ADB’s country operations business plan, 2021–2023 for the Kyrgyz Republic focuses on supporting inclusive growth and economic diversification beyond the COVID-19 pandemic, improving access to public and social services, and leveraging regional cooperation and integration.

The Kyrgyz Republic joined the Asian Development Bank (ADB) in 1994. In recent years, the Government of the Kyrgyz Republic has maintained a strong development agenda to reduce poverty through inclusive economic growth.

With the support of ADB, the government has sought to strengthen the health sector, reinforce social protection, reform legal and regulatory frameworks, improve the country’s business environment, make affordable finance available to all, improve the reliability of electricity services, and help Kyrgyz citizens become more employable.

ADB was among the first development partners to help the Kyrgyz Republic mitigate the significant socioeconomic impacts of global, regional, and national macroeconomic shocks arising from the coronavirus disease (COVID-19) pandemic.

Since 1994, ADB has committed 50 loans ($1.33 billion), 46 grants ($811 million), and 105 technical assistance projects ($69 million) for the Kyrgyz Republic. Cumulative loan and grant disbursements to the Kyrgyz Republic amount to $1.4 billion. These were financed by regular and concessional ordinary capital resources and the Asian Development Fund.

**ADB-SUPPORTED PROJECTS AND PROGRAMS**

In March 2020, ADB allocated $200,000 to the Kyrgyz Republic via the United Nations Children’s Fund (UNICEF). This assistance helped supply high-quality personal protection items and critically needed equipment such as oxygen generators and ventilators during the peak of the pandemic in April–July 2020.
Two months later, ADB allocated another $764,200 to finance priority needs of the Kyrgyz Republic’s health system.

In May 2020, ADB committed $50 million for the Kyrgyz Republic under its COVID-19 Active Response and Expenditure Support Program, and these funds were disbursed in June. This assistance focused on supporting government efforts to cushion the social and economic impacts of the pandemic.

ADB also committed $20 million under the COVID-19 Pandemic Emergency Project to help improve the longer-term capacity of the Kyrgyz Republic’s health system. It will support the upgrading of eight hospitals across the country by expanding and equipping their intensive care units. The project will also help procure medical and personal protection equipment, finance minor rehabilitation, and support salary top-ups and other eligible expenses.

Through the Small Expenditure Financing Facility, with $500,000 committed in November 2020, ADB will help upgrade the Osh-Plotina Water Treatment Plant’s chlorine neutralization unit to a higher international standard and provide 400,000 people with access to safe and reliable water. The activity will improve the development impact and sustainability of the Emergency Assistance for Recovery and Reconstruction Project completed in 2016.

Under the Naryn Rural Water Supply and Sanitation Development Program, ADB committed a $2.5 million grant for program readiness in December 2020. This financing will support implementation, design activities, institutional strengthening, and third-party verification of the program’s results. The program itself, with $27.4 million of investment and operational since August 2020, will benefit more than 64,000 people in rural communities of Naryn province, while building the capacity of water supply and sanitation service operators and institutions across the country to enhance service delivery and performance.

In December 2020, $90,000 was earmarked under the framework of the Almaty–Bishkek Economic Corridor, to provide 50 air-quality monitoring sensing devices to help improve air quality, public health, and livability in Bishkek, the Kyrgyz Republic’s increasingly polluted capital city. These devices will establish a baseline for strategies to improve air quality, such as the proposed ADB Urban Transport Electrification Project.

As a landlocked country, the Kyrgyz Republic needs to strengthen its cooperation with development partners.

### Kyrgyz Republic: Evaluation Results for Sovereign and Nonsovereign Operations, 2011–2020

<table>
<thead>
<tr>
<th>Total Number of Validated and Evaluated Projects and Programs</th>
<th>Evaluation Ratings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sovereign Operations</td>
<td>Highly successful and successful, Less than successful, Unsuccessful</td>
</tr>
<tr>
<td>Nonsovereign Operations</td>
<td>14, 8, 6, –</td>
</tr>
</tbody>
</table>

Note: The figures indicate the number of sovereign and nonsovereign operations in the country that have been validated or evaluated by the IED and their overall performance ratings.

The coverage consists of all validated or evaluated project completion reports and extended annual review reports circulated by ADB within the 10-year period from 1 July 2010 to 30 June 2020. See evaluations related to the Kyrgyz Republic.

Source: IED success rate database (as of 31 December 2020).

### Kyrgyz Republic: Ordinary Capital Resources Nonsovereign Commitments by Product

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2016–2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Transactions Signed (OCR)</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Number of Transactions Signed (Programs)</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Loans</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Equity Investments</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Guarantees</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Trade and Supply Chain Finance Program and Microfinance Program</td>
<td>0.85</td>
<td>1.19</td>
</tr>
<tr>
<td>Total</td>
<td>0.85</td>
<td>1.19</td>
</tr>
</tbody>
</table>

Note: – = nil, OCR = ordinary capital resources.

### Kyrgyz Republic: Portfolio Performance Quality Indicators for Sovereign Lending and Grants, 2019–2020

<table>
<thead>
<tr>
<th></th>
<th>2019 ($ million)</th>
<th>2020 ($ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract Awards</td>
<td>4.80</td>
<td>38.64</td>
</tr>
<tr>
<td>Disbursements</td>
<td>15.53</td>
<td>46.66</td>
</tr>
<tr>
<td>No. of Ongoing Grants</td>
<td>16</td>
<td>16</td>
</tr>
<tr>
<td>Contract Awards</td>
<td>10.09</td>
<td>27.85</td>
</tr>
<tr>
<td>Disbursements</td>
<td>69.78</td>
<td>44.49</td>
</tr>
<tr>
<td>At Risk Projects (%)</td>
<td>23</td>
<td></td>
</tr>
</tbody>
</table>

* Based on commitments.

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

* Excludes policy-based, results-based, and financial intermediation/credit loans and grants.

* Includes only Asian Development Fund and other ADB special funds.

### NONSOVEREIGN OPERATIONS

As a catalyst for private investments, ADB provides financial assistance to nonsovereign projects and financial intermediaries. Total commitments in loans and equity investments from ADB’s own funds in 2020 amounted to $1.4 billion for 38 transactions in economic and social infrastructure, finance sector, and agribusiness.

ADB also actively mobilizes cofinancing from commercial and concessional sources. In 2020, ADB mobilized $1.9 billion of long-term project cofinancing and $3.3 billion of cofinancing through its Trade and Supply Chain Finance Program and Microfinance Program. Total outstanding balances and commitments of nonsovereign transactions funded by ADB’s own resources stood at $14.3 billion as of 31 December 2020.

### PARTNERSHIPS

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

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

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

**FINANCING PARTNERSHIPS**

Financing partnerships enable ADB's financing partners, governments or their agencies, multilateral financing institutions, and commercial organizations to participate in financing ADB projects. The additional funds are provided in the form of loans and grants, technical assistance, and other nonsovereign cofinancing such as B loans, risk transfer arrangements, parallel loans and equity guarantee cofinancing, and cofinancing for transactions under ADB's Trade and Supply Chain Finance Program and Microfinance Program.

ADB began cofinancing operations in the Kyrgyz Republic in 1997. Since then, sovereign cofinancing commitments for the Kyrgyz Republic have amounted to $333.58 million for 12 investment projects and $5.48 million for 11 technical assistance projects.

A summary of projects with cofinancing from 1 January 2016 to 31 December 2020 is available at www.adb.org/countries/kyrgyz-republic/cofinancing.

**PROCUREMENT**

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

**Share of ADB's Procurement Contracts**

**Goods, Works, and Related Services**

ADB's procurement contracts in Asia and the Pacific for goods, works, and related services under loan and grant operations totaled $14.19 billion in 2019 and $22.79 billion in 2020. Cumulative procurement since 1966 has been $14.13 billion covering 67,086 contracts.

For consultants from the Kyrgyz Republic, 1,379 contracts worth $37.46 million have been awarded since 1994.

**Top 5 Contractors/Suppliers from the Kyrgyz Republic Involved in Goods, Works, and Related Services Contracts under ADB Loan and Grant Projects, 1 January 2016–31 December 2020**

<table>
<thead>
<tr>
<th>Contractor/Supplier</th>
<th>Sector</th>
<th>Amount ($ million)</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>AT Empire LLC</td>
<td>EDU, FIN</td>
<td>52.46</td>
<td>0.37</td>
</tr>
<tr>
<td>Bior Plus LLC</td>
<td>EDU, FIN</td>
<td>2.78</td>
<td></td>
</tr>
<tr>
<td>Mostodorstroi LLC</td>
<td>TRA</td>
<td>2.00</td>
<td></td>
</tr>
<tr>
<td>Avangard LLC</td>
<td>EDU</td>
<td>1.50</td>
<td></td>
</tr>
<tr>
<td>KBM Ltd.</td>
<td>ANR, EDU</td>
<td>1.45</td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td></td>
<td>180.04</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>194.66</td>
<td></td>
</tr>
</tbody>
</table>

**Top 5 Consultants from the Kyrgyz Republic Involved in Consulting Services Contracts under ADB Loan, Grant, and Technical Assistance Projects, 1 January 2016–31 December 2020**

<table>
<thead>
<tr>
<th>Consultant</th>
<th>Sector</th>
<th>Amount ($ million)</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Temelau Int'l. Engineering Services</td>
<td>ANR</td>
<td>3.54</td>
<td></td>
</tr>
<tr>
<td>Baker Tilly Bishkek LLC</td>
<td>ENE</td>
<td>1.04</td>
<td></td>
</tr>
<tr>
<td>Erflog Consult LLC</td>
<td>EDU</td>
<td>0.36</td>
<td></td>
</tr>
<tr>
<td>Kappa Group Ltd.</td>
<td>WUS</td>
<td>0.34</td>
<td></td>
</tr>
<tr>
<td>ISR Consult Ltd.</td>
<td>ENE</td>
<td>0.31</td>
<td></td>
</tr>
<tr>
<td>Individual Consultants</td>
<td></td>
<td>5.75</td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td></td>
<td>1.09</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>12.42</td>
<td></td>
</tr>
</tbody>
</table>

**OPERATIONAL CHALLENGES**

Government decision-making and private sector investment in the Kyrgyz Republic are impeded by political instability, regional disparities, corruption, and poor management of public finances.

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

**FUTURE DIRECTIONS**

ADB's country operations business plan, 2021–2023 for the Kyrgyz Republic is consistent with its country partnership strategy, 2018–2022. It focuses on supporting inclusive growth and economic diversification beyond the COVID-19 pandemic, improving access to public and social services, and leveraging regional cooperation and integration.
The country partnership strategy is aligned with the Kyrgyz Republic’s long-term development strategy, 2018–2040 and its medium-term program (Unity, Trust, Creation), 2018–2022. The government’s objectives are growth through macroeconomic stability, improved connectivity, and the development of small and medium-sized enterprises.

ADB will support four key development areas in the Kyrgyz Republic: (i) policy-based operations to advance economic diversification and further develop the private sector; (ii) improving the governance, operation, and maintenance of infrastructure in energy and transport; (iii) enhanced social inclusion and environmental sustainability through widened access to skills development, improved water supply and sanitation, and climate resilience and disaster risk reduction; and (iv) supporting the Kyrgyz Republic’s digital transformation program.

ABOUT THE KYRGYZ REPUBLIC AND ADB

ADB Membership
Joined 1994

Shareholding and Voting Power
Number of shares held: 31,746 (0.298% of total shares)
Votes: 70,860 (0.533% of total membership, 0.818% of total regional membership)

*Overall capital subscription: $457.23 million
*Paid-in capital subscription: $22.87 million

*United States dollar figures are valued at rate as of 31 December 2020

Almaz Baketaev is the Governor and Ruslan Tatikov is the Alternate Governor for the Kyrgyz Republic in ADB.

Arif Baharudin is the Director and Karen Murray is the Alternate Director representing the Kyrgyz Republic on the ADB Board of Directors.

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

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

ABOUT THE ASIAN DEVELOPMENT BANK

ADB is a multilateral development bank owned by 68 members, 49 from Asia and the Pacific and 19 from other parts of the world. ADB’s main instruments for helping its developing member countries are policy dialogue, loans, equity investments, guarantees, grants, and technical assistance. In 2020, lending volume was $26.9 billion (149 projects), with technical assistance at $299.56 million (275 projects) and grant-financed projects at $1.08 billion (62 projects). In addition, $16.41 billion was generated for sovereign and nonsovereign cofinancing in the form of loans and grants, B loans, risk transfer arrangements, guarantee cofinancing, parallel loans, parallel equity, and cofinancing for transactions under ADB’s Trade and Supply Chain Finance Program and Microfinance Program. From 1 January 2016 to 31 December 2020, ADB’s annual lending volume averaged $19.69 billion. In addition, investment grants and technical assistance funded by ADB and Special Funds resources averaged $805.5 million and $230.81 million respectively over the same period. As of 31 December 2020, the cumulative commitments excluding cofinancing were $323.17 billion in loans for 3,369 projects in 44 countries, $11.3 billion in 495 grants, and $5.01 billion in technical assistance grants, including regional technical assistance grants.

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Useful ADB websites
Asian Development Bank
www.adb.org

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

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

ADB Data Library
data.adb.org

Notes:
Figures are estimated by ADB unless otherwise stated. “$” refers to United States dollars.
Data are updated as of 31 December 2020 unless otherwise indicated.