute resolution results (% of all farms, which disputes had been resolved)	
Satisfied	82
Not satisfied	18
Reasons for dispute to be unresolved (% of all unresolved cases)	
Corruption among officials	43
Incompetence of specialists	43
Refuse of the farm from dispute procedure	14

The main dispute resolution body appeared to be aiyl okmotu. The process is often costless, but in certain cases the cost go as high as 1000 soms. Majority of people are satisfied with dispute resolution results. Those, who did not manage to achieve dispute resolution, blame corruption and incompetence of officials in charge for resolution.

Section XII. Environmental issues

Table 74. Changes in environment after receiving of land certificate (% of farms with land share, 12.1)

Oblast	Rayon	Situation improved	No change	Situation worsened	No answer
Fertility of soil					
Chui – total		6	37	44	13
Kemin		0	20	78	1
Sokuluk		12	54	8	26
Osh – total		16	38	44	2
Aravan		9	20	69	1
Uzgen		22	53	24	2
Naryn – total		1	75	25	0
At-Bashy		1	91	8	0
Kochkor		0	21	79	0
Total sample		9	48	38	5
Erosion of crop land					
Chui – total		4	73	9	13
Kemin		0	88	10	1
Sokuluk		9	57	8	26
Osh – total		9	33	56	2
Aravan		5	25	68	1
Uzgen		12	39	46	2
Naryn – total		2	61	37	1
At-Bashy		2	61	36	1
Kochkor		0	62	38	0
Total sample		6	54	36	5
Quality of irrigation water					
Chui – total		1	75	11	13
Kemin		0	99	0	1
Sokuluk		2	49	23	26
Osh – total		19	37	41	2
Aravan		24	49	25	1
Uzgen		15	28	54	3
Naryn – total		5	79	15	1
At-Bashy		5	84	10	1
Kochkor		3	66	31	0
Total sample		9	61	24	5
Quality of potable water					
Chui – total		19	43	25	13
Kemin		23	38	38	1
Sokuluk		15	48	11	26
Osh – total		3	43	50	3
Aravan		0	45	53	1
Uzgen		6	41	47	5
Naryn – total		12	80	8	0
At-Bashy		14	81	4	0
Kochkor		3	76	21	0
Total sample		11	54	30	6
Quality of near pastureland					
Chui – total		1	39	47	13

Kemin	0	54	45	1
Sokuluk	2	23	49	26
Osh – total	8	70	13	9
Aravan	9	73	7	11
Uzgen	7	67	18	8
Naryn – total	6	81	13	0
At-Bashy	7	89	4	0
Kochkor	0	55	45	0
Total sample	5	63	24	8

Quality of intensive pastureland

Chui – total	1	35	44	20
Kemin	0	45	54	1
Sokuluk	2	25	34	40
Osh – total	6	74	10	10
Aravan	5	80	4	11
Uzgen	6	70	14	9
Naryn – total	17	75	8	0
At-Bashy	20	76	4	0
Kochkor	7	72	21	0
Total sample	7	63	20	10

Quality of far pastureland

Chui – total	1	45	33	22
Kemin	1	68	29	1
Sokuluk	0	20	37	43
Osh – total	8	70	12	10
Aravan	4	81	4	11
Uzgen	11	61	19	9
Naryn – total	28	67	6	0
At-Bashy	31	65	4	0
Kochkor	17	72	10	0
Total sample	12	61	17	11

With regards to all environmental issues, majority of farmers see no change; however, the number of those seeing worsening of situation is not small as well (especially regarding soil fertility and erosion of crop land), and in all case it is larger than the number of perceiving environmental change as improvement.

Regarding declining *fertility of soil* and *erosion of crop land*, the main comments people give are: “No money to buy fertilizers,” “No rest for land,” “Inappropriate use of land/no crop rotation”, and “The climate has changed.” For the *quality of irrigation water* and *potable water*, main comments are: “Water is contaminated” and “Water treatment facilities have been rebuilt¹⁶.” Effect on pasture land quality has been characterized by the following comments: “The climate has changed,” “Inappropriate use of pastures,” “Reduction in livestock numbers” and “Pastures have been reallocated to land shares¹⁷”.

¹⁶ In those places, where people positively assess water quality change.

¹⁷ In Sokuluk rayon.

Section XIII. Access to common property resources

Table 75. Availability of access to common property sources (% of all farms, 13.1)

Oblast	Rayon	Farms with access to common property resources
Chui – total		46
	Kemin	97
	Sokuluk	10
Osh – total		4
	Aravan	0
	Uzgen	7
Naryn – total		22
	At-Bashy	21
	Kochkor	24
Total sample		24

Only in Kemin majority of people said they have access to common property; the access is also significant in Naryn oblast.

Table 76. Changes in access to common property sources (% of all farms having access, 13.2)

Types of resources	Access increased	No change	Access decreased
Animal grazing	8	50	42
Grasses/herbs		25	75
Firewood	4	16	80
Wild animals		7	93
Materials for construction		29	71
Fish		4	96
Berries	1	10	89
Nuts		3	97

For all types of resources, people see dramatic deterioration of access to them.

Section XIV. Gender issues

Table 77. Number of people getting food in household (% of all households, 14.2-14.3)

	0	1	2	3	4	5	6	7	8	9	10
People 15+ years old	1	5	31	23	19	12	5	2	1	0	0
Children 0-14 years old	33	24	24	14	5	1	-	-	-	-	-

Median number of adults in the household was 3 and median number of children was 1. This is consistent with data of table 2.

Table 78. Food consumption in household (14.4)

Product	Consumption per capita during last 7 days (som)		Share of households, which purchase all consumed amount of the product, %	Share of households, which produce themselves all consumed amount of the product, %
	Median	Maximum		
Rice	10	90	87	12
Vegetable oil	8	273	86	14
Beans	5	22	94	6
Sugar	8	150	96	4
Bread, flour, cereals, and macaroni	26	500	73	24
Tea	5	50	97	3
Fresh fruits	5	50	86	14
Other fruits or nuts	6	43	78	21
Fresh vegetables	6	68	83	17
Canned fruits and vegetables	13	150	16	84
Potato	12	125	38	62
Eggs	7	30	57	43
Poultry	27	175	19	80
Fish	0	50	97	3
Meat	30	300	65	35
Milk and dairy products	10	70	40	60
Alcohol-free beverages	5	70	95	5
All listed food products	140	830		53 ¹⁸

Main items in household food basket in terms of costs are meat (including poultry) and bread and related products. Some food items are usually purchased (tea, sugar, rice, etc.), and others are produced by households themselves (e.g., poultry, potato, dairy). In general, domestically produced food composes about half of total food costs.

¹⁸ Median share of domestically produced food in total food costs.

Table 79. Non-food consumption in household (14.5)

Commodity	Consumption per capita during last year (som)		Family member responsible for purchases (% of all household in the category)					
	Median	Maximum	Female-headed households			Male-headed households		
			Head	Spouse	Other	Head	Spouse	Other
Women's clothes	250	4167	73	11	16	20	67	13
Men's clothes	240	3378	44	27	33	36	51	13
Children's clothes	200	4000	51	26	23	22	60	18
Women's footwear	167	3333	68	13	19	22	62	16
Men's footwear	160	2667	43	30	27	41	45	16
Children's footwear	117	2009	47	22	31	23	58	19
Education	85	12000	44	33	23	27	54	19
Health	100	10000	75	13	12	37	47	16
Small electrical appliances for kitchen	72	2000	69	15	16	38	45	17
Pots and pans	60	2500	65	17	18	37	52	11
Small electrical goods	85	600	56	11	23	52	32	16
Durable goods	343	7875	80	20	0	74	15	11
Video and audio equipment	400	5000	36	46	18	67	22	11
Vehicles	278	27333	0	67	33	67	14	19
All listed commodities	1360	37333						

Key non-food commodities in terms of costs are clothes, electrical equipment (including video and audio), and footwear. Main person in charge for purchases of non-food items in a household is either female head of household, or spouse of male head of household. The role of men is high in purchases of video and audio equipment, vehicles, durable goods, and, to a lesser extent, of small electric goods, men's footwear and clothes.

Table 80. Land share stuff (% of all households, 14.6-14.9)

Oblast	Rayon	Received land share	Participated in the land share allocation	Own land share now	Reasons for not having land share now	
					Remained in the parents' farm	Other
Chui – total		79	41	67	9	4
Kemin		99	40	75	22	1
Sokuluk		65	42	61	0	6
Osh – total		87	56	87	3	7
Aravan		99	52	91	8	0
Uzgen		79	59	85	0	12
Naryn – total		70	21	68	9	7
At-Bashy		80	21	79	11	7
Kochkor		50	20	48	4	6
Total sample		79	40	74	7	6

Majority of women-respondents received their land share (with just half of them getting it in Kochkor and less than two-thirds in Sokuluk). Less than half of women participated in the process of land share allocation; especially low this share was in Naryn oblast. Currently about three-fourth of respondents have their land (again, with lower shares in Kochkor and Sokuluk). Those, who currently do not own any land, often left it in the farm of their parents; another popular reason is leaving the share to children.

Table 81. Women, which had land share, but lost it (14.6, 14.8)

Ethnicity	Number	Share in total number of women, which had land, %
Kyrgyz	21	7
Uzbek	4	8
Russian	4	11
Other	3	25

The number of women, which lost their land share, is not large enough in order to trace its relationship with ethnicity.

Just 8 Kyrgyz and 2 Russian women did not have land share earlier, but received it now.

Table 82. Women, which have land, but are not listed in land certificate

Ethnicity	Number	Share in total number of women having land, %
Kyrgyz	43	16
Uzbek	30	63
Russian	0	0
Other	1	11

The situation, when woman have land, but this fact has not been properly reflected in land certificate, is typical for Uzbek women and happens with Kyrgyz women (one-sixth of cases); no Russian woman reported such situation.

Table 83. Land certificate issues (% of all households, 14.10-14.11)

Rayon	Respondent's name included into land certificate			Importance of having the name to be included into land certificate				
	Yes	No	Do not know	Is not important	Oblast	Does not matter	Important	Very important
Chui – total	99	1	0	2	8	6	79	5
Kemin	100	0	0	4	10	0	84	1
Sokuluk	98	2	0	0	5	12	74	9
Osh – total	62	21	17	9	9	31	40	11
Aravan	53	41	7	16	14	51	15	4
Uzgen	69	5	25	3	6	16	59	16
Naryn – total	85	11	3	3	4	7	56	29
At-Bashy	84	12	4	3	4	8	56	28
Kochkor	90	10	0	3	3	3	59	31
Total sample	80	12	8	5	7	16	57	14

Almost all respondents are included into land certificates in Chui oblast, about five-sixth in Naryn oblast, and just above 60% in Osh oblast with only 53% in Aravan rayon. This data somewhat correlate with the attitude of respondents to the importance of inclusion their names in land certificates: it is important or very important for 84-85% in Chui and Naryn oblasts, and for only 51% in Osh oblast.

Table 84. Changes in land certificate related to change of household head (14.12-14.16)

Head of household at the moment of land share allocation (in relation to respondent, % of all households)	
Herself	12
Husband	69
Father	11
Mother	2
Father-in-law	5
Son	0
Other	1
Current head of household (in relation to respondent, % of all households)	
Herself	15
Husband	69
Father	6
Mother	2
Father-in-law	6
Son	1
Other	2
Reasons for change of household head (% of all households)	
Household head died	4
Respondent married	3
Another member of household has become its head	2
Other	3
Due to this change, the land certificate has been changed to the name of respondent (% of all households reporting the change)	
Yes	20
No	60
Do not know	20
This change has been registered (% of all households, where the name on land certificate was changed)	
Yes	100
No	0
Do not know	0

There were not dramatic changes in heads of households since the moment of land share allocation. In 12% of households, head has changed, mainly because of death of previous head, marriage and transfer of head's responsibilities to other family member. This change has been reflected in land certificate just in 20% of cases and this change has always been registered.

Table 85. Land inheritance (14.17-14.20)

Respondents, which inherited land (% of all households)	2
Any disputes regarding this land (% of all households)	0

Very few respondents inherited land, and they had no disputes over it.

Table 86. Land share after marriage (14.21-14.23)

Married women (% of all respondents)	81
Availability of land share in the parents' farm before marriage (% of all married women)	10
What happened with the land share after marriage (% of all women, who had land share before marriage)	
Abandoned without any economic benefit for herself	86
Sold to family members on the basis of market price	6
Presented to family members	3
Hold ownership on the share	3
Other	3

Majority of women are married; only few of them (10%) had their land share before marriage, they are mainly Kyrgyz with few Uzbek. After marriage almost everybody abandoned this land in the parents' farm without any compensation.

Just three women (<1% of all respondents) reported that they are divorced (question 14.24) and answered questions 14.25-14.33. One of them keeps her house after divorce, and two other – do not; all three continue to own their land. No one was forced to sell house or land; all three cultivate the land with their children. Only one woman had a dispute with her husband about land, house and property; in the course of the dispute she lacked of information on her rights. The dispute was settled by aiyl okmotu, and she considers that it was resolved fairly.

Table 87. Source of information on the ability to sell, lease or inherit land¹⁹ (% of all households, 14.34)

Training program/project/NGO	4
Aiyl okmotu	13
Communal organizations	0
Husband	24
Other women	6
Media	19
Do not have such information	37

More than one-third of women do not have enough information on the land transaction rights and rules. Those, who have this info, received it mainly from husband, media, and aiyl okmotu.

Table 88. Important aspects of land share (% of all households, 14.35)

	Is not important	Somewhat important	Very important	No answer
Source of food for family	11	22	59	8
Source of income for household	4	25	63	9
Possibility to hand down or present	11	32	48	9
Possibility to sell	17	35	40	9
Possibility to rent-out	18	38	33	11

Women consider all listed aspects as important, but especially value their land shares as source of living (food and income).

¹⁹ More than one response was possible.

Table 89. Influence of different types of land on household income (% of all households, 14.36)

	Do not influence	Somewhat influence	Strongly influence	No answer
Household plot	13	43	33	11
Irrigated land	3	23	63	12
Dry land	27	43	17	13
Pasture	26	35	21	17

The most productive irrigated land is considered by respondents as the most important for their family income. Household plot goes second.

Table 90. Influence of religion, tradition and law on women's land right use (% of all households, 14.37)

	Rights with regards to land					
	To purchase	To sell	To lease	To inherit	To use	To hand down to children
Religion:						
Does not influence the right	65	53	63	52	65	50
Somewhat influences the right	14	22	16	20	12	17
Strongly influences the right	2	6	2	8	2	11
No answer	18	20	20	21	21	22
Tradition:						
Does not influence the right	42	31	45	32	46	28
Somewhat influences the right	34	39	31	34	26	33
Strongly influences the right	4	8	3	11	5	13
No answer	21	22	21	23	24	26
Law:						
Does not influence the right	21	11	30	15	32	14
Somewhat influences the right	31	34	28	28	25	26
Strongly influences the right	35	42	28	42	29	44
No answer	13	14	14	16	15	16

It appeared to be little variation in assessment of the role of different institutions across different types of land rights. In general, respondents put the largest weight to law as a regulatory mechanism for the rights implementation; traditions are the next in influence; and religion is perceived as the least important in these issues.

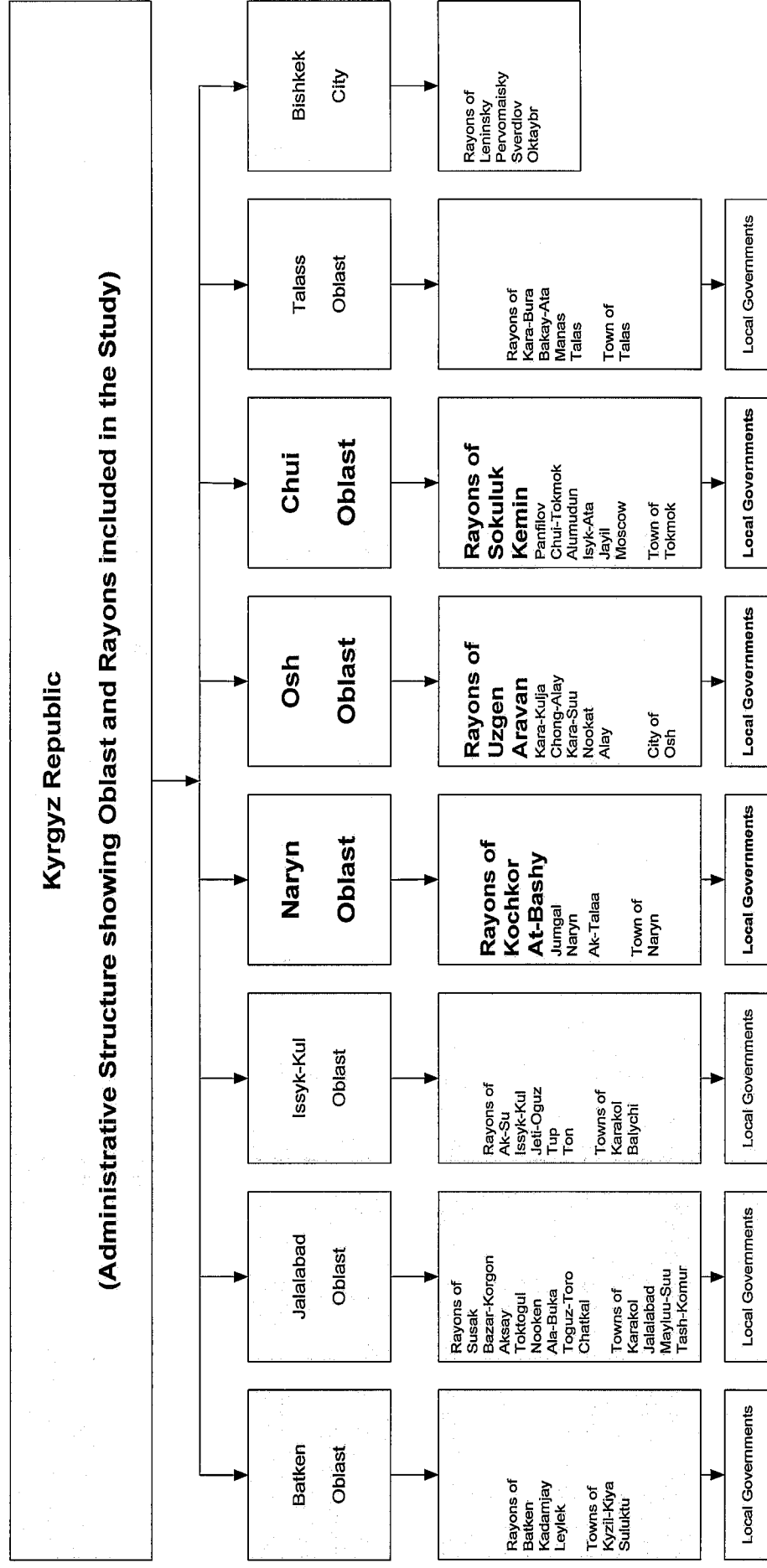
Table 91. Time use of household members (14.38)

	Women						Men					
	Age <15			Age 15+			Age <15			Age 15+		
	Mean	Median	Maximum	Mean	Median	Maximum	Mean	Median	Maximum	Mean	Median	Maximum
Time use during agricultural season (hours/day)												
Work on own farm	1.4	0	12	3.2	3	13	1.9	1	12	5.7	6	17
Work on farms of other people	0.1	0	10	0.1	0	10	0.1	0	4	0.3	0	12
Non-agricultural employment or self-employment	1.8	0	10	2.2	0	12	2.2	0	8	2.5	2	12
Cooking, cleaning, child care	1.4	1	12	3.9	4	15	0.7	0	12	0.5	0	12
Personal time (eating, sleep)	9.8	10	15	8.9	10	14	9.7	10	15	8.9	10	15
Spare time	6.1	5	15	3.3	2	18	5.4	4	14	3.3	2	16
Time use during remaining part of a year (hours/day)												
Work on own farm	1.0	0	12	2.0	2	16	1.3	0	12	3.2	3	11
Work on farms of other people	0.1	0	5	0.1	0	9	0.1	0	3	0.2	0	12
Non-agricultural employment or self-employment	1.9	0	8	2.4	2	12	2.4	0	8	3.0	3	12
Cooking, cleaning, child care	1.4	1	10	4.1	4	15	0.7	0	12	0.7	0	12
Personal time (eating, sleep)	9.8	10	15	9.3	10	14	9.9	10	15	9.4	10	15
Spare time	6.4	6	14	3.8	3	15	5.6	5	14	4.4	4	15
Time use during agricultural season (days/month)												
Livestock breeding	2.7	0	30	6.2	0	30	4.7	0	30	6.9	3	30
Poultry/small animals	3.9	0	30	5.9	0	30	5.2	0	30	4.9	0	30
Use of machinery	0.1	0	10	0.2	0	30	0.1	0	10	1.3	0	30
Field works	1.6	0	15	3.8	0	30	2.5	0	16	9.0	6	30
Selling of produce	0.5	0	16	1.0	0	30	0.4	0	14	2.0	0	30
Administration, payments and paperwork	0.0	0	0	0.2	0	20	0.0	0	2	0.8	0	24

Obviously, during agricultural season people spend more time on farm work than during remaining part of a year, when they have more time for non-agricultural work and rest. One could notice age- and gender-related division of labor within households; however, differences between genders are distinctive (especially during agricultural season). Men spend more time on work on their farm, non-agricultural employment, and selling of produce, while women do participate in these types of work, but spend much more time on housekeeping and child care. The degree of involvement of children (both boys and girls) into different types of work is not small. In terms of types of work, men spend more time on field works, livestock breeding, machinery use, non-agricultural employment, and administration; women

Annex 8: Administrative Structure: Oblasts and Rayons included in the Study

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Annex 9: Descriptives of Enterprises in the BASIS surveys

Legal form of enterprise

	#			%		
	1999	2001	2003	1999	2001	2003
Unknown	n/a	4	0	n/a	1.3%	0.0%
Cooperative (commercial)	n/a	12	20	n/a	4.0%	6.6%
Peasant farm (group)	n/a	142	88	n/a	47.0%	29.1%
Peasant farm (person)	n/a	128	180	n/a	42.4%	59.6%
Public enterprise	n/a	9	7	n/a	3.0%	2.3%
Other (explain)	n/a	7	7	n/a	2.3%	2.3%
Total	n/a	302	302	n/a	100.0%	100.0%

Changes in legal status

	#		%	
	1999-2001	2001-2003	1999-2001	2001-2003
Changed	n/a	131	n/a	44.0%
Not changed	n/a	167	n/a	56.0%
Changed:				
It has become a peasant farm registered as a physical person		79		60.3%
...from being a peasant farm registered as a legal entity (e.g. group farm)		68		
...from being a cooperative		5		
...from being a public enterprise		2		
...from other		4		
It has become a peasant farm registered as a legal entity (e.g. group farm)		27		20.6%
...from being a peasant farm registered as a physical person		24		
...from being a cooperative		2		
...from being a public enterprise		1		
It has become a cooperative farm		16		12.2%
...from being a peasant farm registered as a legal entity (e.g. group farm)		12		
...from being an individual peasant farm registered as physical person		2		
...from other		2		
It has become a Public or other enterprise		9		6.9%

Workers and their families

	#			Average		
	1999	2001	2003	1999	2001	2003
Number of families per farm	18,238	11,124	6,377	60.4	36.8	21.1
Number of family members per farm	145,178	49,253	35,667	480.7	164.7	118.1
Number of workers per farm	20,198	14,272	15,987	66.9	47.7	52.9

Number of families per farm type

	#			Percentage		
	1999	2001	2003	1999	2001	2003
Unknown	n/a	13.8	0	n/a	2.1%	0.0%
Cooperative (commercial)	n/a	367.3	124.7	n/a	56.9%	50.5%
Peasant farm (group)	n/a	24.6	30.1	n/a	3.8%	12.2%
Peasant farm (person)	n/a	10.9	3.4	n/a	1.7%	1.4%
Public enterprise	n/a	83.2	9.1	n/a	12.9%	3.7%
Other (explain)	n/a	146.3	79.4	n/a	22.6%	32.2%
Total	n/a	646.1	246.8	n/a	100.0%	100.0%

Number of family members per farm type

	#			Percentage		
	1999	2001	2003	1999	2001	2003
Unknown	n/a	56	0	n/a	2.2%	0.0%
Cooperative (commercial)	n/a	1415	775	n/a	56.8%	57.6%
Peasant farm (group)	n/a	126	161	n/a	5.1%	12.0%
Peasant farm (person)	n/a	63	18	n/a	2.5%	1.3%
Public enterprise	n/a	257	73	n/a	10.3%	5.4%
Other (explain)	n/a	574	320	n/a	23.0%	23.7%
Total	n/a	2490.3	1346.2	n/a	100.0%	100.0%

Number of workers per farm type

	#			Percentage		
	1999	2001	2003	1999	2001	2003
Unknown	n/a	17.5	0.0	n/a	3.1%	0.0%
Cooperative (commercial)	n/a	297.7	376.8	n/a	52.5%	61.8%
Peasant farm (group)	n/a	45.3	65.8	n/a	8.0%	10.8%
Peasant farm (person)	n/a	21.2	8.7	n/a	3.7%	1.4%
Public enterprise	n/a	139.4	39.7	n/a	24.6%	6.5%
Other (explain)	n/a	45.6	118.3	n/a	8.0%	19.4%
Total	n/a	566.7	609.2	n/a	100.0%	100.0%

Number of families per farm

	#			%		
	1999	2001	2003	1999	2001	2003
Number of families = 0	11	9	0	4%	3%	0%
Number of families = 1	71	81	112	24%	27%	37%
Number of families = 2	30	36	41	10%	12%	14%
Number of families = 3	31	33	27	10%	11%	9%
Number of families = 4	22	21	21	7%	7%	7%
Number of families = 5	20	21	17	7%	7%	6%
Number of families = 6-10	31	26	31	10%	9%	10%
Number of families = 11 - 100	59	51	38	20%	17%	13%
Number of families = 101 - 1000	24	22	15	8%	7%	5%
Number of families > 1000	3	2	0	1%	1%	0%
Total	302	302	302	100%	100%	100%

Livestock

	#			Average		
	1999	2001	2003	1999	2001	2003
Total cattle				38.6	22.1	18.4
of which milking cows	3450	3208	2930	17.3	10.6	9.7
Total sheep						
of which ewes		18925	13779		62.7	45.6
of which rams		1249	855		4.1	2.8
of which lambs		9515	8013		31.5	26.5
Total goats						
of which does		4856	3391		16.1	11.2
of hich billy-goats		505	347		1.7	1.1
of which others		3951	3800		13.1	12.6

Crop areas sown (ha)

	# Observations			Average		
	1999	2001	2003	1999	2001	2003
01- Winter wheat	147	124	144	91.8	69.1	59.2
02- Spring wheat	59	39	56	36.7	42.3	15.6
04- Spring barley	37	18	36	65.2	61.8	41.2
05- Corn	33	32	32	7.0	13.2	6.1
10- Tobacco	14	6	11	14.1	57.0	30.3
11- Cotton	35	43	28	30.8	29.9	19.8
12- Sugar beet	24	17	3	28.2	33.9	29.9
14- Sunflower	32	29	21	10.7	5.4	12.4
27- Lucerne	20	10	18	50.6	10.5	25.1
28- Sainfoin (esparcet)	29	28	29	50.0	25.7	30.5

Crop yields (100 kg/ha)

	# Observations			Average		
	1999	2001	2003	1999	2001	2003
01- Winter wheat	144	123	113	28.2	26.7	31.9
02- Spring wheat	56	34	39	18.2	18.6	21.3
04- Spring barley	36	17	16	18.2	17.9	21.8
05- Corn	32	31	35	48.3	53.5	53.9
10- Tobacco	11	5	5	21.7	24.4	25.0
11- Cotton	28	36	37	25.4	28.0	23.0
12- Sugar beet	3	2	27	165.7	208.0	214.8
14- Sunflower	21	20	30	12.4	19.9	15.1
27- Lucerne	18	10	7	44.3	43.5	54.9
28- Sainfoin (esparcet)	29	28	20	57.6	59.1	59.0

Area of land (irrigated and dry) used

	Total land			Average		
	1999	2001	2003	1999	2001	2003
Per farm enterprise [ha]:				169.3	176.8	90.1
land owned	37819.00	45275.00	14392.00	125.2	149.9	47.7
land rented-in	13185.43	8001.30	12614.18	43.7	26.5	41.8
Per family connected in the farm [average ha/p]						
Unknown		398.72	0.00		99.7	0.0
Cooperative (commercial)		17504.72	7294.98		1458.7	364.7
Individual peasant farm registered as legal entity		15129.21	6311.83		106.5	71.7
Individual peasant farm registered as physical person		6479.98	4545.71		50.6	25.3
Public enterprise		10870.40	4118.50		1207.8	588.4
Other		2893.02	4735.46		413.3	676.5

Area of land owned

	#			Average		
	1999	2001	2003	1999	2001	2003
Per farm enterprise [ha]:						
irrigated land	16161.35	16559.46	10011.90	53.51	54.83	33.15
dry land	4573.91	5636.99	3709.13	15.15	18.67	12.28
perennial	334.37	310.85	181.91	1.11	1.03	0.60
hay fields	1911.95	1041.45	489.36	6.33	3.45	1.62
pastures	14831.83	21726.00	6926.46	49.11	71.94	0.00

Area of irrigated land owned per farm type

	#			Average		
	1999	2001	2003	1999	2001	2003
Per family connected in the farm [average ha/p]						
Unkown		13.66	0.00		3.42	0.00
Cooperative (commercial)		13.76	85.37		1.15	4.27
Individual peasant farm registered as legal entity		361.11	243.69		2.58	2.80
Individual peasant farm registered as physical person		283.58	413.43		2.31	2.30
Public enterprise		44.19	156.53		5.52	25.86
Other		8.53	9.49		0.54	1.36

Area of dry land owned per farm type

	#			Average		
	1999	2001	2003	1999	2001	2003
Per family connected in the farm [average ha/p]						
Unkown		0.44	0.00		0.11	0.00
Cooperative (commercial)		12.48	31.65		1.04	1.58
Individual peasant farm registered as legal entity		74.33	59.66		0.53	0.69
Individual peasant farm registered as physical person		29.87	92.33		0.24	0.50
Public enterprise		5.42	136.24		0.68	22.71
Other		1.95	4.74		0.27	0.68

Area of perrenial crops land owned per farm type

	#			Average		
	1999	2001	2003	1999	2001	2003
Per family connected in the farm [average ha/p]						
Unkown		0.00	0.00		0.00	0.00
Cooperative (commercial)		0.17	1.55		0.01	0.08
Individual peasant farm registered as legal entity		2.89	11.18		0.02	0.13
Individual peasant farm registered as physical person		16.43	11.21		0.13	0.06
Public enterprise		2.61	21.58		0.33	3.60
Other		0.00	1.23		0.00	0.18

Area of hayfields owned per farm type

	#			Average		
	1999	2001	2003	1999	2001	2003
Per family connected in the farm [average ha/p]						
Unkown		2.12	0.00		0.53	0.00
Cooperative (commercial)		0.91	15.44		0.08	0.77
Individual peasant farm registered as legal entity		66.57	20.74		0.48	0.24
Individual peasant farm registered as physical person		13.21	33.04		0.11	0.19
Public enterprise		3.68	0.00		0.46	0.00
Other		0.42	0.50		0.00	0.07

Area of pasture owned per farm type

	#			Average		
	1999	2001	2003	1999	2001	2003
Per family connected in the farm [average ha/p]						
Unkown		6.50	0.00		1.63	0.00
Cooperative (commercial)		17.44	3.37		1.45	0.17
Individual peasant farm registered as legal entity		93.03	148.10		0.66	1.70
Individual peasant farm registered as physical person		46.39	1120.74		0.38	6.44
Public enterprise		408.60	103.06		51.07	0.00
Other		0.00	0.00		0.00	0.00

Annex 10: Aid Agencies

ADB

782. ADB is a multilateral development finance institution dedicated to reducing poverty in Asia and the Pacific. Established in 1966, ADB is now owned by 63 member countries. Kyrgyz Republic is a member of ADB since 1994.

783. ADB started its operations in the Kyrgyz Republic in 1994 and established its Resident Mission in Bishkek in April 2000.

784. In the initial years of operation, ADB's assistance to the country supported strategically important projects and policy initiatives. The strategic focus of ADB assistance changed in 2000 when poverty reduction has become the overarching objective of ADB's development assistance for the Kyrgyz Republic. To accomplish this, ADB supports the country in:

- agriculture and rural development to induce further productivity and expand exports;
- transport sector to promote economic growth by increasing regional trade and cooperation by rehabilitating the road linking the Kyrgyz Republic, Uzbekistan, and China;
- financial sector to strengthen the banking system, improve depositor confidence, deepen bank intermediation; and
- basic education and early childhood development.

World Bank

785. The World Bank (International Bank for Reconstruction and Development and the International Development Association, IDA,) was established concurrently with the International Monetary Fund (IMF) following the resolution of the United Nations International Bretton-Woods Conference in 1944.

786. Since 1946, the World Bank has been operating as a specialized financial institution of the United Nations, with headquarters in Washington D.C. U.S.A. with country offices in 100 countries around the world, including this office in the Kyrgyz Republic. There are 184 member countries.

787. The International Finance Corporation (IFC) is the private sector arm of the World Bank and is owned by its 175 member countries. IFC was founded in 1956 to promote development through catalyzing private sector investments in developing countries.

788. From the period of joining of the KR to the WB membership in September 1992 KR obtained obligations for more than US\$ 718 million for 33 projects financed by IAD.

789. IFC liaison office in Bishkek was opened in 1997 and is co-located with the World Bank. The office is staffed by a local Country Officer and a Team Assistant, with oversight by IFC Regional Representative who is based in Almaty, Kazakhstan.

790. Since the Kyrgyz Republic joined the World Bank in September 1992, it has received commitments of over US\$ 718 million for thirty three IDA-funded projects. In addition two regional projects are grant funded (of which the Kyrgyz is about US \$6 million) by the Global Environment Facility (GEF). In 2005 the World Bank's Board of Executive Directors approved a US\$25 million grant for a Central Asia AIDS Control Project.

791. The Kyrgyz Republic borrows from the World Bank on highly concessional terms. No interest is charged, grace period is ten-years, and credit repayment term is 40 years. Starting from 2003, the World Bank substantially increased grant financing of programs up to 30 percent. Further increase of grant financing is envisioned.

792. The Kyrgyz Republic also joined the International Finance Corporation in 1992. The IFC liaison office, opened in 1997, is co-located with the World Bank office in the Kyrgyz Republic.

IFC Mission

793. IFC mission is to promote sustainable private investment in developing countries to reduce poverty and improve people's lives. IFC believes that a thriving private sector led by entrepreneurs, companies, and investors – foreign and domestic alike – is a real engine of economic growth, employment creation, and technology and skills development in emerging markets. And long-term economic growth is essential for poverty reduction. In partnership with private investors, IFC provides loan and equity finance for business ventures in developing countries and helps them stimulate the flow of savings and investment.

UNDP

794. UNDP is the UN's global development network, advocating for change and connecting countries to knowledge, experience and resources to help people build a better life. UNDP is on the ground in more than 166 countries, working with them on their own solutions to global and national development challenges. As they develop local capacity, they draw on the people of UNDP and its wide range of partners.

795. The UNDP office in the Kyrgyz Republic was opened in 1993 and is involved in various activities on building the country's capacity for further development. The basis for a successful program implementation is a high degree of the national partnership.

796. UNDP in the Kyrgyz Republic plays a major role in strengthening democratic and market oriented reforms at the national and local levels, thus creating effective models for poverty alleviation and achieving the Millennium Development Goals (MDG's) by 2015. UNDP program approach to country's development challenges – the Second Country Cooperation Framework 2000-2004 and the Country Program 2005-2010 – is consistent with both policy focuses and timing of the Comprehensive Development Framework (CDF)/ National Poverty Reduction Strategy (NPRS).

797. UNDP links its policy-driven programs and projects to and builds strong partnership with the Government, Parliament, civil society organizations and other national and programs international partners in addressing strategic development challenges for the country's democratic transition.

798. UNDP in the Kyrgyz Republic portfolio currently includes six programmes:

- National Governance Program
- Poverty Reduction Program
- Local Self-Governance Program
- Preventive Development Program
- HIV/AIDS Prevention Program
- Environment Program (Global Environment Facility/GEF, Local Initiatives for Urban Environment/LIFE)

799. UNIFEM assists evaluation of impact of agrarian reform on women in Kyrgyzstan. From 2002 it implements the Project "On "Strengthening of economic protection of women during the process of the agrarian reform in Kyrgyzstan".

800. The achievements of the first stage allowed UNIFEM to attract financial means from Norway government EVRO 1 million to continue the project. At the second stage UNIFEM will continue to strengthen the security of rural women by training them new methods of agricultural production, livestock, marketing, etc.

801. The activity of UNIFEM is interested and the supported by the Government. In March of 2004 UNIFEM organized international conference on evaluation of land and agrarian reform in the KR. In its frame the section "On gender measurement of agrarian reform" worked and where economic situation of women and further strategies of women rights were discussed.

TACIS

802. European Union's TACIS Program is the means of rendering technical assistance to the country. The program is the European Union's initiative to provide grant finance for the transfer of know-how to promote market economies and democratic societies in the New Independent States and Mongolia. Starting from 1991 to 2004, the TACIS Program allocated almost Euro 85 million for implementation of projects in the Kyrgyz Republic.

803. The new TACIS Indicative Program for the region aims to reach the mentioned targets via three 'directions': 1) actions and initiatives in the framework of regional cooperation; 2) regional support to programs implemented on national levels; and 3) social and economic support to the most vulnerable strata of the population in pilot districts (rayons).

USAID

804. The United States Agency for International Development (USAID) under the leadership of the U.S. Ambassador is responsible for U.S. development assistance to Kyrgyzstan.

805. USAID assistance to Kyrgyzstan has been broad. It has included help with fiscal reform, private enterprise, the financial sector, legal reform, elections and civil society, local government and health. Since 1992, the United States through USAID/Central Asian Republics (USAID/CAR) has approved more than \$170 million in assistance to Kyrgyz Republic. In support of U.S. foreign policy, USAID goal in Kyrgyzstan is to assist the people of Kyrgyzstan improve their governance, livelihoods, and quality of life. USAID has the following key objectives:

- Increase private enterprise and trade
- Build a more open, democratic culture
- Develop more responsive, accountable government
- Improve fiscal policy and management
- Better manage water and energy resources
- Improve quality primary healthcare

806. Additional objectives: reduce corrupt practices, address gender bias, mitigate potential for conflict, and expand information, especially among youth.

JICA

807. Since its establishment, the Japan International Cooperation Agency (JICA) has supported socio-economic and human resource development in order to facilitate the autonomous, sustainable development of developing countries, as one of the Japan's Official Development Assistance (ODA) implementing bodies. JICA is mainly responsible for implementing technical cooperation for developing countries.

808. Technical cooperation is aimed at the transfer of technology and knowledge that can serve the social and economic development of the developing countries. JICA carries out a variety of programs to support the nation building of developing countries through such technical cooperation.

809. JICA has about 1,300 staff members working both in Japan and more than 101 overseas offices.

810. In Central Asia, JICA provides cooperation in four main areas with the aim of supporting sustainable development in this region, namely:

- Support for introduction of the market economy;
- Infrastructural development centring on transportation and communications;
- Co-operation in social sectors such as medical care and education;
- Conservation of environment.

Japan Overseas Cooperation Volunteers (JOCV)

811. The Japan Overseas Cooperation Volunteers program assists and encourages overseas activities on the part of young people who wish to cooperate in the economic and social development

of developing countries on the basis of requests from these countries. JICA has dispatched 23 volunteers (including 2 senior volunteers) to the Kyrgyz Republic since 1999. The fields of their activities are Japanese language, computer, sports, music, flower arrangement, etc.

The Swiss Development and Co-ordination Unit

812. Swiss cooperation in Kyrgyzstan started in 1992. In November 1994 an official cooperation agreement was signed between the Swiss government and the Kyrgyz government. In 1995 Kyrgyzstan was declared a priority country for the Swiss assistance, and in 1996 a joint cooperation office for SDC and SECO was opened in Bishkek.

813. Kyrgyzstan, Tajikistan, Uzbekistan and Turkmenistan are members of the Swiss-led voting group at the European Bank for Reconstruction and Development and at the Bretton Woods Institutions (International Monetary Fund, World Bank). Swiss active involvement in the region is supported by the Swiss government's understanding that global security and prosperity will not be achieved as long as a huge gap separates the developed and the underdeveloped world.

814. The main goal for Swiss cooperation in the region in 2002-2006 is to assist Central Asian countries in transition from authoritarian rule and central planning to pluralism and market economy.

815. The projects are implemented in five main domains:

- governance, security and conflict prevention;
- macro-economic framework and conditions;
- development of private sector;
- management of natural resources and infrastructure; and
- health.

816. Special attention is paid to gender equality and environmental protection in all these areas.

Other Agencies

817. **DFID** is the UK Government department responsible for promoting sustainable development and reducing poverty. DFID works in partnership with governments committed to the Millennium Development Goals, with civil society, the private sector and the research community. It also works with multilateral institutions, including the World Bank, United Nations agencies, and the European Commission. DFID program has been active in Kyrgyz Republic since 1997. Current expenditure on the bilateral program is 2.5 million pounds per year. DFID program works in partnership with Government departments at national, oblast (regional) and rayon (district) level as well as with international organizations and civil society. DFID focuses its assistance on three areas: rural livelihoods, health and governance. DFID is active in such areas as health, rural livelihoods, energy, water and sanitation, public management and finance, statistics.

818. DFID also finances a Small Grants Scheme: support of small development initiatives which meet the general policy criteria of DFID, but are too small to be included in the mainstream program.

819. Memorandum of Understanding between the United Kingdom and Kyrgyz Republic on British Technical Assistance was signed and ratified by the Presidential Decree on 27 November 2001.

820. **GTZ** is the German Government agency responsible for German Development Cooperation. Since the early 1990s GTZ has been executing projects in Kyrgyzstan on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ).

821. Against a backdrop of rapidly rising poverty, with half the population living below the poverty line, German Development Cooperation has aligned its activities with the National Poverty Reduction Strategy (NPRS), focusing on 'Economic reform and development of the market system as a priority area. Economic stabilisation, accelerated structural reforms and debt reduction are the priority objectives of the NPRS, with the ultimate aim of achieving a tangible reduction in nationwide poverty.

GTZ's activities contribute towards developing the private sector, promoting the vocational training system and developing financial services.

822. The activity of GTZ covers different directions: from agrarian policy, rural and urban programs, measures on infrastructure development and up to training and consultations on economic and industrial issues. Currently JTZ jointly with the stakeholders implements 7 projects the approximate cost of which is US\$ 17 million

823. **DANIDA** is the Danish International Development Agency. DANIDA has played only a minor role in the development of the Kyrgyz Republic.

824. **EBR** is the European Bank of Reconstruction.

825. **Sida** is the Swedish International Development Agency. Sida has funded technical assistance to Gosregister, the Government Institution responsible for the implementation of the World Bank funded project to register land and real estate throughout the Kyrgyz Republic.

826. Sida has also funded projects in the ministry of Agriculture (seed production) and projects dealing with the development of women in the Kyrgyz Republic.

827. **AusAid** is the Australian Agency for International Development. AusAID has played only a minor role in the development of the Kyrgyz Republic.

NZAid is the New Zealand Agency for International Development. NZAID has played only a minor role in the development of the Kyrgyz Republic.

Annex 11: List of Land Reform-related projects

WB	USD 14,980,000 Loan/credit	
title	Agricultural Support Services Project	
sector	Agriculture Law & Justice Industry Trade	
location	National	
period	from 1998-09 to 2003-12 (Extended)	
	<p>The Agricultural Support Services Project seeks to improve the incentive framework for, and productivity, profitability, and sustainability of Kyrgyz agriculture by assisting the borrower in: (a) implementing land and agrarian reform and providing support for farm restructuring; (b) providing emerging private farms with advisory and development services and training in appropriate improved production technology and practices; (c) promoting the development of a viable seed industry; (d) establishing the legal framework institutions and procedures for plant protection and plant quarantine services; (e) establishing an agricultural market information system; (f) enhancing the institutional capacity of MAWRPI.</p>	
WB	USD 35,000,000 Loan/credit	
title	IRP	
sector	Agriculture, Law & Justice, Public Administration	
location	Jalal-Abad, Osh, Batken	
period	from 1998-09 to 2004-12 (Ongoing)	
	<p>The Irrigation Rehabilitation Project aims at increasing the productivity of irrigated agriculture in the project area through improved water supply. Progress towards this objective would be measured based on: (i) the increase in agricultural output from areas benefiting from inter-farm irrigation rehabilitation; and (ii) the increase in volumes of water delivered to the boundary of former state and collective farms upon completion of rehabilitation work.</p>	
WB	USD 10,000,000 Loan/credit	
title	Flood Emergency Project	
sector	Environment, Agriculture, Law & Justice	
location	Osh, Jalal-Abad	
period	from 1999-04 to 2003-09 (Extended)	
	<p>The Flood Emergency Project seeks to rehabilitate or reconstruct: a) damaged flood protection infrastructure along rivers; and b) irrigation infrastructure. The objective of this project is to improve and secure the sustainability of river flood protection and irrigation headworks, which, if unattended, could lead to increased flooding occurrences and subsequent loss of human life and economic losses.</p>	
WB	USD 15,000,000 Loan/credit	
title	Rural Finance Project - II	
sector	Industry, Trade, Agriculture	
location	National	
period	from 2000-03 to 2004-06 (Ongoing)	
	<p>The main development objectives of the proposed Second Rural Finance Project are to: a) strengthen and expand a sustainable rural financial system that will serve a broad range of beneficiaries; b) contribute to the reduction of poverty in rural areas; and c) expand access to credit for those with limited collateral.</p>	
WB	USD 20,000,000 Loan/credit	
title	On - Farm Irrigation Project	
sector	Agriculture, Law & Justice	
location	National	
period	from 2000-12 to 2007-03 (Ongoing)	
	<p>The On-Farm Irrigation Project will achieve increased crop production, through reliable, and sustainable water distribution on irrigated land across the Kyrgyz Republic.</p>	
WB	USD 9,420,000 Loan/credit	
title	Land and Real Estate Registration Project	
sector	Law & Justice	
location	National	
period	from 2000-09 to 2005-12 (Ongoing)	
	<p>The Land and Real Estate Registration Project will support the development of markets for land, and real estate, in a more intensive, and effective use, through the introduction of reliable property registration of rights.</p>	

ADB	USD 40,000,000 Loan/credit	
title	Agriculture Sector Program	
sector	Agriculture	
location	National	
period	from 1995-11 to 1998-06 (Completed)	
	<p>The objective of the Project was to facilitate the transition of the agriculture sector to a competitive market-based sector within a framework to (i) encourage the development of market institutions, (ii) increase the competitiveness of markets, (iii) improve social and environmental progress, and (iv) enhance public sector support. The program focus was on further policy and institutional efforts in land reform and farm restructuring and in natural resources management, and restructuring of the agricultural input supply system, maintenance of social protection, and capacity building of the sector's key institutions in managing the transitional process.</p>	
ADB	USD 12,500,000 Loan/credit	
title	Rural Financial Institutions	
sector	Agriculture, Infrastructure	
location	National	
period	from 1997-08 to 2005-05 (Ongoing)	
	<p>The Project has established a credit union (CU) system comprising a network of individual CU's and develop an apex union, the Financial Company for the Support and Development of Credit Unions (FCSCU), to mobilize rural savings and provide smaller-sized and generally short-to-medium term loans. The individual CV's offer both savings and lending services. FCSCU promoted, developed, monitored and supervised the CU's. The project included a credit line of US\$ 8.4 million to equally match the total contributions of CU members. The Project also provided training and technical support to build the capability of FCSCU, NBKR and the CU's.</p>	
ADB	USD 36,000,000 Loan/credit	
title	Agriculture Area Development	
sector	Agriculture	
location	Chui	
period	from 1999-12 to 2007-01 (Ongoing)	
	<p>The Project is the ADB's third project in agriculture and rural finance and builds on Agriculture Sector Program loan and accompanying TA, which assisted Government's institutional reform program in the sector. The Project will address constraints in farm restructuring, drainage and irrigation, input supply, machinery hire services, marketing, and finance. The Project will aim to integrate ongoing and planned activities to maximize the impact of the Project.</p>	
EBRD	Investment	
title	KAC Revised Investment	
sector	Agriculture	
location	Chui	
period	See Kyrgyz Agribusiness Company DTM 16/1	
EBRD	USD 9,000,000 Loan/credit	
title	Kyrgyz Agribusiness Company	
sector	Agriculture	
location	Chui	
period	from 1995-12 to 2000-08 (Completed)	
	<p>In 1995, the Bank approved a USD 9 million loan to part-finance the USD 21.5 million projects. KAC was the first operation in the Kyrgyz agricultural sector to deliver a complete range of inputs to farmers, to process grain and to sell flour. The grain business represented import substitution and the flour processing added significant value to the grain production. KAC's core strategy was to contract with selected farms the provision of input packages, i.e. fertilisers, chemicals, farm services and agricultural advice in exchange for a crop share after the harvest.</p>	
JICA	Technical assistance	
title	Agriculture Development Study	
sector	Agriculture	
location	National	
period	from 2004-02 to 2007-03 (Ongoing)	
	<p>This project aims to formulate action plans to improve agricultural technology and management, as well to promote agro-product processing industry, which contributes to the increase of income of poor farmers. The project particularly focuses on the reinforcement of connection between farmers and food processing companies in terms of supply chains. At the same time, it also aims to carry out technology transfer to Kyrgyz counterpart personnel through on-the-job training in the course of study.</p>	

JICA	Grant
title	Development plan of Issyk-Kul zone
sector	Agriculture, Education, Environment, Finance, Human Development & Democracy, Industry, Information & Communication, Infrastructure, Law & Justice, Private Sector Development, Public administration, Tourism, Trade, Health & Social Services
location	Issyk Kul
period	from 2003-11 to 2006-02 (Ongoing)
Background: The Issyk-Kul Lake is a unique alpine lake which attracts many people not only in the Kyrgyz Republic, but also from neighboring countries. Its surrounding area, Issyk-Kul Oblast is an important region for development of tourism as well as conservation of the natural environment and ecology. Study objectives: This study aims to formulate a master plan for the Integrated Regional Development of the Issyk-Kul zone and to prepare digital topographic maps with the scale of 1:100,000 and 1:25,000 for their application to the Integrated Development Master Plan. The study area will cover the Issyk-Kul Lake watershed, with the area of approximately 14,000 sq. km.	

EU/TACIS	EUR 1,520,000 Technical assistance
title	Seed Industry Development
sector	Agriculture, Finance
location	National
period	from 2000-09 to 2003-11 (Extended)
To assist the rehabilitation of the seed sub-sector, to make high quality seeds of improved varieties, at affordable prices, available to farms while providing the framework for possible reactivation of export activities.	

GTZ	USD 2,030,000 Technical assistance
title	Promotion of the Biosphere Reserve Issyk-Kul
sector	Environment
location	Issyk Kul
period	from 1995-08 to 2004-09 (Ongoing)
In 2001, the Issyk-Kul region with its outstanding beauty and diversity of flora and fauna, was granted the status of Biosphere Reservation by UNESCO. The project's goal is that both the people living in the reservation and the reservation's administration can make better use of their economic, social and ecological opportunities for development. The most important activities are as follows: - Support to the reservation's administration to better perform its functions; - Participation of the population in environmental activity planning and implementation; - Cooperation of different stakeholders in public information and an environmental information management	

GTZ	USD 850,000 Technical assistance
title	Self-help organizations assistance in rural areas
sector	Agriculture
location	Osh, Jalal-Abad
period	from 2002-06 to 2004-12 (Ongoing)
This project has the objective to integrate poor farmers in Osh and Jalal- Abad into the economic cycle. Existing economic potential shall be recognized and be utilized to create additional income and to reduce the poverty of the involved families. The project cooperates with local groups and associations enabling them to train and educate local farmers in modern production methods in silk and cotton farming and goat breeding. The project also contributes to strengthening the organizational skills of associations and other group.	

GTZ	USD 1,600,000 Technical assistance
title	Promotion of trade and service cooperatives
sector	Agriculture
location	Chui
period	from 2003-03 to 2004-12 (Ongoing)
The project is planned nationwide, but will in its first phase concentrate on the regions Chui, Naryn and Jalal-Abad. It has the following components: - to assist Kyrgyz institutions in the adjustment of legal and administrative rules and procedures; - support of partner institutions and cooperative unions in institution building; - support of unions of cooperatives in developing and rendering relevant services for cooperative members; - support of interested small farmers in creating rural cooperatives, support primary cooperatives in designing, planning and implementing their activities.	

GTZ	USD 2,050,000 Technical assistance
title	Batken Capacity Building Project
sector	Agriculture, Infrastructure, Public administration
location	Batken
period	from 2002-02 to 2005-12 (Ongoing)
This project has the objective to help improve the economic and social situation in Batken Oblast. In its first phase, the	

EU/TACIS		EUR 4,000,000 Technical assistance
title	CAREC	
sector	Environment	
location	Central Asia regional	
period	from 2001-02 to 2003-02 (Completed)	
	Establishment of CAREC in Almaty and Branches in Bishkek, Dushanbe, Ashhabad and Tashkent.	
EU/TACIS		EUR 1,800,000 Technical assistance
title	West Tien Shan Biodiversity Project - Phase 1	
sector	Environment	
location	Central Asia regional	
period	from 2001-02 to 2003-08 (Completed)	
	To reinforce, harmonise and support the implementation of the legal framework relevant to environmental conservation in CA; to carry out the training and professional development of stakeholders; to develop mechanisms and implement plans to enable cross-border co-operation.	
EU/TACIS		EUR 988,013 Technical assistance
title	JUMP- Juniper prests Management plans	
sector	Environment	
location	National	
period	from 2004-01 to 2007-01 (Ongoing)	
	To develop sustainable management processes and tools for a better conservation of the forest resources for the benefit of the local population.	
EU/TACIS		EUR 100,305 Technical assistance
title	Rehabilitation centres for vulnerable women	
sector	Health & Social Service	
location	Bishkek City, Osh, Jalal-Abad	
period	from 2002-12 to 2004-12 (Ongoing)	
	The centres offer free sewing courses, computer courses and gender training in Bishkek, Osh, Jalal-Abad cities.	
EU/TACIS		EUR 149,000 Technical assistance
title	Improve the situation of older vulnerable people	
sector	Health & Social Service	
location	National	
period	from 2004-01 to 2006-01 (Ongoing)	
	Building the capacity of civil society organisations to improve the situation of vulnerable older people in KR	
EU/TACIS		EUR 3,000,000 Technical assistance
title	Poverty Alleviation Programme for Ferghana Valley	
sector	Human Development & Democracy	
location	Batken	
period	Planned	
	Addressing social issues in the Ferghana Valley: to reduce the potential for social conflict, strengthen local economies, improve equality of wealth distribution and strengthen local Governments capacity to respond to community concerns.	
EU/TACIS		EUR 1,226,821 Technical assistance
title	Rural Development and Cross-Border Cooperation	
sector		
location	Batken, Osh	
period	from 2002-12 to 2005-12 (Ongoing)	
	To contribute to a peaceful and dynamic environment in Ferghana Valley - Tadjicistan (Sughd, Khujand), Kyrgyzstan (Osh,	
EU/TACIS		EUR 1,800,000 Technical assistance
title	Regional development of Issyk-Kul Oblast	
sector	Tourism, Agriculture, Private sector development	
location	Issyk Kul	
period	from 2003-02 to 2006-02 (Ongoing)	
	To enhance and sustain rural livelihoods in Issyk-Kul oblast through the development of food processing SMEs, rural enterprises and marketing structures thereby facilitating an increase in provision of locally available foodstuff; support to the enterprises working in the area of tourism through the assistance in development of Master-plans; Tourism Strategy elaboration related to the mountainous region development.	

EU/TACIS	EUR 1,000,000 Technical assistance
title	West Tien Shan Biodiversity Project - Phase 2
sector	Environment
location	Central Asia regional
period	from 2004-01 to 2005-06 (Ongoing)
<p>To reinforce, harmonise and support the implementation of the legal framework relevant to environmental conservation in CA; to carry out the training and professional development of stakeholders; to develop mechanisms and implement plans to enable cross-border co-operation.</p>	

GTZ	Technical assistance
title	TES Center Osh
sector	Agriculture
location	Osh
period	from 1994-10 to 2003-12 (Completed)
<p>The goal of the "TES" consulting and training center is assistance and support to private farms in Osh oblast. The center operations on a self-financing basis. Under the current conditions, poverty reduction is getting more and more a priority. The center's tasks include: - advising on agricultural issues; - assistance to private self-help initiatives; - establishment and delivery of services; - rural agricultural school; - training and qualification; - collection and publication of information materials of consulting and training in the field of agriculture..</p>	

DFID	GBP 2,000,000 Grant
title	SLIPC
sector	Agriculture
location	Talas, Osh, Chui
period	from 2002-01 to 2005-12 (Ongoing)
<p>The project is a rural development initiative designed to promote the creation of economic coping strategies and income generating activities that can be exploited on a sustainable basis by livestock producing communities. The project provides packages combining credit, grant, training, inputs and technical assistance in order to achieve project outputs: mechanisms for the development and support of sustainable income generationImproved access to servicesImproved national capacity to support community based rural development; improved capacity of communities to manage their own development; information dissemination to replicate project lessons.</p>	

DFID	GBP 500,000 Grant
title	LAR-2
sector	Law & Justice
location	National
period	from 2001-02 to 2004-02 (Ongoing)
<p>Creation and development of third party arbitration court in the agrarian sector of the Kyrgyz Republic. Institutional development of the Public Foundation "Kalys Consult" as NGO.</p>	

DFID	GBP 4,000,000 Grant
title	RWSSP
sector	Environment, infrastructure, Infrastructure
location	Talas, Naryn, Issyk Kul
period	from 2002-03 to 2007-03 (Ongoing)
<p>The project objectives is to strengthen the capacity of the newly formed DRWS to carry out its role in providing policy guidance and monitoring for the water abd sanitation sector; to facilitate the preparation and implementation of about 200 rural water and sanitation projects using a community based approach. The project is integrated component of the WB programme.</p>	

USAID	USD 5,256,826 Technical assistance
title	Business information, knowledge and skills
sector	Private sector development, Industry, Agriculture, Education, Huamn development & democracy, Tourism, Trade
location	National
period	from 2003-10 to 2004-09 (Ongoing)
<p>This umbrella covers: 1) Enterprise Development Project implemented by Pragma is designed to improve the environment for SME's through business training, business advisory services, assistance in accounting reform, regional trade promotion, business association development; 2) International Fertilizer Development Center (IFDC) implements the Kyrgyz Agro-Enterprise Development Project focused on the development of the agricultural inputs supply market network in southern Kyrgyzstan; 3) Carana Corporation is implementing Ed/Net project which was designed to improve economics and business education; (4) USAID-MASHAV Cooperation Program includes training in agribusiness to assist farmers in the agricultural production.</p>	

USAID		USD 2,516,400 Technical assistance
title	Financial Markets	
sector	Industry, private sector development, Agriculture, Finance, Human development & democracy, Public administration, Trade	
location	National	
period	from 2003-10 to 2004-09 (Ongoing)	
	This umbrella includes: 1) Micro and Small Enterprise Finance Facility (by IPC) - training of loan officers for banks participating in the EBRD credit line; 2) Fiscal Reform Project (by Bearing Point) - TA to the National Bank to improve its supervisory capacity and to the Ministry of Finance to improve its capacities to develop better budgets, tax policies, a redrafted Tax Code; 3) ACDI/VOCA provides TA to Bai Tushum Micro Credit Agency; 4) Central Asia Microfinance Alliance (CAMFA) will strength the lending community in the region by providing specialized technical assistance, grants and loans to MFI's; 5) Microfinance Legislation Development Project (by IFC) - training to the National Bank staff to improve its supervisory role over MFI's	

USAID		USD 5,620,680 Grant, Technical Assistance
title	Laws and Regulations	
sector	Finance, Private sector development, Agriculture, Humand development & democracy, Law & justice, Public administration,	
location	National	
period	from 2003-10 to 2004-09 (Ongoing)	
	This umbrella includes: 1) Land Reform Project (by Chemonics) - educating rural citizens about their land-related rights and facilitating the creation of an urban land market; 2) Commercial Law Development Project (by ARD/Checchi) - assisting in development of the legal and institutional framework necessary to support a market economy in Kyrgyzstan; 3) Trade Facilitation and Investment Project (by Pragma) - helping reduce legal and regulatory constraints to business by improving policy-making and increasing transparency in the regulatory process; 4) the Investment Roundtable is tasked to assist in creating a national investment strategy and in its realization; 5) Legal Assistance to Rural Citizens implemented by Helvetas, co-funded by SDC.	

USAID		USD 2,060,000 Technical assistance
title	Improved management of natural resources	
sector	Industry, Infrastructure	
location	National	
period	from 2003-10 to 2004-09 (Ongoing)	
	Increased management capacity in natural resource sector. Improved policy and regulatory framework for natural resources. Sustainable models developed for integrated natural resource. Public commitment established for natural resource management.	

USAID		USD 643,000 Grant, Technical Assistance
title	Conflict prevention	
sector	Agriculture, Health & Social Services, Human development & democracy, Infrastructure	
location	National	
period	from 2003-10 to 2004-09 (Ongoing)	
	Community Action Investment Program (CAIP) covers two regions (Osh and Jalal Abad) in Kyrgyzstan. CAIP's main objective is to help reduce potential for conflict and promote broad-based citizen dialogue and participation in semi-urban and rural communities. CAIP facilitates the process of collective community action to address communities' highest priority social infrastructure needs and extend the communities economic opportunities. It aims to raise communities' capacity to leverage local resources and international aid funding through collaborative efforts with CAIP and civic cooperation with local authorities, non-Governmental organizations and public-private partnerships.	

UNDP		USD 225,000 Technical assistance, Grant
title	LIFE	
sector		
location	National	
period	from 2001-12 to 2004-12 (Ongoing)	
	Support to urban poor to improve their settlements through building capacity of lcoal organizations and conducting a dialogue between them with Local Governments	

UNDP		USD 434,000 Technical assistance
title	Climate change	
sector	Environment	
location	National	
period	from 2001-12 to 2004-12 (Ongoing)	
	Preparation of the first National Report on Climate Change, raising awareness of general population, support to capacity building of the NGOs working in the area of environment.	

UNDP	USD 1,688,141 Grant, Technical assistance
title	Poverty reduction
sector	Human Development & Democracy, Private sector development
location	Batken, Chui, Issyk Kul, Jalal-Abad, Naryn, Osh, Talas
period	from 2001-10 to 2004-12 (Ongoing)
<p>Creating enabling institutional environment conducive to more effective SHD-based policy-making processes and their implementation. Interventions of the programme are organized according to four programme components: 1) Policy Advice; 2) Social Mobilization; 3) Micro-Finance development; and 4) Small-scaled business development.</p>	

UNDP	
title	SGP/GEF
sector	Environment
location	Batken, Chui, Issyk Kul, Jalal-Abad, Naryn, Osh, Talas
period	from 2002-01 to 2004-12 (Ongoing)
<p>Environment protection through enhanced capacity of civil sector to implement projects in the area of biodiversity, international waters protection and climate change consequences mitigation</p>	

Swiss Coop. (SDC & seco)	USD 13,000,000 Technical assistance, Grant
title	KSAP
sector	Agriculture
location	National
period	from 1995- to 2004- (Ongoing)
<p>KSAP aims to assist the Kyrgyz Government in its efforts with respect to the reform and transition process in the agricultural sector. KSAP supports the establishment, implementation and continuous improvement of the newly formed countrywide RAS (Rural Advisory Services). On a country level KSAP contributes to a supportive environment for agricultural production through market analyses, assistance in policy formulation and support to the Ministry of Agriculture and Water Resources.</p>	

Swiss Coop. (SDC & seco)	USD 5,000,000 Technical assistance, Grant
title	KIRFOR
sector	Environment, Agriculture, Private sector development, Industry
location	National
period	from 1995- to 2007- (Ongoing)
<p>The overall of the Program is to establish necessary conditions for various institutions and private persons, acting in the forestry sector of Kyrgyzstan, to ensure conservation of the forests and their biodiversity, the increase of the forest cover, and the use of forest resources on a sustainable basis. The Program has 5 main domains of intervention: forestry sector reform, development of forestry management tools, handing-over of productive activities to the private sector, collaborative forest management, education and research.</p>	

Swiss Coop. (SDC & seco)	USD 1,400,000 Grant, Technical assistance
title	BioCotton
sector	Agriculture, Industry, Law & Justice
location	Jalal-Abad
period	from 2003- to 2006- (Ongoing)
<p>The project aims at developing and supporting production and commodity chain of organic cotton and organic cotton products both in domestic and international markets. The project has a purchase guarantee from retailers in Switzerland thus vertically integrating organic cotton producers and sellers. The project concentrates on raising awareness, capacity building and agronomic and market research for an efficient trade promotion.</p>	

Swiss Coop. (SDC & seco)	USD 4,140,000 Grant, Technical assistance
title	PA LARC
sector	Law & Justice, Agriculture
location	National
period	from 2000- to 2006- (Ongoing)
<p>Overall goal of the Project: to enable rural citizens, which are dominantly farmers, to realize their legal rights associated with the production of agricultural products, including small scale processing and marketing, and to promote the development of a legal culture. In 2003, after some years of successful implementation, Public Association "LARC" Legal Assistance to Rural Citizens (PA "LARC") was formed to make the project sustainable and able to provide legal advice services in the market economy.</p>	

Swiss Coop. (SDC & seco)		USD 2,300,000 Technical assistance, Grant
title	SPIP	
sector	Industry, private sector development	
location	National	
period	Completed	
<p>The general objective of the project is that more primary products (Agriculture and Forest) are efficiently processed and sold by small companies in order to generate additional income for rural population. The project is aiming to achieve the objective through three different ways: (i) Provide support to consulting companies with regard to SME sector; (ii) Stimulate demand of rural SMEs for business development services; (iii) Assist enterprises in issues regarding technology, processing and quality. The project has a pilot character and, therefore, will also acquire knowledge and gather experiences in the area of business development, which can be of use for future support to the SME sector.</p>		
Swiss Coop. (SDC & seco)		USD 2,800,000 Grant, Technical assistance
title	IWRM	
sector	Agriculture, Human development & democracy, Public administration, Infrastructure	
location	Central Asia regional	
period	Ongoing	
<p>The project mainly addresses possibilities for water saving and improvement of soil fertility, the organization of water management on the regional level as the elaboration of sustainable water allocation mechanisms between the three countries. It include three majors components: - Assist and support the creation and organize Water Users Associations;; - Reorganize water management based on hydraulic boundaries (along cross countries canals systems);; - Analyze and improve water efficiency, agriculture productivity and demand planning at farm level using remote sensing.</p>		
Swiss Coop. (SDC & seco)		USD 2,000,000 Grant, Technical assistance
title	Canal Automation Ferghana Valley	
sector	Agriculture, Infrastructure	
location	Central Asia regional	
period	Ongoing	
<p>The project objective is to introduce automated or semi-automated regulation and operational control system to ensure optimal allocation of water in the three trans-boundary pilot canals of the IWRM Ferghana Project. The project will install automated sluice gates, as well as flow measuring and data transmission equipment as the technical backbone for successful integrated water management. It is based on a recent agreement between the three states sharing the Ferghana Valley, which foresees to move from water management along political boundaries to integrated canal management along hydraulic boundaries.</p>		
Swiss Coop. (SDC & seco)		USD 435,000 Technical assistance, Grant
title	CAREWIB	
sector	Environment	
location	Central Asia regional	
period	Ongoing	
<p>The project aims to improve the sharing and circulation of information in the water and environmental sectors in CA countries. A regional Internet portal will be created to provide immediate access to up-to-date information.</p>		
Swiss Coop. (SDC & seco)		USD 4,700,000 Technical assistance, Grant
title	CAMP	
sector	Environment, Trade, Human Development & Democracy, Private sector development	
location	Central Asia regional	
period	Ongoing	
<p>The mission of the Central Asian Mountain Partnership is to contribute to the sustainable development of mountainous regions. CAMP is a regional programme operating in rurals in Kyrgyzstan, Tajikistan, and Kazakhstan. It works in four main areas: resource use, product development and marketing, rural development, and policy dialogue.</p>		

Annex 12: Tools for Rangeland Health Monitoring

This annex contains further details issues of rangeland management mentioned in the main report.

A. Carrying Capacity Calculations

Holechek and others (1996) **defined carrying capacity** as the maximum stocking rate possible year after year without causing damage to vegetation or related resources. This definition, at least by strict interpretation, discounts a need for animal fluctuations and could be viewed as more appropriate in areas dominated by equilibrium dynamics. Caughley (1981) defined carrying capacity as the equilibrium between animals and vegetation indexed by density of animals. This definition provides no time frame, potentially recognizes non-equilibrium dynamics, but as such would be more difficult for managers to use in setting carrying capacity. Others have debated the usefulness of the carrying capacity concept for planning stocking densities, especially in pastoral systems (see Bartels and others, 1991; Behnke and Scoones, 1993; Ellis and others, 1991; Moris, 1991; and Perrier, 1990) and stressed many difficulties in determining the carrying capacity of an area. Behnke and Scoones (1993) provided a summary of many of the problems in determining carrying capacity: "Both the precision and utility of evaluating feed supply-demand are open to doubt. With respect to the precision with which estimates can be derived there is opportunity for significant error at almost every step in the calculation: proper use factor is at best a little more than an educated guess, estimation of the amount and kind of forage needed by an animal is not as straightforward as it seems, especially when several herd species exist; estimates of forage production have low precision, and carrying capacity assessment assumes fixed boundaries, but mobility of stock means that these assessments are artificial. On the other hand, it is in practice very difficult to assess carrying capacity in systems where spatially disparate resources are used at different stages of a flexible transhumant cycle."

Rangeland health evaluation indicators considered in pasture analysis

Oblast: _____ Rayon: _____ Village: _____ Date: _____

Site: _____ GPS Location: _____

Descriptors/Rating Classes

Indicators	Extreme	Moderate to Extreme Disagree	Moderate	Slight to Moderate	None to Slight
1. Rills					
2. Water Flow Patterns					
3. Pedestals or Terrecettes					
4. Bare Ground					
5. Gullies					
6. Wind Scoured Areas					
7. Litter Movement					
8. Physical & Chemical Soil Crusts					
9. Soil Surface Organic Matter					
10. Plant Community Composition & Distribution-Relative to Infiltration/RO					
11. Compaction layer					
12. Plant Functional/Structural Groups					
13. Plant Mortality					
14. Litter Amount					
15. Annual Production					
16. Noxious & Invasive Plants					
17. Perennial Plant Reproductive Capability					
Indicator Summary	Mostly Disagre	Moderate Disagree	Intermedi ate	Moderate Agreement	Mostly Agree
Soil/Site Stability (Indicator 1 - 11)					
Biotic Integrity (Indicator 9, & 11 - 17)					

Comments on Indicator(s):

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Annex 13: Resource Management Recommendations

Development of Resource Management Plans

828. Advancing sustainable grazing practices will require development of sound resource management plans that consider biodiversity issues as well as people and their livestock. This project suggests that the development of sound resource management plans will require institutional development as well as training in a number of areas. An outline of a basic resource management plan is shown below. This outline is not all-inclusive but does provide a model for resource management planning, which considers people, their livelihoods, and the development of a forage balance, and grazing management plan. To have a successful sustainable resource management plan requires the plan to be a coordinated resource management plan. In other words, the plan is done with the people involved and considers resource values of the area (wildlife, recreation, livestock, etc.). The following sections describe the resource management planning process in greater detail and discuss needs (training and institutional development). Although the plan is numbered it should be stressed that different part of the planning process are ongoing and should not be considered as sequential. In order to have more efficient planning geographic information systems should be utilized to store and analyze data. Remote sensed information (satellite images or air photography) should be incorporated into the planning process and geographic information system utilized to store and analyze information.

Development of an Updated Inventory of Resources

829. There are a number of steps in developing a successful grazing management plan, but generally the first step is an inventory of resources and conditions. The inventory includes an ecological and social/economic setting, soils, vegetation, habitat or ecological types, water sources, range condition or health (including noxious or poisonous plants), forage production, hay or fodder production, number of livestock, grazing patterns, and facilities. The intensity of the inventory is based on resource values, objectives of land use and the institutional framework for collecting the information. Currently information on soils, vegetation, hay and fodder production, number of livestock, grazing patterns, and facilities exist. The inventory items that apparently are most limited are data on degradation (range condition or health), forage production, and habitat or ecological sites (at least as in an easily accessible spatial data set such as a GIS. Criteria for development of ecological sites are likely needed.

830. In all areas vegetation types and communities are likely available for the development of an ecological land classification (i.e., habitat types or ecological response units or sites). However, I believe the development and mapping of ecological response units is critical in developing sound resource/grazing management plans (also see next section).

Develop Ecological Response Units and Standards

831. An ecological response unit is a site-based system that allows an ecological basis for land use and management. A specific ecological response unit or ecological site is a specific kind of land with physical characteristics that differs from other kinds of land in the ability to produce distinctive kinds and amounts of vegetation and its response to management. Sites of the same ecological response unit should respond similarly to management and should have similar standards for management. Giprozem should classify areas into ecological response units and develop best management practices (BMPs) for ecological response units and desired future condition associated with land use objectives. Monitoring procedures will vary by ecological response unit and should be developed to determine if goals and objectives are being reached. Theory of ecological response units, development of ecological response units, and development of BMPs will require some training and research.

Resource management plan outline.

- I. Develop an updated inventory of resources.
 - A. Setting
 1. Ecological (geology, soils, climate).
 2. Social/Economic.
 - B. Develop ecological response units¹.
 - C. Develop criteria for determining/measuring degradation of ecological response units.
 - D. Identify biodiversity and other non-consumptive values of ecological response units.
 - E. Inventory resources.
 - F. Determine current estimated carrying capacity by ecological response unit and for the total area.
 - G. Determine current stocking rate by ecological response unit and total area.
 - H. Determine areas of degradation and degree of degradation.
 - II. Develop standards for vegetation use of Ecological Response Units.
 - A. Best management practices.
 - B. Desired future condition.
 - C. Monitoring procedures.
 1. Photo-points.
 2. Step-points.
 3. Nested-frequency plots.
 4. Exclosures.
 - III. Initiate integrated resource management planning.
 - A. Determine planning areas (subset of villages) or rationale for area stratification.
 - B. Establish herder cooperatives or grazing associations to implement plans².
 - C. Examine alternatives for resource use and treatments.
 - D. Determine priority areas of conservation and rehabilitation.
 - E. Determine monitoring sites.
 - IV. Implement plans.
 - A. Planting of alfalfa and other improved feeds.
 - B. Rest areas for recovery/seed production.
 - C. Reseed areas with indigenous species.
 - D. Rotate grazing to reduce season length of grazing period and allow plants to increase productivity.
 - E. Monitor
-

¹ An ecological response unit is a site-based system that allows an ecological basis for land use and management. Sites within an ecological response unit should respond similarly to management.

² Establishment of herder cooperatives or grazing associations provides a number of benefits. For example, grazing association would allow for the sharing marketing information, group marketing, group training/extension, and demonstration of rangeland, pasture, and livestock treatments.

Initiate Integrated Resource Management Planning

832. With the resource inventory initiated, more specific planning areas should be established and management goals/objectives determined. Determining planning areas and developing sound goals and objectives will require coordinated resource management planning. Planning must be done with range users (livestock farmers) and not for them. It is obvious that previous planning has been more of a "top down" approach but for successful planning, herders must have ownership in the plan. The development of goals and objective for different resource management areas provide an opportunity for government entities to work with livestock producers. General objectives, include maintaining or improving the health and productivity of the rangelands (including biodiversity), maintaining or improving economic returns, maintaining or improving livestock productivity, etc., are goals that government and livestock farmers will agree on. The development of alternatives for

achieving these goals will require more precise objectives, especially where goals may conflict. For example, improving economic returns and protection of a wild species by deferring or excluding livestock grazing.

833. Mapping out of grazing management units based on goals and objectives should be done with groups of users. The grazing land that will be alternately grazed and rested (deferred) will be identified. Forage supply of each grazing unit must be balanced with the forage needs of the livestock and wildlife of the area. Once grazing units have been mapped out, key grazing areas and key plant species can be identified in each unit. A key grazing area is a relatively small portion of a grazing unit selected because of its location, use or grazing value. A properly selected key area may serve as a monitoring point and will reflect grazing use and effects throughout the grazing unit.

834. The development of a grazing schedule to identify the time of the year grazing occurs, the length of the grazing period, and the frequency and extent of plant use is imperative. Deciding when to move livestock should not be based on calendar dates. Plant growth and life-cycle, precipitation, length of grazing period, frequency of grazing, target grazing use, and other management objectives must be considered. Scheduled rest periods for plant recovery after grazing are essential and must occur within the following current growing season of the key plant species. The length and frequency of planned rest periods will determine the amount of grazing use possible without damage to plants. In general, to avoid selective re-grazing of preferred plants, no grazing unit should be grazed for more than half the growing season.

Annex 14: Pasture field monitoring form

“Kyrgyz Gvprozem” Institute

Form # _____

Description of Vegetation

Date	Examiner	Hay-crop/Unit Area	Area Measured
Oblast	Rayon		
Name of Operation (household, farm, commercial)			
Vegetation Type			
Diversity			
Basis		Contour #	
Geographical position (mountain, steppe, lowlands)		Elevation	
Aspect		Micro-relief	
Moisture conditions (Permanently wet (wetland), sub-irrigated, etc.			
Soil type and Texture	Litter	Cover %	
Vegetation Strata	Dominate plants		Height (cm)
I			
II			
III			

Plant List

#	Plant Species	Abundance ¹	Phenology ²	Tier/strata	Remarks
1.					
2.					
3.					

¹ Abundance: Cop 3 – massive background; Cop2- background; Cop1- very abundant; Sp 3 – abundant; Sp 2- moderate; Sp 1- small; Sol- solely; Un –very rare

² Phenological stages : B-budding; BS-blossoming start; FB-full blossoming; BE-blossoming end; FS-fructification start; FM- fruit mature; VA-vegetation in Autumn; DS-dry stem.

Use (hay-land, pasture), season of use and condition (mowed, grazed, not used)

Agricultural assessment (accessible, available to plough, mechanization, availability to collect seeds of wild plants, etc.)

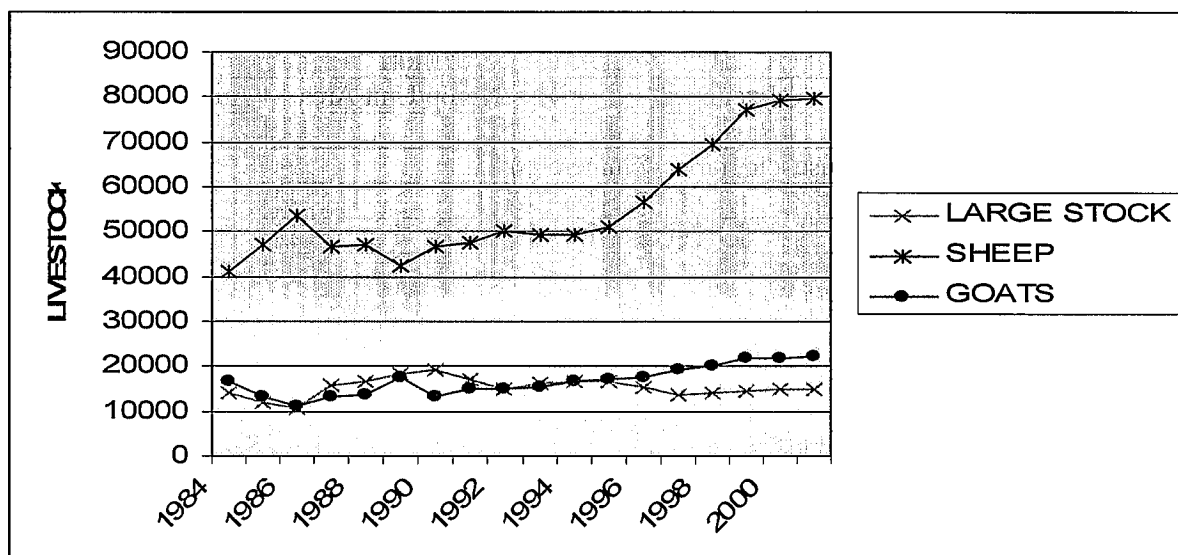
Additional remarks (characteristic of grass condition, complexity, etc.)

Dry weight (g/m²)

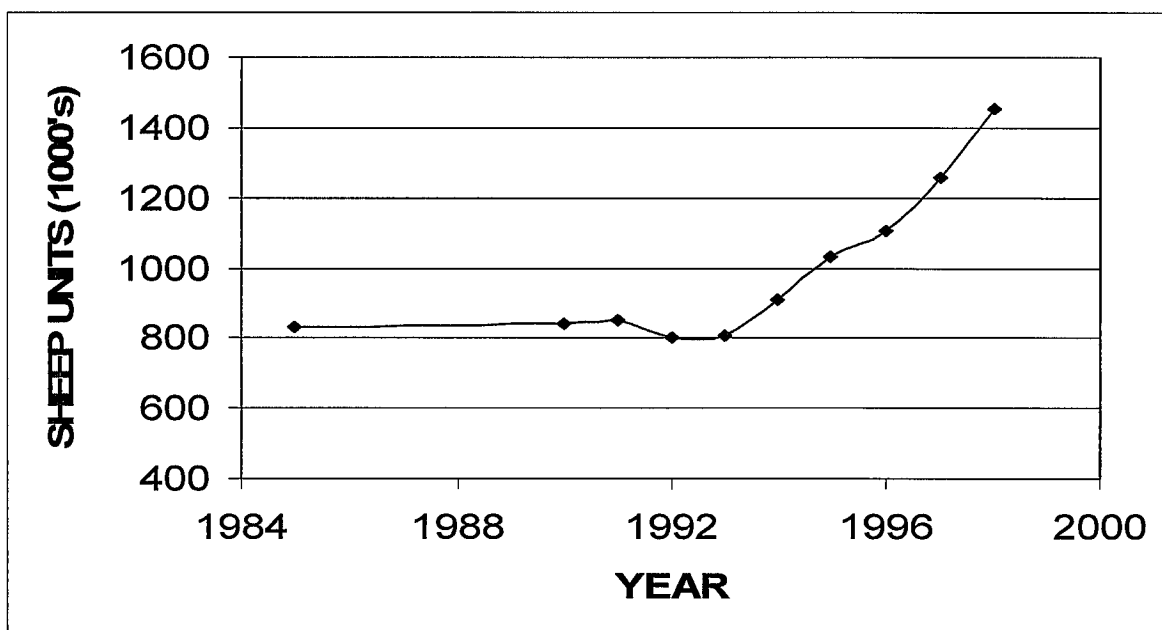
Grasses	Carex	Legumes	Forbs	Unused	Poisonous/harmful	Total

Rangeland condition additional remarks:

Annex 15: Livestock populations compared



835. Large stock (cattle, horses, and camels) and sheep and goat numbers in Kurti Township, Fuyun County, Xinjiang Uighur Autonomous Region, Peoples Republic of China between 1984 and 2001 (Bedunah and Harris, 2005).



836. Sheep units¹ for sums (Bayandalai, Bulgan, Gurvantes, Sevrei, Khanghongor, Khurmen, and Dalanzadgad) located within Omnovi aimage (province) of Mongolia.

837. ¹ Sheep forage units are a Mongolian measure used to express the feed requirement of one sheep per year or 365 kg/year forage intake. Accordingly, horses, cattle, camels and goats have been assigned as equivalent to 7, 6, 5 and 0.9 sheep units, respectively.

Annex 16: Land Re-allocation Fund: Case Studies

838. The following two case studies relate to AO allocation of LRF processes. While this discussion cannot pretend to be a comprehensive review of these processes, it serves as a good example of how the best intentions of the LRF by policy makers has been undermined by a combination of weak administration, a focus on revenue maximization and considerable pressure for land.

Case Study 1: Kerme-too Aiyi Okmotu, Aravan Rayon²⁰.

839. This rayon has 338ha of LRF, of which: 91ha is irrigated; 136ha is pump irrigated; 90ha is rainfed; and 21ha is garden land.

840. Despite initial assurances that all LRF land in Kerme-Too AO is allocated by an open, auction process, further discussions with the AO Land Tenure Specialist revealed otherwise. While it was claimed that all "reserve" prices for each class of land are set by the AO Land Commission (comprised of AO Head, Land Tenure Specialist, AO member of local parliament, respected village citizens, one representative from Rayon Agriculture Dept, one from Rayon GosRegister, and one NGO Representative), in reality these are not reserve prices for an auction system, but the actual prices charged to lessees by the AO. As demonstrated in Table 8, these prices are high and likely to be more than might be either recommended by an independent agricultural adviser, or than what might be bid for by private farmers. This is especially the case on rain-fed land where yield risks and variability are so much greater and on the pump irrigated land, where pumping costs significantly reduce crop gross margins. Further when asked for an inspection of these gross margins used to set the reserve prices, they were unable to be found in the Land Tenure Specialist's records. The likelihood is that they do not exist and that the AOLC sets a price based on their requirements for revenue, and not on the potential of the land to be operated profitably.

841. Further, the AO staff admitted they not only decide on the lease price, but that the AO Land Commission (AOLC) allocates LRF land to those they regard and select as "worthy beneficiaries". With 548 families out of a total 1592 families allocated leases, the competition is intense. The Land Tenure Specialist openly admitted this process is a cause of great community conflict – even to the point of threats with knives, physical and verbal abuse being made on AOLC members, and between neighbours and between families. In short, it causes great strife. But, perhaps more disturbingly, it also gives the AO great authority over the people and is a situation where corruption could well occur.

842. There are 6 cases of collapsed leases involving partial return of LRF land to the AO, but this is never of irrigated land. From a productivity point of view, the economic cost of a farmer paying (or being charged) too much, and then being unable to afford adequate inputs appears to be an issue.

843. In summary, there must be a way of distributing LRF land, perhaps permanently, which improves economic equity for farmers, reduces community tensions, improves transparency and accountability of the process and yet ensures a fair revenue flow for the AO government budget.

Land disputes

844. Land disputes generally fall into 2 major categories: (i) those associated with land ownership; and (ii) those associated with the Land Redistribution Fund. In Osh, those professionals involved in land dispute resolution (LARC, Third party arbitration court judges -

²⁰ Source: Consultant discussions with Kerme-too Aiylok Motu staff (December, 2005).

Kalys Consult) all agree that the LRF disputes account for the majority of all disputes – typically around 70%.

845. These same people all made similar comments to the effect that:

- often the problem is people simply not being informed about their rights of ownership in law;
- the main issue in land disputes is not that the legislation is wrong, but simply that the correct procedures are not followed by those involved in land transactions.

846. Over 5 years, the LARC office in Aravan has dealt with about 600 land dispute consultations in a population of 10,600 farmers which equates to about 6%²¹ - an average of slightly more than 1% per annum. This is not high in aggregate terms, but it is still 600 land disputes, many of which could be avoided and does not include any disputes that are not brought to the LARC office. About 65% of all cases are verbal consultation only, 10% of all cases are unable to be settled at Rayon level and require higher level arbitration and only 1% required court arbitration. But the same LARC office reports the trend to litigation is increasing as people learn more about their rights under the law – indicated by the fact that 375 of the 600 cases have occurred in the 17 months from January 2004 to May, 2005.

Land ownership disputes

847. The reasons for disputes are as varied as the number of disputes themselves. However, there are some broad areas of commonality, including:

- Land owners unable to access their own land because they are denied right of way access across another owners land;
- Illegal owner trying to sell land. In the vast majority of cases, there is a mischievous third party who manipulates simple or uninformed buyers and sellers for their own gain;
- AO's simply removing ownership rights and unilaterally re-allocating ownership to another party;
- Divorce cases – usually resolved in a civil process to establish fair compensation for wife in lieu of a share of land ownership;
- GosRegister issues where the registration process has not been accurate or where registration is made to more than one person – generally due to lack of proper boundary definition which allows land owner to use a part of neighbouring land without detection.

LRF disputes

848. Generally LRF causes social disruption in rural village communities. This comment was heard in some form or other on a number of occasions. In the south, where there is less LRF land available the demand for land is greater and AOs are in positions of power and authority. There are many arguments over LRF, but the major issues revolve around the following:

- AO failure to honour lease agreements – when it suits them they unilaterally shorten the term of the lease, or raise the rent. Because the LRF lease agreements are legally weak, it gives the AO the opportunity to behave in a non transparent fashion, and to not follow the correct procedures. The outcome is many arguments;

²¹ This is consistent with the LR Project Survey findings which showed 4% of all farms had been involved in land disputes.

- Because of the big demand for LRF land in Osh, some AOs are in a strong position to demand extra from farmers. In short, some AOs are making “LRF decisions by payments, not by procedures”;
- Even where land is divided equally among all HHs, there are still arguments over land quality, location, water access, etc;

849. There is a need for much better training of AO staff, including all elected staff, on good governance, on the need to properly follow the law and follow due process in all matters. While much fault in lies with the LRF in land disputes, in fairness, they have been given a task which is beyond their capacity, and for which they have had little if any training or support.

850. The net impact of these dispute issues is that farmers experience significant insecurity and are disinclined to make significant investments in the productivity of LRF land. This is an important economic impact.

851. The second important economic issue associated with land disputes is the impact on productivity as a result of the dispute. About 30% of all disputes result in land being idle.²² But in all dispute cases, there is distraction from the main production task, resulting in reduced crop management effort and reduced yields. Further additional expenditure on legal fees means less cash available for farm inputs. There is always a yield factor associated with land disputes. However, determining the exact impact is difficult.

Case Study 2: Ayil Okmutu Revenue, Kerme-Too, Osh

852. A detailed analysis is beyond the scope of this study, however, a case study of the Kerme-Too AO in Osh is useful (see Table 11). The LRF provides 640,000som in revenue while the total AO budget is 880,000som, of which 300,000som is spent on wages/salaries. Thus, LRF provides 73% of all revenues. The recovery rate of all LRF lease payments is roughly 80% - the equivalent to one year's non-payment in every 5 year rental term. In addition, 10% of lease revenue is paid to national budget. Similarly, the land tax recovery rate is 75%, of which the AO retains 90%.

853. Those figures are relevant to Kerme-Too AO and represents actual status with lease revenue for LRF lands there. All AO's retain 90% of lease revenue and 10% is paid into the national budget, but specific budgets and ratio of wages/salary differs in various AOs.

Table 1: Summary of Kerme-Too Aiyl Okmotu LRF finances.

Land area and land tax/social tax (som)	Land classification						TOTAL
	Irrigated	1. Good quality (750)	2. Ave. quality (554)	Pump irrigated (375)	Rain-fed (100)	Garden (100)	
Area (ha)	91	45	46	136	90	21	338
Land tax payable	59,234	33,750	25,484	51,000	9,000	2,100	121,334
Social Protection tax payable	59,234	33,750	25,484	51,000	9,000	2,100	121,334
Total expense by AO	118,468	67,500	50,968	102,000	18,000	4,200	242,700
Total tax recovery by AO1	71,080	40,500	30,580	61,200	10,800	2,520	145,600
Total lease revenue2	327,600	162,000	165,600	272,000	30,200	7,100	636,900

²² Comment from 2 Arbitration Court judges in Osh (Mr Nurdin & Mr Askar).

Total revenue to AO	398,680	202,500	196,180	333,200	41,000	9,620	782,500
AO Cash Balance	280,212	135,000	145,212	231,200	23,000	5,420	539,832

Source: Kerme-too Aiyl Okmotu staff; Consultant calculations.

1. Land tax recovery rate is 75%, of which the AO receives 90%:
2. Allowing for 80% lease rental recovery.

Annex 17: Hand-Outs at the Final Workshop of the Project

Study of the Impact of Land Reform on Agriculture, Poverty and Environment

Yssykul, 28 October 2006

Sessions, Presentations and Working Groups:

(quick translation in English for the benefit of the TL and the GRM representative – please refer to the Russian text as the origin)

09:00 hrs Session A: **1. Opening and Introduction***

09:15 hrs Session B (before coffee): Process

2. Legislation*

3. Institutional Development*

4. Gender and Land Reform*

11:00 hrs Session C (after coffee): Impact

5. Agriculture*

6. Environment*

7. Poverty*

14:00 hrs Session D (after lunch): Working groups and their presentation of their findings

17:00 hrs Session E (after tea): Synthesis

* These seven presentation follow hereunder . The English translation is “Quick and Dirty”.

The synthesis at the end of the day is taken as an input for the eventual Study Report.

Note: Italic text (in the pages below) indicates a considered positive effect of land reform.

Note: any views expressed in these presentations do not necessarily reflect the views of the Ministry of Agriculture, Water Resources and Processing Industry or of the Asian Development Bank or the Project

Presentation #1: Introduction

Проект Азиатского Банка Развития	Project of Asian Development Bank
<p>« Изучение влияния земельной реформы на сельское хозяйство снижение уровня бедности и окружающую среду Бобукеева Меергуль</p>	<p>“Study of the Impact of Land Reform on Agriculture, Poverty incidence and Environment” Meergul Bobukkeva</p>
<p>Основная цель Проекта Содействие в осуществлении наиболее эффективной и результативной программы земельной реформы в Кыргызской Республике</p>	<p>The main goal of the project is providing assistance in implementation of the most sufficient and effective program of land reform in the Kyrgyz Republic</p>
<p>Деятельность Проекта была направлена на проведение</p> <ul style="list-style-type: none"> ⊗ Оценки процесса земельной реформы ⊗ Оценки влияния земельной реформы на сельское хозяйство сокращение бедности и окружающую среду ⊗ Выработка рекомендаций по дальнейшему проведению земельной реформы 	<p>Activity of the project was aimed at conduction of:</p> <ul style="list-style-type: none"> ⊗ Evaluation of process of land reform; ⊗ Evaluation of influence of land reform on agriculture, reduction of poverty and environment; ⊗ Development of recommendations on carrying further the land reform.
<p>Работа по изучению Применены методы по изучению специалистами Проекта в сотрудничестве с заинтересованными лицами</p> <ul style="list-style-type: none"> ⊗ 1. Методика <ul style="list-style-type: none"> • Социологическое исследование ⊗ 2. Методика <ul style="list-style-type: none"> • Проведение региональных и республиканских семинаров ⊗ 3. Методика <ul style="list-style-type: none"> • Ситуационные анализы (case study) в трех областях Чуйский Ошский Нарынский 	<p>Activity of the study Methods were applied on learning by the project specialists with interested parties:</p> <ul style="list-style-type: none"> ⊗ 1. Method 1 <ul style="list-style-type: none"> • Sociological survey ⊗ 2. Method 2 <ul style="list-style-type: none"> • Conduction of regional and republican seminars ⊗ 3. Method 3 <ul style="list-style-type: none"> • Situational analysis (case study) in three oblasts (Chui, Osh, Naryn).

<p>⊗ 4.Методика</p> <ul style="list-style-type: none"> • Специальные исследования (интервью, статьи) <p><i>Задача Проекта</i></p> <ul style="list-style-type: none"> ⊗ выявление пробелов, которые должны быть восполнены по результатам Исследования ⊗ определение возможности новых направлений, по которым Кыргызстан может идти в будущем <p><i>Итоги исследования</i></p> <ul style="list-style-type: none"> ⊗ Рекомендации Правительству по дальнейшему плану действий в рамках проведения земельной реформы; ⊗ Рекомендации по будущей технической помощи и инвестиционных проектов АБР и других доноров; ⊗ Опубликование отчетов по исследованию <p><i>Процесс</i></p> <ul style="list-style-type: none"> ⊗ 1991-1993- Возможность получения сельскими жителями и горожанами земли в пожизненно наследуемое владение для организации крестьянского хозяйства ⊗ 1994–1998- Граждане безвозмездно получили свои земельные доли и свидетельства на право пользования. Они могут осуществлять сделки с этим правом. ⊗ 1998 – наст.время : <ul style="list-style-type: none"> • Право на земельную долю бесплатно трансформировано в частную собственность • Создана единая система регистрации прав на землю • Земельный рынок развивается, но имеются ограничения 	<p>⊗ 4.Method 4</p> <ul style="list-style-type: none"> • Special studies (interviews, articles) <p><i>Project task</i></p> <ul style="list-style-type: none"> ⊗ determination of gaps that should be filled in accordance with the survey results; ⊗ determination of opportunities of new avenues through which Kyrgyzstan can walk into the future <p><i>Outputs of the survey</i></p> <ul style="list-style-type: none"> ⊗ Recommendations for the Government on further plan of actions in the frame of carrying the land reform; ⊗ Recommendations on future technical assistance and investment projects of Asian Development Bank and other donors; ⊗ Publication of reports on survey. <p><i>Process</i></p> <ul style="list-style-type: none"> ⊗ 1991-1993- Opportunity of receiving lands by rural population and citizens as inherited ownership for term of life for organization of peasant farm ⊗ 1994 – 1998- Citizens received land share free of charge and certificates with right for use. They can make deals with this right. ⊗ 1998 – current: <ul style="list-style-type: none"> • Right for land share is transformed in private ownership free of charge • Common system of registration of rights for land was established • Land market is growing, but there are limitations
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<p>Определение</p> <p>Земельная реформа - переход прав и ответственности на землю от государства к частным лицам.</p> <p>Аграрная реформа - реструктуризация хозяйств , формирования и укрепления рыночной инфраструктуры и условий для функционирования новой системы хозяйствования (в мировой практике аграрная реформа включает и земельную реформу).</p>	<p>Definition</p> <p>Land reform is a change in the relationship between people and land. In the context of Kyrgyzstan this has meant the transfer of property rights and responsibilities for land from the state to private parties.</p> <p>Agrarian reform is restructuring of farms, formation and strengthen of market infrastructure and conditions for functioning of a new system of farming (the world practice the agrarian reform also includes land reform)</p>
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Presentation #2: Legislation

Законодательство по земельной реформе

1991-1993

- Возможность получения сельскими жителями и горожанами земли в пожизненно наследуемое владение для организации крестьянского хозяйства
 - ☐ Граждане получили возможность оставлять землю по наследству, а также вести самостоятельное хозяйство
- Возможность получения земли в пользование для огородничества, выращивания кормов, сенокошения и выпаса скота
 - ☐ Граждане могут пользоваться землей в течение 5 – 10 лет.
- Земли колхозов и совхозов условно разделены на доли для установления размера земельного участка
 - ☐ Каждому гражданину гарантировано его право на земельный участок (долю)

1994 – 1998

- 1994 г. Граждане могут быть владельцами права пользования земельным участком (долей) сроком до 49 лет.
 - ☐ Срок временного пользования землей увеличен
- Граждане безвозмездно получили свои земельные доли и свидетельства на право пользования. Они могут осуществлять сделки с этим правом.
 - ☐ Каждому выдается земля один раз безвозмездно. Расширены права пользователей земельных участков (долей), они имеют право отчуждать свое право. Заложены основы земельного рынка.
 - ☐ Отсутствие четких критериев породило разночтения и различное применение в регионах

1994 – 1998 гг.

- В 1995 г. срок права пользования земельным участком (долей) продлен до 99 лет.
 - ☐ Делаются шаги к максимальному продлению срока прав пользования землей и приближению ее к праву собственности
- Создан ФПС (в прошлом НЗФ)
 - ☐ Резервный фонд государственных земель сельскохозяйственного назначения
 - ☐ Используется на местах по разному
 - ☐ ФПС является для АО возможностью зарабатывать деньги (увеличивать бюджет)
 - ☐ Создает почву для коррупции

Legislation on Land Reform

1991-1993

- Possibility to obtain land for lifelong heritable use in order to establish peasant farms
 - ☐ Citizens obtained the possibility to hand out land and keep farm independently
- Possibility to obtain land for truck farming, fodder production, haying and grazing.
 - ☐ Citizens may use land during 5-10 years.
- Land of kolkhozes and sovkhoses on condition are subdivided into shares for establishment of the size of the land plot.
 - ☐ Each citizen is guaranteed its right to the land plot (share)

1994 – 1998

- 1994 . Citizens may be land users till 49 years.
 - ☐ Terms of temporary use are extended
- Citizens obtained land shares charge free and also they obtained certificates on use rights. They may make transactions with the right.
 - ☐ For each person land is allocated ones. The rights of plot (share) users are extended. They have the right to alienate rights. The land market foundation is laid.
 - ☐ The lack of clear criteria caused different interpretation and different implementation in the regions

1994 – 1998

- In 1995 the term of use right to land plot (share) is prolong till 99 years
 - ☐ The steps are made to maximum prolongation of terms of rights to use land and right to ownership
- LRF is established (in the past it was NLF)
 - ☐ Reserve fund of state agricultural lands
 - ☐ In different places it is used in a different way
 - ☐ LRF gives AO an opportunity to generate money (increase budget)
 - ☐ Base for corruption

<p align="center">1994 – 1998 гг.</p> <ul style="list-style-type: none"> ■ Все сельхозугодия, за исключением земель ФПС и пастбищ, распределены в качестве земельных долей. <ul style="list-style-type: none"> <input type="checkbox"/> Земли пастбищ остались для совместного использования и это право гарантировалось каждому, однако, они выдаются в аренду с нарушением установленного процесса ■ Введение единого земельного налога в сельском хозяйстве <ul style="list-style-type: none"> <input type="checkbox"/> Упростило порядок налогообложения <p align="center">1998 – наст.время</p>	<p align="center">1994 – 1998</p> <ul style="list-style-type: none"> ■ All agricultural lands except LRF lands and pastures are distributed as land shares. <ul style="list-style-type: none"> <input type="checkbox"/> Land of pastures is left for common use and this right is guaranteed to each person, nevertheless pastures are leased out with violations of the established process ■ Introduction of a single land tax in agriculture <ul style="list-style-type: none"> <input type="checkbox"/> Simplified the order of taxation <p align="center">1998 – current</p>
<ul style="list-style-type: none"> ■ Право на земельную долю бесплатно трансформировано в частную собственность <ul style="list-style-type: none"> <input type="checkbox"/> Устранена государственная монополия на землю <input type="checkbox"/> Люди почувствовали себя собственниками земли и изменилось отношение к ее использованию ■ Создана единая система регистрации прав на землю <ul style="list-style-type: none"> <input type="checkbox"/> Граждане получили на руки документальное подтверждение их права на землю и знали месторасположение своего участка (доли) ■ Дополнительное безвозмездное выделение земельных долей лицам, не получившим ее <ul style="list-style-type: none"> <input type="checkbox"/> Достижение справедливости при распределении земель <input type="checkbox"/> Создается отрицательный прецедент <p align="center">1998 – наст.время</p>	<ul style="list-style-type: none"> ■ Right to land share is transferred to private ownership free of charge <ul style="list-style-type: none"> <input type="checkbox"/> The state monopoly to land is removed <input type="checkbox"/> People felt themselves as land owners and changed attitude to its use ■ The single system of registration of rights to land is established <ul style="list-style-type: none"> <input type="checkbox"/> People obtained documentary conformation of their rights to land and knew the location of their plot (share) ■ Additional charge free allocation of land to those who has not obtained it timely <ul style="list-style-type: none"> <input type="checkbox"/> Fairness within distribution of land <input type="checkbox"/> Negative precedent <p align="center">1998 – current</p>
<ul style="list-style-type: none"> ■ Выделение земель для индивидуального жилищного строительства <ul style="list-style-type: none"> <input type="checkbox"/> Сокращается размер земель, пригодных для сельского хозяйства <input type="checkbox"/> Создается отрицательный прецедент ■ Аренда неиспользуемых земель ФПС северных областей фермерами из южных областей <ul style="list-style-type: none"> <input type="checkbox"/> Возможность иметь больший по размеру участок земли и вести хозяйство для южан, сохранение качества земель – для северян. <p align="center">1998 – наст.время</p>	<ul style="list-style-type: none"> ■ Allocation of land for individual housing construction <ul style="list-style-type: none"> <input type="checkbox"/> Decrease of size of agricultural land <input type="checkbox"/> Negative precedent ■ Lease of unused LRF lands of the north by farmers from the south <ul style="list-style-type: none"> <input type="checkbox"/> The possibility to have bigger land plot for people from the south and protect the quality of land for people from the north. <p align="center">1998 – current</p>
<ul style="list-style-type: none"> ■ Земельный рынок развивается, но имеются ограничения <ul style="list-style-type: none"> <input type="checkbox"/> После снятия моратория на продажу земель сельхозназначения люди стали по-настоящему собственниками земли <input type="checkbox"/> Сохранены права сельских жителей на землю <input type="checkbox"/> Ограниченный круг собственников земель не 	<ul style="list-style-type: none"> ■ Land market develops but there are some restrictions <ul style="list-style-type: none"> <input type="checkbox"/> After removal of moratorium on agricultural land sale people became actual owners <input type="checkbox"/> Limited number of land owners does not allow to invest into land

- позволяет инвестировать в землю
- ☐ Несовершенство законодательства ведет к отказу в кредитовании под залог земли
- ☐ Снятие ограничений сможет привести к увеличению сделок с землей?

Рекомендации

Общие:

- Расширение круга лиц, которые могут быть собственниками земель сельхозназначения
- Прописать четкие нормы относительно изъятия земель
- Установить четкие критерии определения неделимости земельного участка для устранения коллизий норм Земельного кодекса с ЗОУЗСН.
- Создать условия для занятости вне сельского хозяйства

По ФПС:

- Прекратить выделение земель ФПС для расширения населенных пунктов и индивидуального жилищного строительства
- Провести инвентаризацию земель ФПС и мониторинг практики хорошего управления
- Ввести единую общереспубликанскую систему учета земель ФПС

По пастбищам:

- Принятие закона о пастбищах
- Приведение в соответствие норм о строительстве на пастбищах несельскохозяйственных сооружений
- Принятие четких и прозрачных процедур по передаче прав пользования пастбищами
- Введение единой общереспубликанской системы учета пастбищных земель

По земельному рынку:

- Совершенствование законодательства о залоге в части устранения разночтений по вопросам внесудебного обращения взыскания на заложенное имущество,
- Четкая регламентация обращения взыскания на землю при незначительном нарушении обязательств
- Разработка механизма выкупа государством заложенных земель при отсутствии покупателя на торгах

- ☐ Imperfection of the legislation is the reason of bank refusing of lending on the security of land
- ☐ Can removal of restriction cause the increase of land transactions?

Recommendations

General:

- Extent of number of people that may be owners of agricultural land
- Clear norms of land taking
- Clear criteria of identification of indivisibility of the land plot for removal of collision of norms of the Land Code with the Law "On Governing Agricultural Land".
- Establish conditions for employment out of agriculture

LRF:

- Stop allocation of LRF lands for extension of settlements and individual housing construction
- Make inventory of LRF lands and monitoring of good practice of management
- Introduce a single national system of registration of LRF lands

Pastures:

- Approval of law on pastures
- Put to correspondents the norms on building of non-agricultural constructions on pastures
- Approval of clear and accurate procedures on transfer of rights to pasture use
- Introduction of the single national system of registration of pasture lands

Land market:

- Strengthening of legislation on collateral concerning different interpretation of issues on out of court application for collateral property
- Clear regulation for claim to land within small violation of obligations
- Development of the mechanism of purchasing of collateral lands by the state within lack of buyers at the auctions.

Presentation #3: Institutional Development

<p><i>Институциональное развитие в процессе земельной реформы</i></p> <p><i>Выводы:</i> Институциональное развитие характеризовалось :</p> <ul style="list-style-type: none"> ⊗ изменением роли регулирующих государственных институтов ; ⊗ значительным преобразованием хозяйственных институтов ; ⊗ появлением новых институтов местного уровня, вовлеченных в процесс реформ ; ⊗ появлением и развитием институтов, оказывающих услуги для продвижения реформ. <p><i>1) Институты, играющие регулятивную роль</i></p> <ul style="list-style-type: none"> ⊗ не претерпели существенных изменений в ходе реформ, изменялось только их степень влияния в процессе реформ; ⊗ функционально во многом дублировали друг друга ; ⊗ не имели обратной связи для определения успешности проведения реформ; ⊗ определили характер проведения реформ ; ⊗ способствовали срочному проведению реформы без предварительного планирования, информационного обучения и тестирования возможных последствий ; ⊗ не имели методологии проведения реформ ; ⊗ рассматривают свою роль как контролирующую, а не управления процессом. 	<p><i>Institutional development in the process of land reform</i></p> <p><i>Conclusions:</i> Institutional development was characterized:</p> <ul style="list-style-type: none"> ⊗ Change of role of regulating state institutions; ⊗ Considerable change of economic institutions; ⊗ Appearance of new institutions involved in the process of reform; ⊗ Appearance and development of institutions providing services for promotion of reforms. <p><i>1) Institutes playing regulating role</i></p> <ul style="list-style-type: none"> ⊗ Did not undergone significant changes in the process of reform, only degree of influence in the process of reforms was changed; ⊗ Duplicated functionally each other in many respects; ⊗ Did not have feedback for definition of successfulness of the reforms; ⊗ Defined character of carrying reform; ⊗ Promoted urgent carrying reform without preliminary planning, informational training and testing possible consequences; ⊗ Did not have methodology of carrying reform; ⊗ Considered own role as controlling, but not as managing of the process.
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<p>2) Институты, осуществляющие основную функциональную деятельность в аграрной сфере</p> <ul style="list-style-type: none"> ⊗ в процессе реформ подверглись наибольшим преобразованиям ; ⊗ в основном были образованы не эволюционным путем, а посредством волевых решений сверху; ⊗ в основе своей оказались не готовы к осуществлению эффективной деятельности в условиях реформ; 	<p>2) Institutes functioning own activity in agrarian sphere</p> <ul style="list-style-type: none"> ⊗ They were undergone the greatest changes in the process of the reform; ⊗ Mainly they were established through the resolute decisions from above, but not by evolutionary way; ⊗ At the heart they were not ready to implementation of sufficient activity in the conditions of reform;
<p>3) Институты, способствующие деловой активности</p> <ul style="list-style-type: none"> ⊗ появились в процессе реформ, в ходе которого их роли значительно менялись; ⊗ оказали существенное влияние на обеспечения рациональности, надежности и эффективности осуществляемых сделок хозяйствующими субъектами ; ⊗ не отличались оперативностью и не имели хорошего взаимодействия между собой; ⊗ имели не свойственные им регулятивные и контрольные функции; ⊗ не играли значительной роли в выработке политики проведения реформ. 	<p>3) Institutions promoting business activity</p> <ul style="list-style-type: none"> ⊗ Appeared in the process of reform, their roles were changed significantly in its process; ⊗ Influenced significantly on provision with rationality, reliability and sufficiency of arranging a deal by economic subjects; ⊗ Were not distinguished by efficiency and did not have a good interaction between each other; ⊗ Did not have peculiar to them regulating and control functions; ⊗ Did not play significant role in development of policy of carrying reform.
<p>4) Институты, способствовавшие продвижению реформ</p> <ul style="list-style-type: none"> ⊗ сыграли позитивную роль в становлении и развитии институциональных основ реформ ; ⊗ осуществляли предоставление финансовых, консультационных и образовательных услуг ; ⊗ часто отличались дублированием мероприятий и проектов ; ⊗ временами играли заметную роль в политике проведения реформ. 	<p>4) Institutions promoting reforms</p> <ul style="list-style-type: none"> ⊗ Played positive role in formation and development of institutional basics of reforms; ⊗ Provided with financial, consultative and educational services; ⊗ Were distinguished very frequently by reduplication of events and projects; ⊗ Played outstanding role from time to time in the policy of carrying reforms.

<i>Рекомендации</i>	<i>Recommendations</i>
<ul style="list-style-type: none"> ⊗ исключение институционального дублирования на вертикальном и горизонтальном уровнях ; ⊗ координация оказываемой помощи международными донорскими агентствами ⊗ уменьшение влияния международных агентств на политику проведения реформ ; ⊗ институциональное обучение. ⊗ обучение государственных служащих на местах вопросам земельной реформы; ⊗ изменение роли и функций государственных регулирующих институтов (акцент с контроля на управление с оказанием реальной помощи хоз. субъектам). ⊗ планирование, информационное обучение населения и тестирование возможных последствий следующих этапов реформы ; 	<ul style="list-style-type: none"> ⊗ Exclude institutional reduplication at vertical and horizontal levels; ⊗ Coordination of provided assistance by international donor agencies; ⊗ Decrease of influence of international agencies on carrying reforms; ⊗ Institutional training. ⊗ Training of state officials at sites on issues of land reform; ⊗ Change of role and functions of state regulating institutions (accent from control to management with provision with real assistance to economic subjects). ⊗ Planning, informational training of population and testing possible consequences of further stages of reform;

Presentation #4: Gender and Land Reform

<p>Влияние земельной реформы на гендер</p> <p>Выводы исследования</p> <ul style="list-style-type: none"> ⊗ 1. Процесс земельной реформы характеризовался как процесс наделения правами на землю: земельная доля; приусадебные участки; земли пастбищ; земли ФПС. ⊗ 2. Права на земельные участки были получены почти всеми гражданами, кто имел право на получение таких участков. ⊗ 3. Доступ к правам на землю не был дискриминирующим для женщин. <p>Выводы (процесс):</p> <ul style="list-style-type: none"> ⊗ 4. Однако обычное право (традиции, обычаи) фактически является сдерживающим фактором при доступе женщин к правам на землю: <ul style="list-style-type: none"> • приусадебные участки приобретаются мужчинами и для мужчин; • в конкурсах на получение земель из ФПС и пастбищ участвуют мужчины. ⊗ 5. Права на землю подвергаются угрозе в случаях: <ul style="list-style-type: none"> • замужества девушек; • развода; • смерти мужчины. ⊗ 6. При заключении сделок с землей женщины занимают пассивную роль. ⊗ 7. Фактически женщины всегда должны согласовывать свои действия с мужчинами при активном использовании земель, а мужчины делают это очень редко (аренда, получение кредита и т.д.). ⊗ 8. Роль женщин в принятии решений на государственном уровне небольшая; 	<p>Impact of land reform on gender</p> <p>Conclusions of the research</p> <ul style="list-style-type: none"> ⊗ 1. Process of land reform was characterized as a process of allotment with rights for land: land share, homestead plots, lands of pastures, lands of the Fund of Land Redistribution. ⊗ 2. Rights for land shares were received by almost all citizens who had rights for receiving such plots; ⊗ 3. Access to rights for land was not discriminating for women. <p>Conclusions (process):</p> <ul style="list-style-type: none"> ⊗ 4. Usually common law (traditions, customs) are restricting factor during access of women to rights for land: <ul style="list-style-type: none"> • Homestead plots are obtained by men and for men; • Men participate in contests for receiving lands from the Fund of Land Redistribution and pastures. ⊗ 5. Rights for land are subjected to threats in cases: <ul style="list-style-type: none"> • Marriage of girls; • Divorce; • Death of a man. ⊗ 6. During conclusion contract on land women take passive role. ⊗ 7. Actually women should always agree own actions with actions of men during active land use, and men do it very rare (rent, receiving credit, etc). ⊗ 8. Role of women in making decisions at state level is small;
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<p>⊗ 9. В государственных органах и органах местного самоуправления все меньше женщин, особенно в тех областях, где идет процесс все большей исламизации</p> <p>⊗ 10. Женщины больше участвуют в продвижении уже принятых решений, например через НПО.</p>	<p>⊗ 9. There are less women in state bodies and bodies of local self-government especially in those oblasts where bigger islamization is in process;</p> <p>⊗ 10. Women participate more in promotion of adopted decisions, for instance, through NGOs.</p>
<p>Выводы (влияние)</p>	<p>Conclusions (impact)</p>
<p>⊗ 1. Земельная реформа положительно повлияла на права на землю (укрепление прав).</p> <p>⊗ 2. Положительно повлияла на экономическую активность женщин (туризм, возрождение народных промыслов и т.д.).</p> <p>⊗ 3. Положительно повлияла на права женщин, которые все больше оспаривают свои права во время развода и смерти мужа.</p> <p>⊗ 4. Отрицательно повлияла на уровень получения услуг социальными инфраструктурами:</p> <ul style="list-style-type: none"> • больницы, детские сады, ирригационные сооружения, организация транспорта и т.д. • отрицательно повлияла на уровень работы в сельскохозяйственном секторе, это заметно на юге, где в земледелии больше вовлечены женщины. <p>⊗ 5. Доступ к информации о правах снижает влияние обычного права на женщин;</p> <p>⊗ 6. Источниками информации выступают ОМСУ, граждане, СМИ, религиозные лидеры, международные организации и НПО.</p> <p>⊗ 7. Международные организации, органы местного самоуправления и некоммерческие организации, занимающиеся информированием граждан в сельской местности положительно влияют на использование гражданами своих прав на землю.</p> <p>⊗ 8. Активное использование прав на землю положительно влияет на снижение уровня бедности.</p>	<p>⊗ 1. Land reform influenced positively on rights for land (strengthening rights).</p> <p>⊗ 2. It influenced positively on economical activity (tourism, revival of folk crafts, etc).</p> <p>⊗ 3. It influenced positively on rights of women that contend more and more for own rights during divorce and death of husband.</p> <p>⊗ 4. It influenced negatively on level of receiving services by social infrastructures:</p> <ul style="list-style-type: none"> • Hospitals, kindergartens, irrigation installations, organization of transport, etc. • Influenced negatively on level of work in agricultural sector, it was notably observed in the south, where women are more involved in agriculture. <p>⊗ 5. Access of information on rights decreases influence of common law on women;</p> <p>⊗ 6. Local self-governments, citizens, mass media, religious leaders, international organizations and NGOs act as sources of information.</p> <p>⊗ 7. International organizations, bodies of local self-government and non-commercial organizations dealing with informing citizens in the rural area influence positively on usage of own rights for land by citizens;</p> <p>⊗ 8. Active use of rights for land influences positively on decrease of poverty level.</p>

Рекомендации

- ⊗ 1. Государству создать условия для развития институтов, информирующих о правах на землю и улучшенный доступ к таким институтам;
- ⊗ 2. Создать условия, чтобы СМИ могли бы иметь охват на всю страну.
- ⊗ 3. Государственным органам создать систему обеспечения всех регионов (и ОМСУ) НПА в короткие сроки;
- ⊗ 4. Внести в НПА нормы, обязывающие ОМСУ проводить информационную кампанию при предоставлении ФПС и пастбищ в аренду (женские организации).
- ⊗ 5. Внести дополнения в НПА, чтобы закрепить обязанность судов, ЗАГСов и нотариальных контор обязательно предоставлять информацию о правах на землю.
- ⊗ 6. Внести дополнение в НПА, предусматривающее механизм исполнения и ответственность за нарушение закона о гендерном равенстве.
- ⊗ 7. Женским НПО рекомендуется вести мониторинг исполнения этого закона и итоги предавать гласности.
- ⊗ 8. Поощрять социальную мобилизацию путем предоставления грантов и льготных кредитов, для строительства новых или восстановления разрушенных объектов соц.инфраструктуры сельских населенных пунктов.
- ⊗ 9. Гос.органов обязать оказывать методическую помощь ОМСУ по восстановлению и строительству объектов соц.инфраструктуры.

Recommendations

- ⊗ 1. For state – to create conditions for development of institutions informing on rights for land and improved access to such institutions;
- ⊗ 2. To create conditions so that mass media could cover the whole country.
- ⊗ 3. For state bodies- to create a system of provision of all regions (and local self-governments) with Normative Legal Acts in short terms;
- ⊗ 4. To introduce in Normative Legal Acts norms obliging local self-governments_ to carry informational campaign during allotment of the Fund of Land Redistribution and pastures for rent (women's organizations).
- ⊗ 5. To introduce additions in Normative Legal Acts in order to fix responsibility of courts, civilian registry office and notary offices to provide with information on rights for land.
- ⊗ 6. To introduce additions in Normative Legal Acts, anticipating mechanism of implementation and responsibility for violation of law on gender equality.
- ⊗ 7. For women NGOs- it is recommended to conduct monitoring of this legislation execution and give publicity to the results.
- ⊗ 8. To encourage social mobilization through providing grants and lax credit for construction of new or rehabilitation of destroyed objects of social infrastructure of agricultural inhabited settlements.
- ⊗ 9. To oblige state bodies to provide local self-governments with methodical assistance on reconstruction and construction of objects of social infrastructure.

Presentation #5: Impact of Agriculture on Agriculture

Влияние земельной реформы на сельское хозяйство

Влияние, Положительные

Около 3 млн. сельских жителей стали собственниками земельных долей и имущества.

Созданы равные стартовые условия для развития агробизнеса сельскими товаропроизводителями, они получили экономическую свободу.

Сельские жители имеют возможность свободно выбирать формы хозяйствования и методов ведения хозяйства, сами распоряжаются результатами своего труда.

Сельские жители могут продавать, дарить, обменивать, и закладывать свои земельные доли, развивается земельный рынок.

Аграрный сектор переведен на рельсы рыночной экономики, рыночные механизмы преобладают административно-командными методами.

Влияние, Отрицательные

1. Сельскохозяйственное производство республики в начале земельной реформы заметно упало.
2. Создание мелких хозяйств привели к низкой товарности (натуральное хозяйство, бартерные обмены, экстенсивные методы хозяйствования).
3. Полностью разрушена структура агросервиса, сельские товаропроизводители не пользуются услугами обслуживающих и снабженческих организаций.
4. Упало доходность сельского хозяйства. В настоящее время она в 3 раза меньше, чем

Impact of land reform on agriculture

Impact, Positive

1. About 3 million of rural population became owners of land shares and property.
2. Start conditions were created for development of agrarian business by rural commodity producers, they received economic freedom.
3. Rural citizens have opportunity to chose freely forms of management and methods of keeping farms, they manage results of own labor by themselves.
4. Rural citizens can sell, gift, change and pawn own land shares, land market is being developed.
5. Agrarian sector is transferred into railing of market economy, market mechanisms are prevailing over administrative-command methods.

Impact, Negative

6. Agricultural production of the republic notably was decreased at the beginning of the land reform.
7. Creation of small farms led to low marketability (natural economy, exchange, extensive methods of management).
8. The structure of agrarian service was totally destroyed, rural commodity producers do not use services of serving and supplying organizations.
9. Yield of agriculture was decreased. At present it became three times less in comparison with industry and two times less in comparison with other branches of

в промышленности и в 2 раза меньше чем в других отраслях экономики.

5. Из-за низкой отдачи уменьшается доля сельского хозяйства в общей инвестиции в экономику, если в 1993 г. она составляла 11,2 %, то в 2005 году только 4,0 %.
6. Слишком раздроблены земельные ресурсы, средний размер земельных долей не позволяет вести севооборот. (83% хозяйств имеют в среднем 0,2 га, 15% - 2,8 га, 0,8% - 13,4 га, 4,0% - 68 га)
7. Мелкие хозяйства не могут покупать дорогостоящую технику, многим не хватает средств для закупки ГСМ, минеральных удобрений и других необходимых ресурсов.
8. Отсутствует маркетинг, что приводит к перепроизводству одних видов сельхозпродукции и острой нехватке другой продукции.
9. Истощение земельных ресурсов, приведшее к снижению урожайности с\х культур.

Выводы:

1. Ожидаемый экономический рост в начальном этапе земельной реформы с передачей имущества и земельных ресурсов сельским жителям не произошел.
2. Ограниченность земельных и других ресурсов не позволяет большинству хозяйствующим субъектам вести свои хозяйства интенсивными методами с применением передовой технологии.
3. Низкая урожайность с\х культур и низкая продуктивность животных привели к уменьшению доходов сельских товаропроизводителей.
4. Нехватка кредитных и собственных средств фермеров не позволяет рационально использовать земельные и другие ресурсы.
5. Отсутствие соответствующих обслуживающих и снабженческих структур поставили фермеров в трудное положение.
6. Многим собственникам земель и имущества не хватает знаний и навыков по успешному ведению своих хозяйств (нет менеджеров).

economy.

10. Due to low return share of agriculture in total investment in economy is being decreased, if in 1993 it made 11,2 %, then in 2005 it made only 4,0 %.
11. Land shares are too broken to pieces, average size of land shares does not allow to rotate crops. (83% of farms have in average 0,2 hectares, 15% - 2,8 hectares, 0,8% - 13,4 hectares, 4,0% - 68 hectares)
12. Small farms can not buy expensive technique, a lot of them do not have means for buying fuel, mineral fertilizers and other necessary resources.
13. Marketing is not available, it leads to overproduction of some types of agricultural production and sharp shortage of other production.
14. Exhaustion of land resources leading to decrease of productivity of agricultural crops.

Conclusions:

1. Expected economic growth at the beginning stage of the land reform with transfer of property and land resources to rural citizens did not take place.
2. Scantiness of land and other resources did not allow most of economic subjects to keep farms with intensive methods with usage of progressive technologies.
3. Low productivity of agricultural crops and low productivity of cattle led to decrease of income by rural commodity producers.
4. Shortage of credit and own means of farmers does not allow using land and other resources.
5. Lack of corresponding serving and supplying structures put farmers in difficult situation.
6. A lot of owners of land and property do not have enough knowledge and skills on successful keeping own farms (there are no managers).
7. Due to low level of agreement relations agricultural commodity producers are

<ol style="list-style-type: none"> 7. Из-за низкого уровня договорных отношений сельские товаропроизводители постоянно испытывают трудности. 8. Отставание водной реформы привели к разрушению ирригационных систем и отрицательно повлияло на дальнейшее проведение земельной реформы. 9. Коррупция при сдаче в аренду земель ФПС и пастбищ привели к снижению поступления средств в а/о и другие гос. структуры. 10. Из-за отсутствия рыночной информации сельскохозяйственная продукция производится стихийно с учетом прошлогодних цен, 11. Невозможность вложить необходимых средств ежегодно выводит из оборота часть земельных ресурсов (заболачивание, засоление, опустынивание и др.) 12. Начиная с 1999 года наблюдается рост сельскохозяйственного производства, однако пока еще не обеспечена устойчивость роста. 	<p>facing difficulties constantly.</p> <ol style="list-style-type: none"> 8. Left behind water reform led to destruction of irrigation system and influenced negatively on further carrying land reform. 9. Corruption during leasing lands from the Fund of Land Redistribution and pastures led to decrease of entrance of means into village administrations and other state structures. 10. Agricultural production is produced spontaneously with consideration of the last year prices due to lack of market information. 11. Impossibility to invest necessary means annually takes out part of land resources (swamping, pickling, desertification and others) from turnover. 12. Growth of agricultural production is observed beginning from 1999, however sustainability of growth is not still provided.
<p>Рекомендации:</p> <ol style="list-style-type: none"> 1. Необходимо привлечь инвестиции в сельское хозяйство и добиться отдачи от вложенных средств, для этого необходимо проанализировать экономическое состояние хозяйствующих субъектов и регионов на основе реальных показателей (цифр). 2. Так как многие сельские товаропроизводители уже осознали, что в одиночку невозможно добиться эффективности своих хозяйств, поэтому необходимо усилить работу по созданию кооперативов. 3. Увеличить объемы кредитования сельских товаропроизводителей с снижением процента и продлением срока кредитования. 4. Необходимо создать условия сельчанам, чтобы они могли заложить свои земли и имущество для получения кредита. 5. Необходимо улучшить техническую оснащенность сельского хозяйства новой техникой и своевременно ремонтировать существующей техники. 	<p>Recommendations:</p> <ol style="list-style-type: none"> 1. It is necessary to attract investments in agriculture and achieve return from invested means, it is necessary to analyze economic situation of economic subjects and regions at the basis of real indices (figures). 2. As a lot of rural commodity producers already realized that it was impossible to achieve sufficiency of own farms alone, therefore it is necessary to strengthen work on establishment of cooperatives. 3. To increase volumes of crediting of agricultural commodity producers with decrease of percentage and prolongation of terms of crediting. 4. It is necessary to create conditions for villagers so that they could pawn own lands and property for receiving credit. 5. It is necessary to improve technical equipping of agriculture with new technique and to repair existing equipment on time.

<p>6. Добиться гармонизации земельной и водной реформы, необходимо привести ирригационных систем сельских регионов в рабочее состояние.</p> <p>7. Усилить работу по обучению, консультированию и информированию сельского населения по нужным им знаниям и навыкам, практиковать обмен опытом между хозяйствующими субъектами и регионами.</p> <p>8. Увеличить долю производства полуфабрикатов и готовых продукций с помощью мини цехов и мини производств по переработке сельскохозяйственной продукции.</p> <p>9. Разработать программу по повышению плодородия почвы с вложением необходимых средств.</p> <p>10. Создание Фонда для закупки продукции перепроизводства и создать резерв, чтобы лучше прогнозировать производства на следующий год.</p> <p>11. В целях повышения доходности земли как основного ресурса сельской экономики оптимизировать размеры земельных участков с созданием добровольных производственных кооперативов.</p> <p>12. Изучить и определить регионы, где землю можно использовать для выращивания высокодоходных культур с дальнейшим выгодным сбытом.</p> <p>13. Необходимо провести специальное исследование о возможности аграрного сектора сколько рабочих мест для сельских жителей может обеспечить.</p>	<p>6. To achieve harmonization of land and water reforms, it is necessary to bring irrigation systems of rural regions to working condition.</p> <p>7. To strengthen work on training, consulting and informing of rural population on necessary for them knowledge, skills, to practice exchange of experience between economic subjects and regions.</p> <p>8. To increase share of production of half-finished products and complete production with assistance of mini-workshops and mini-productions on processing agricultural production.</p> <p>9. To develop program on increase of fertility of soil with investment of necessary means.</p> <p>10. Establishment of Fund for purchasing production and create backlog in order to forecast better production for the next year.</p> <p>11. To optimize sizes of land plots with establishment of voluntary manufacturing cooperatives with the goal of increasing yield of land as a main resource of agricultural economy.</p> <p>12. To learn and define regions where land can be used for growing highly profitable crops with further advantageous sale.</p> <p>13. It is necessary to conduct special survey on opportunity of agrarian sector: with how many jobs it can provide rural citizens.</p>
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Presentation #6: The Impact on the Environment

Заклучение и рекомендации

В 90-х годах ситуация по использованию пастбищ резко изменилась. Обозначились жесткие границы между республиками, произошел резкий разрыв хозяйственных связей, прекратилась практика отгонного животноводства. Была разрушена инфраструктура отгонных пастбищ внутри страны и за рубежом. В ходе мониторинга пастбищ 1997 – 2002 годов в Кыргызской Республике выявлена сильнейшая диспропорция размещения скота на пастбищах. Большие площади высокогорных отгонных пастбищ летнего сезона остаются без использования, тогда как так называемые присельные пастбища, из-за чрезмерной нагрузки на них деградируют. Такое использование привело к снижению урожайности присельных пастбищ в 1,5 – 2 раза.

В настоящее время деградации разных степеней (слабой, средней, и сильной) подвержено в Нарынской области 305 тыс. га, в Чуйской – 295 тыс. га, в Ошской – 202 тыс. га. В связи со значительным ростом поголовья продуктивного скота на местном уровне, возникает заинтересованность хозяйствующих субъектов в аренде пастбищных угодий в ближайших урочищах различной сезонности.

Для этого необходимо:

- Координирование всех структур ответственных за пользование природными ресурсами;
- Передача полномочий пастбищепользования айыл окмоту;
- Проведение инвентаризации земельных угодий (всех категорий);
- Стимулирование использования отгонных пастбищ;
- Составление проектов территориального устройства;
- Определение и установление границ хозяйствующих субъектов (айыл окмоту);
- Хозяйствование на пастбищах осуществлять на

Conclusions and recommendations

In 90-ties the situation with utilization of pastures was changed drastically. Rigid boundaries between the republics were determined; drastic collapse of economic links took place, practice of distant pastures was stopped. Infrastructure was destroyed inside the country and outside it.

Huge areas of high mountainous distant pastures of summer season remain unused, at that time pastures near villages are depredating due to excessive loads. Such usage led to decrease of crop capacity of pastures near villages by 1.5 – 2 times.

At present areas of 305 thousand hectares in Naryn oblast, 295 thousand hectares in Chui oblast and 202 thousand hectares in Osh oblast are subjected to degradation of various levels (weak, average and strong). Interest of managing subjects in renting pastures in the nearest tracts of various seasons appears in connection with the significant growth of quantity of productive livestock.

For that it is necessary:

- Coordinate all structures responsible for use of natural resources;
- Transfer of authority of pasture use to village administrations;
- Conduction of inventory of lands (of all categories);
- Stimulating use of distant pastures;
- Definition and determination of boundaries of economic subjects (village administrations);
- Priority to community pasture use at

- основе данных государственного мониторинга;
- Приоритетом – общинное пастбищепользование на присельных пастбищах;
- Создание стимулов для аренды пастбищ (квотирование личного скота в общинном стаде, перегон коммерческого скота на отгонные пастбища, дифференциация арендной платы по категориям пастбищ;
- Усовершенствовать нормативно-правовую базу (принятие закона о пастбищах, о сохранении почвенных ресурсов и др.);
- Усовершенствовать систему учета поголовья животных (для экологической стабильности);
- Стимулировать создания ассоциаций пастбищепользователей;
- Готовит специалистов по пастбищепользованию (системное обучение);
- Увеличить удельный вес кормовых культур в системе посевных площадей (севооборот);
- Определить возвратный механизм от аренды и налогов на восстановление пастбищ;
- Восстановить инфраструктуру отгонных пастбищ (мосты, дороги, скотопрогоны, культцентры);
- Воссоздать племенные станции и пункты искусственного осеменения животных (повышение продуктивности, уменьшит нагрузки на пастбища);
- Разработать программу по реабилитации деградированных земель;
- Установить пропускную способность арендованных пастбищ;
- Отслеживать реакцию пастбищ на хозяйствование арендаторов (решающий инструмент управления естественными ресурсами пастбищных угодий);

«Для сохранения биологического разнообразия природных ресурсов необходимо использовать две тактики: **консервативную** – ограничение мерами запрета или лимитированного изъятия особей вида из природы или предотвращению ухудшения и уничтожения условий его существования и **активную** – когда используются меры по компенсации последствий деградации среды обитания».

- Организовать мини-заповедники на пастбищах (матрица естественных экосистем, для обеспечения желаемыми видами растений);
- Восстановить лесные экосистемы (с запрещением выпаса скота в критических зонах на 10 лет);
- Своевременно ликвидировать очаги инфекции лесов;

- pastures near villages;
- Creation of stimulus for rent of pastures (quoting personal livestock in community herd, driving commercial livestock to distant pastures, differentiation of rent fee by categories of pastures;
- Improvement of normative legal basis (adoption of legislation in relation to pastures, to preservation of soil resources, others);
- To stimulate establishment of associations of pasture users;
- To define repayable mechanism from rent and taxes for recovery of pastures;
- To rehabilitate infrastructure of distant pastures (bridges, livestock driving areas, cultural centers);
- To develop program of rehabilitation of degraded lands;

“It is necessary to apply two tactics for keeping biological diversity of natural resources: **conservative** – limitation by measures of prohibition or limited impressments of specimen type from nature or prevention of worsening and extermination of conditions of its existence and **active**, when measures on compensation of degradation of environment of living”.

- To organize mini- reserves at pastures (matrix of natural ecosystems for providing with wishful types of plants);
- To recover forest ecosystems (with prohibition of pasturing livestock in critical zones for 10 years);
- To liquidate hearth of forest infections on time;

- Там где восстановление естественным путем невозможно, создавать искусственные (культурные пастбища);
 - Проводить регулярное сенокошение (с учетом сроков фенологии);
 - Уничтожать сорные травы и кустарники (Rosa Sp. Sp.);
 - На присельных территориях восстанавливать полынные сообщества (Artemisia tenuisecta);
 - Привлекать школьников (экологическое обучение) к изготовлению скворечников – искусственных гнездовий;
 - Проводить мероприятия по борьбе с вредителями растений и животных.
- To create natural (cultural pastures) in places where rehabilitation by natural method is impossible;
 - To conduct mowing regularly;
 - To restore wormwood communities (Artemisia tenuisecta) at territories near pastures;
 - To attract schoolchildren (ecological education) to make starling houses – artificial nestling place;
 - To conduct events to struggle with wreckers of plants and animals.

Presentation #7: The Impact on Poverty

Влияние земельной реформы на бедность в Кыргызской Республике

Асель Джумакова
28 октября 2006 г.

Масштабы бедности

- ⊗ Официальный общий уровень бедности в КР в 2004 г. составил 42,9%.
- ⊗ В частности в сельской местности – 50,5%
- ⊗ Основная доля бедности приходится на сельское население страны

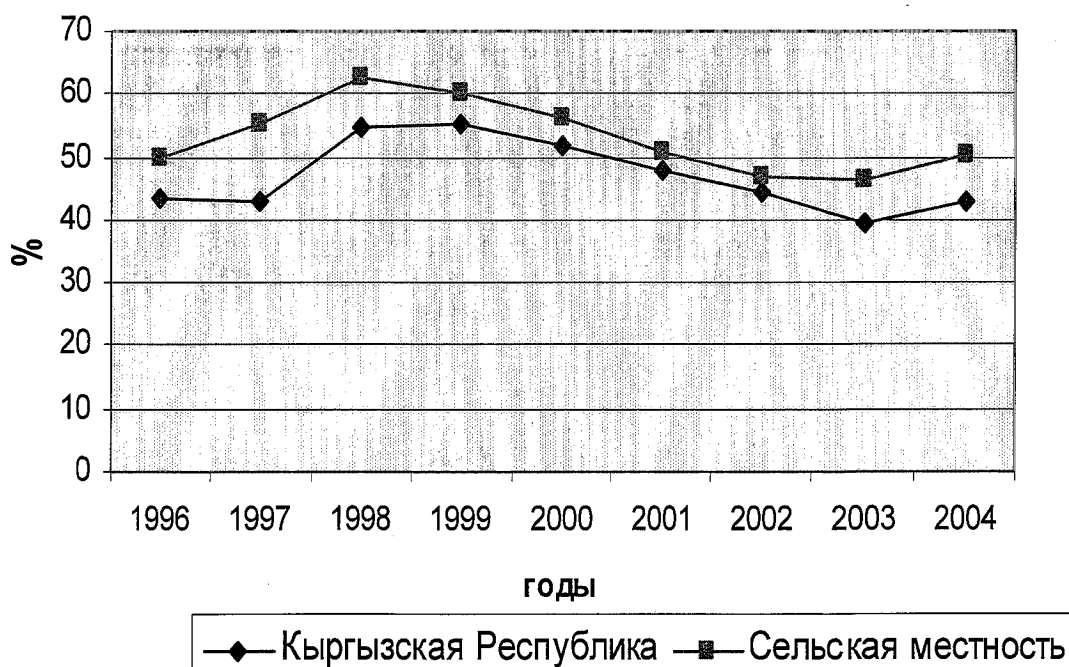
Impact of land reform on poverty in the Kyrgyz Republic

Asel Jumakova
October 28, 2006.

Poverty levels

- ⊗ Official general level of poverty in the Kyrgyz Republic made 42,9% in 2004.
- ⊗ In particularly in rural area - 50,5%
- ⊗ The main share of poverty is made by the rural population of the country.

Уровень бедности в Кыргызской Республике



Причины бедности на селе

- ⊗ высокий процент социально-уязвимых слоев населения;
- ⊗ неспособность многих к самостоятельному ведению хозяйства;
- ⊗ отсутствие необходимых условий хозяйствования, в частности, техники, удобрений и др.;
- ⊗ в отдельных регионах – неблагоприятные естественные условия для ведения хозяйства на земле;
- ⊗ отсутствие отличных (альтернативных) от сельскохозяйственного производства источников доходов.

Изменение бедности

- ⊗ После 1999 бедность в республике падает примерно на 8% в год.
- ⊗ Бедность зависит от обеспеченности земель (ее качества), водой, другими средствами производства, развитости рынков сбыта, а также наличия альтернативных источников дохода.
- ⊗ Сокращение бедности связано с земельной реформой, когда крестьянские хозяйства стали производить не только для личного потребления, а для продажи.

Динамика бедности в республике с 1996 по 2004 гг. (в разрезе трех областей)

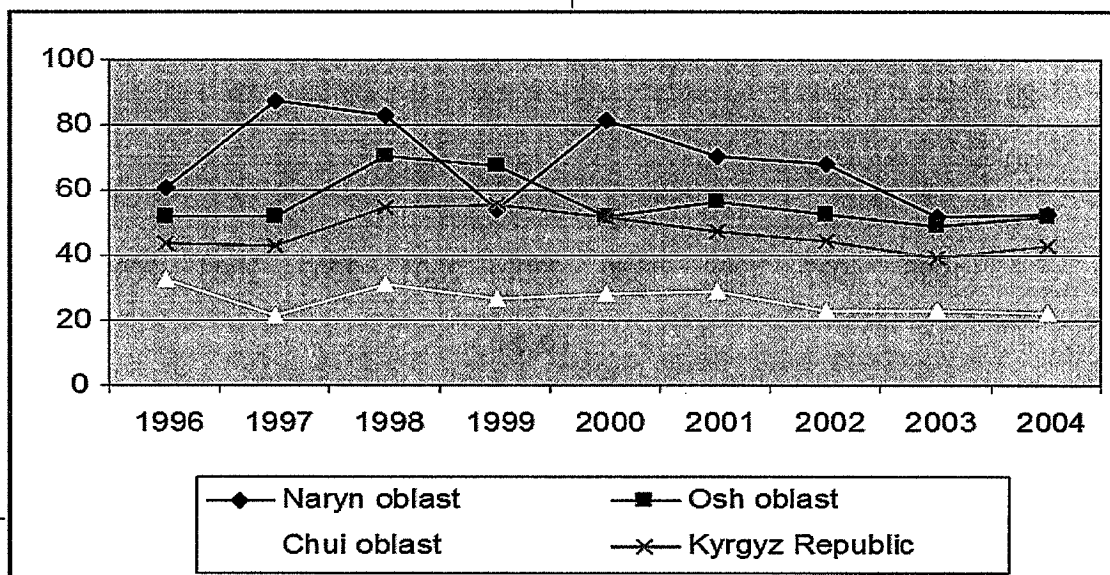
Reasons of poverty in the village

- ⊗ High percentage of social –vulnerable groups of population;
- ⊗ non-ability of a lot of people to keep farms individually;
- ⊗ lack of necessary conditions of farming, in particular equipment, fertilizers, etc.;
- ⊗ in some regions- non-favorable natural conditions for keep farms at land;
- ⊗ lack of perfect (alternative) sources of income except agricultural production.;

Change of poverty

- ⊗ After 1999 poverty decreases by 8% in the republic .
- ⊗ Poverty depends on provision with land (its qualities), water, other means of production, development of market for sale, also availability of alternative sources of income;
- ⊗ Reduction of poverty is connected with land reform when the peasant farms started to produce for sale but not only for personal consumption.

Dynamics of poverty in the republic from 1996 till 2004. (in the frame of three oblasts)



Последствия 4 бедности

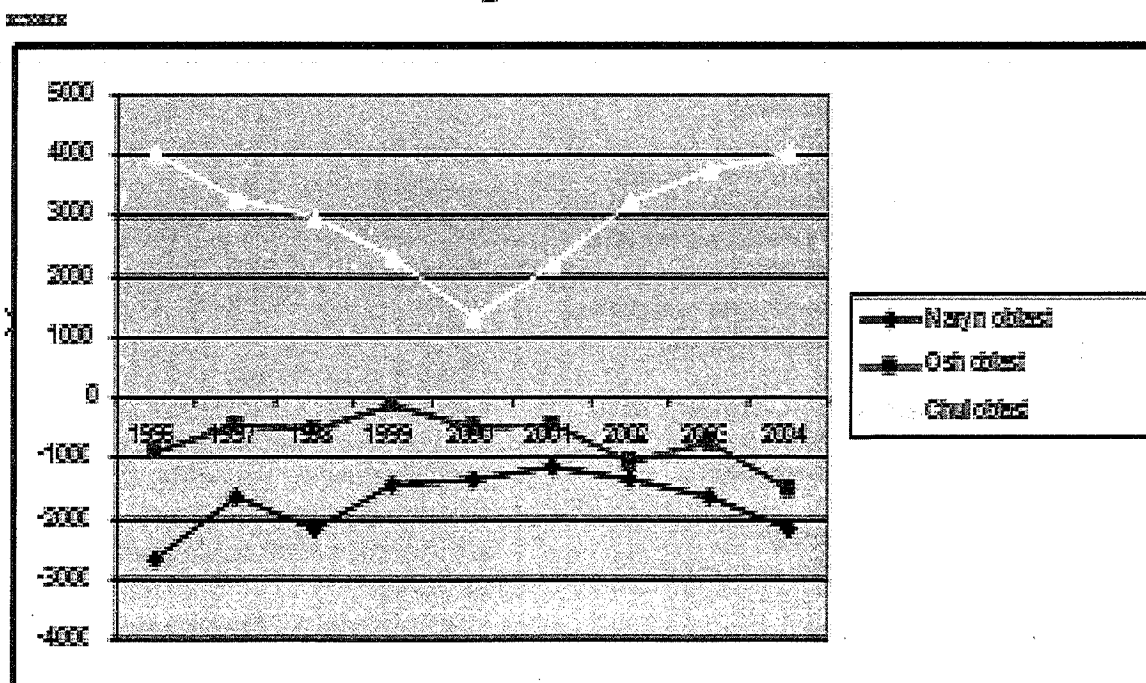
- потеря здоровья, особенно у молодого поколения;
- высокий уровень трудовой миграции;
- организация при содействии международных организаций и проектов групп само- и взаимопомощи;
- развитие народного промысла;
- поддержка молодежи местной администрацией (молодежные кооперативы)

Sequences of poverty

- Loss of health, especially among young generation;
- High level of labor migration;
- Organization of self-help groups with assistance of international organizations and projects;
- Development of folk crafts;
- Support of youth by local administration (youth cooperatives)

Показатели внутренней миграции**Indices of internal migration**

Dynamics of inflow and outflow on internal migration in the pilot oblasts



Влияние земельной реформы на бедность (выводы)

- резкое расслоение общества - результат того, что земельно-аграрная реформа стала проводиться без подготовительной, разъяснительной работы;
- она повлияла на снижение бедности только в тех случаях, когда было: достаточно земли, воды, имелись благоприятные природные условия, средства производства;
- изменился менталитет людей – они стали собственниками и у них появился интерес;
- возросла их экономическая активность, проявились предпринимательские способности;
- повысился уровень правовой грамотности населения;
- только последние 3-5 лет отмечаются улучшением ситуации в селах, когда многие фермеры, участв на собственных ошибках, овладели культурой ведения земледелия и животноводства.

Меры по преодолению бедности

- социальная мобилизация, стимулирующая производительный труд и личную ответственность граждан за свое материальное благосостояние, особенно среди молодежи;
- повышение на более высокий уровень сознания бедных, повышение их ответственности;
- люди должны научиться планировать свою жизнь, свой бюджет и свои доходы и только тогда можно преодолеть бедность;
- большие ресурсы вместо использования для эффективного ведения хозяйства на земле направляются на такие мероприятия, как тои, похороны;
- комплекс мер по обеспечению занятости и борьбы с безработицей, поддержки малого предпринимательства, фермерства, индивидуальной трудовой

Impact of land reform on poverty (conclusions)

- Sharp stratification of society as a result of that the agrarian land reform started to be carried without preparation, explanatory work;
- It influenced on poverty reduction only in cases when there was enough lands, water, favorable natural conditions, means of production;
- *Mentality of people was changed, they became owners and the interest was provoked;*
- *Economical activity was increased, enterpr3neurship abilities appeared;*
- *Level of legal literacy was increased';*
- *Only for the last 3-5 years situation in the villages was improved when a lot of farmers learning from lessons possessed culture of keeping agriculture and cattle-breeding;*

Measures to overcome poverty

- Social mobilization, stimulating productive labor and personal responsibility of citizens for material welfare, especially among youth;
- Increase of conscious of the poor to higher level, increase of their responsibility;
- People should start to plan own life, own budget, and own income, and only in that case poverty can be overcome;
- Big resources are directed to such events such as funerals, celebrities (toy) instead of sufficient keeping farm at land;
- Complex of measures on provision with employment and struggle with unemployment, support of small entrepreneurship, farming, individual labor activity in the village

деятельности на селе

Успешное преодоление бедности на селе определяется во многом эффективным использованием земли

Для этого необходимо:

- обеспечение фермеров интенсивной и высокодоходной технологией производства;
- обеспечение сбалансированности структуры производимой сельскохозяйственной продукции;
- организация оптовых рынков сбыта продукции;
- создание условий для повышения технического оснащения сельского хозяйства;
- разработка механизма обеспечения фермеров средствами производства на выгодных условиях;
- расширение системы долгосрочного кредитования и снижение процентов за кредиты;
- улучшение работы консультационных служб во всех регионах республики.

Successful poverty overcoming in village is defined mostly by sufficient land use

It is necessary for it:

- Provision of farmers with intensive and highly remunerative technologies of production;
- Provision with balanced structure of agricultural production; организация оптовых рынков сбыта продукции;
- Creation of conditions for increase of technical equipment of agriculture;
- Development of mechanisms of providing framers with means of production at advantageous terms;
- Expansion of system of long-term crediting and decrease of percentage for credits;
- Improvement of activity of consultative services in all regions of the republic.