

ASIAN DEVELOPMENT BANK MEMBER FACT SHEET

Kyrgyz Republic: 2017 Committed Loans, Grants, and Technical Assistance (\$ million)

Loans		Technical Assistance	Grants	Total
Sovereign	Nonsovereign			
-	-	2.85	55.00	57.85

- = nil.

Notes:

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

Grants and technical assistance include ADB-administered cofinancing.

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

Sector	No.	Total Amount (\$ million) ^d	% ^d
Agriculture, Natural Resources, and Rural Development	21	106.37	5.91
Education	18	136.07	7.56
Energy	14	349.53	19.43
Finance	19	148.42	8.25
Health	7	15.31	0.85
Industry and Trade	6	26.49	1.47
Multisector	13	113.01	6.28
Public Sector Management	40	268.43	14.92
Transport	28	572.70	31.83
Water and Other Urban Infrastructure and Services	6	62.70	3.49
Total	172	1,799.04	100.00

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

^b Includes sovereign and nonsovereign loans and technical assistance.

^c Using primary sector in reporting of commitments.

^d Numbers may not sum precisely because of rounding.

Kyrgyz Republic: Ordinary Capital Resources Nonsovereign Commitments by Product, 2007–2017

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

- = nil.

ADB supports the Kyrgyz Republic's National Sustainable Development Strategy, which aims to remove key constraints to growth and expand access to economic opportunities.

KYRGYZ REPUBLIC

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

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

The Kyrgyz Republic joined ADB in 1994 and the country has since received 41 loans (\$1.1 billion) and 31 grants (\$603.3 million) from the Asian Development Fund; and 8 grants (\$8.5 million) from Japan Fund for Poverty Reduction. ADB has also financed 98 technical assistance projects (\$56.98 million).

Cumulative disbursements to the Kyrgyz Republic for lending and grants financed by ordinary capital resources (OCR), the Asian Development Fund, and other special funds amount to \$1.17 billion.

ADB-SUPPORTED PROJECTS AND PROGRAMS

ADB is placing an emphasis on sustainability and environmental protection in the Kyrgyz Republic's development. In December 2017, work was completed on phase 1 of the \$37.5 million Issyk-Kul Sustainable Development Project in the cities of Balykchy, Cholpon-Ata, and Karakol. This 8-year project helped to improve basic infrastructure and preserve the environment of Issyk-Kul lake. The Issyk-Kul Sustainable Development Project, phase 2, with financing of \$30.5 million and possible cofinancing of \$11.5 million, is planned for 2018.

The \$25 million Climate Change Adaptation of Irrigation and Flood



Protection Project, commencing in 2018, will strengthen climate change and disaster resilience in the water sector, with a focus on flood, landslide, and drought risks. The \$30 million Second Disaster Risk Reduction Project, planned for 2020, will focus on landslide mitigation.

In November 2017, ADB approved the \$30 million Sector Development Program: Skills for Inclusive Growth. It is aligned with government's strategies to achieve inclusive growth through improved workforce skills and productivity, and will help develop a market-responsive, entrepreneurial, and inclusive system for technical and vocational education and training.

To enhance regional trade for the Kyrgyz Republic, ADB has helped rehabilitate 863 kilometers of major transport corridors and feeder roads. In 2016, ADB approved \$98.1 million for the Central Asia Regional Economic Cooperation Corridors 1 and 3 Connector Road Project. By rehabilitating around 70 kilometers of roadway, the project will reduce the cost of transport between the southern and northern regions of the country, and shorten the route between Kazakhstan and Tajikistan. With the \$10 million Regional Improvement of Border Services Project, ADB is helping

construct border crossing point facilities that meet international standards at Karamyk on the Kyrgyz-Tajik border. These facilities will be completed in 2018, while the national single-window system for pre-customs procedures will be enhanced before 2019.

Energy security is a top priority for the Kyrgyz Republic. ADB has approved the third phase of the Toktogul Rehabilitation Project, with a total investment of \$275 million. This will help rehabilitate the Toktogul Hydroelectric Power Plant, while also improving governance, transparency, accountability, and efficiency in the country's energy sector.

ADB is also encouraging private sector participation in the Kyrgyz Republic. The \$1.5 million Women's Entrepreneurship Development Project, financed by the Japan Fund for Poverty Reduction, is helping scale up businesses operated by women in rural areas and small towns. The \$25 million subprogram 3 of the Second Investment Climate Improvement Program will continue supporting reforms to create a more enabling business environment. The \$20 million Rural Financial Inclusion Project, commencing in 2018, will help boost rural incomes and improve livelihoods by providing credit lines to enterprises in the agriculture value chain.

NONSOVEREIGN OPERATIONS

As a catalyst for private investments, ADB provides direct financial assistance to nonsovereign public sector and private sector transactions in the form of direct loans, equity investments, guarantees, B loans, and trade finance. In 2017, \$3.17 billion of financing for 29 nonsovereign transactions funded by ADB's own resources were approved. Total commitments achieved in 2017 amounted to \$2.29 billion for 27 transactions. Both OCR approvals and commitments were at record highs in 2017. Around \$5.9 billion of cofinancing from commercial and official sources were mobilized. Total OCR outstanding balances and commitments of ADB's nonsovereign transactions as of 31 December 2017 amounted to \$10.9 billion.

COFINANCING

Cofinancing operations enable ADB's financing partners, governments or their agencies, multilateral financing institutions, and commercial organizations, to participate in financing ADB projects. The additional funds are provided in the form of official loans and grants, technical assistance, other concessional financing, and commercial cofinancing such as B loans, risk transfer arrangements, parallel loans and equity, guarantee cofinancing, and cofinancing

Kyrgyz Republic: Project Success Rates

Year	Success Rate (%)	No. of Independently Evaluated Projects and Programs
2007	100.0	1
2009	100.0	2
2011	66.7	3
2013	0.0	1
2014	33.3	3
2015	100.0	2
2016	100.0	1
Total	69.2	13

Note: "Year" refers to the circulation year of the project completion report (PCR). Compared with the numbers in previous years' *Fact Sheet*, the success rate reported here are based on the ratings from validated PCRs and independently evaluated performance evaluation reports only and does not include self-evaluations. With small sample size, the success rate does not necessarily represent country operations performance.

Source: PCR validation reports and project/program performance evaluation reports ratings database as of 31 December 2017.

Kyrgyz Republic: Portfolio Performance Quality Indicators for Sovereign Lending and Grants, 2016–2017

No. of Ongoing Loans ^a (as of 31 Dec 2017)	11	
	2016 (\$ million)	2017 (\$ million)
Contract Awards ^{b,c}	6.00	51.96
Disbursements ^b	31.01	20.70
No. of Ongoing Grants ^a (as of 31 Dec 2017)	15	
	2016 (\$ million)	2017 (\$ million)
Contract Awards ^{b,c}	16.28	35.22
Disbursements ^{b,d}	29.72	57.54
Actual Problem Projects (%) (as of 31 Dec 2017)	8	

^a Based on commitments.

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

^c Excludes policy-based lending/grants.

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

Kyrgyz Republic: Projects Cofinanced, 1 January 2013–31 December 2017

Cofinancing	No. of Projects	Amount (\$ million)
Projects ^a	4	278.50
Grants	1	1.50
Official loans	3	277.00
Technical Assistance Grants	4	2.35

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

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

Item	2016		2017		Cumulative (as of 31 Dec 2017)	
	Amount (\$ million)	% of Total	Amount (\$ million)	% of Total	Amount (\$ million)	% of Total
Goods, Works, and Related Services	32.30	0.29	43.69	0.42	592.25	0.35
Consulting Services	1.86	0.30	1.05	0.14	27.93	0.23
Total Procurement	34.16	0.29	44.73	0.40	620.17	0.34

Top 5 Contractors/Suppliers from the Kyrgyz Republic Involved in Goods, Works, and Related Services Contracts under ADB Loan and Grant Projects, 1 January 2013–31 December 2017

Contractor/Supplier	Sector	Contract Amount (\$ million)
AT Empire LLC	EDU	5.21
Mostdorstroi LLC	TRA	4.31
Bior Plus LLC	EDU, FIN	2.81
Minur LLC	WUS	2.62
Impuls Osh LLC	WUS	1.95
Others		114.59
Total		131.48

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

Top 5 Consultants from the Kyrgyz Republic Involved in Consulting Services Contracts under ADB Loan, Grant, and Technical Assistance Projects, 1 January 2013–31 December 2017

Consultant	Sector	Contract Amount (\$ million)
Erflog Consult LLC	ENE	0.33
University of Central Asia	FIN	0.32
Marka Audit Bishkek LLC	EDU, ENE, TRA	0.23
W. Jacobs-Audit CJSC	ENE, TRA, WUS	0.13
Promotank Research Institute Public Foundation	EDU, PSM	0.13
Individual Consultants		7.98
Others		0.38
Total		9.51

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

for transactions under ADB's [Trade Finance Program](#) and Supply Chain Finance Program.

From 1988 to the end of 2017, cumulative direct value-added official cofinancing commitments for the Kyrgyz Republic 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 2013 to 31 December 2017 is available at www.adb.org/countries/kyrgyz-republic/cofinancing.

PARTNERSHIPS

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

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

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

PROCUREMENT

Each year, ADB provides loans, grants, and technical assistance to fund projects and activities in its developing member countries; and several billion dollars in contracts to procure goods, works, and

consulting services. Most contracts are awarded on the basis of international competition, which is open to firms and individuals from any ADB member, regional or nonregional.

Share of ADB's Procurement Contracts

Goods, Works, and Related Services

ADB's procurement contracts in Asia and the Pacific for goods, works, and related services under loan and grant operations totaled \$11.28 billion in 2016 and \$10.43 billion in 2017. Cumulative procurement since 1966 was \$169.12 billion covering 211,316 contracts.

In the Kyrgyz Republic, 1,878 contracts worth \$592.25 million were awarded to contractors and suppliers since 1994.

Consulting Services

ADB's procurement contracts in Asia and the Pacific for consulting services under loan, grant, and technical assistance operations totaled \$627.79 million in 2016 and \$741.84 million in 2017. Cumulative procurement since 1966 was \$12.02 billion covering 55,420 contracts.

In the Kyrgyz Republic, 1,158 contracts worth \$27.93 million were awarded to consultants since 1994.

OPERATIONAL CHALLENGES

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

ADB helped develop an e-procurement portal, launched in 2015, that has

increased transparency in the use of public funds and improved the efficiency of government procurement.

ADB is also providing technical assistance to strengthen the government's capacity for managing development projects. It is working to overcome systemic challenges, support ongoing reforms in public financial management, and enhance good governance in the public sector.

ADB technical assistance is helping to enhance the government's policymaking, while seizing the opportunities and addressing the risks identified since the Kyrgyz Republic joined the Eurasian Economic Union in 2015.

FUTURE DIRECTIONS

The ADB country operations business plan, 2018–2020 for the Kyrgyz Republic supports the overarching goal of poverty reduction through inclusive economic growth.

The plan supports public sector management for private sector development. It aims to rehabilitate regional transport corridors and maintain the existing logistics network, as well as revitalizing and upgrading the energy network by implementing institutional and technological reforms.

ADB anticipates contributing about \$10 million to knowledge products and services for the Kyrgyz Republic in 2016–2018. This support will be disbursed through technical assistance, grant, and loan projects, and staff consultancies. ADB will support reforms in education and training to improve the availability of a skilled workforce and enhance the employability of Kyrgyz citizens, especially the poor and vulnerable.



ABOUT THE KYRGYZ REPUBLIC AND ADB

ADB Membership

Joined 1994

Shareholding and Voting Power

Number of shares held:	31,746 (0.299% of total shares)
Votes:	71,353 (0.538% of total membership, 0.825% of total regional membership)
Overall capital subscription:	\$452.10 million
Paid-in capital subscription:	\$22.62 million

Adylbek Aleshovich Kasymaliev is the Governor and **Artem Novikov** is the Alternate Governor for the Kyrgyz Republic in ADB.

Syrkani Ishak Kasim is the Director and **Mario Di Maio** is the Alternate Director representing the Kyrgyz Republic on the ADB Board of Directors.

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

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

ABOUT THE ASIAN DEVELOPMENT BANK

ADB is a multilateral development bank owned by 67 members, 48 from the region and 19 from other parts of the world. ADB's main instruments for helping its developing member countries are policy dialogue, loans, equity investments, guarantees, grants, and technical assistance. In 2017, lending volume was \$18.72 billion (111 projects), with technical assistance at \$200.53 million (246 projects) and grant-financed projects at \$597.49 million (24 projects). In addition, \$11.92 billion was generated in direct value-added cofinancing in the form of official loans and grants, other concessional cofinancing, and commercial cofinancing such as B loans, risk transfer arrangements, guarantee cofinancing, parallel loans, parallel equity, and cofinancing for transactions under ADB's Trade Finance Program. From 1 January 2013 to 31 December 2017, ADB's annual lending volume averaged \$14.55 billion. In addition, investment grants and technical assistance funded by ADB and Special Funds resources averaged \$617.74 million and \$166.28 million over the same period. As of 31 December 2017, the cumulative totals excluding cofinancing were \$255.14 billion in loans for 2,955 projects in 44 countries, \$8.36 billion in 328 grants, and \$4.27 billion in technical assistance grants, including regional technical assistance grants.

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Useful ADB websites

Asian Development Bank
www.adb.org

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

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

Depository Libraries
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To access a complete list of development and economic indicators, visit:

Statistics and Databases
www.adb.org/data/statistics