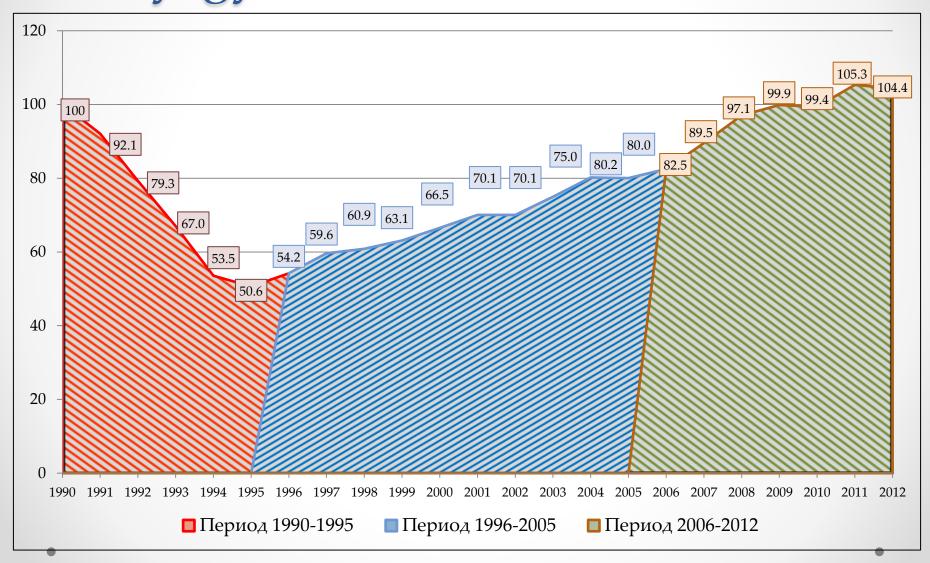


# Mainstreaming Sustainable Development in National Development Strategies: Kyrgyz Republic

Sanzhar Mukanbetov Deputy minister of economy October 9-11, 2013 New York, USA

### Moving Towards Integration

### Economic development of Kyrgyzstan from 1990 to 2012



# Three periods of economic development

1990-1995

- Deep recession
- GDP fell by almost half to 1990
- Poverty increased to 55%

1996-2005

- This period was a turning point
- Implemented reforms were supported donors
- The average annual growth of GDP amounted to 4.7%

2006-2012

- Impact of internal and external shocks
- Worldwide economic crisis in 2009
- Dramatic events of 2010
- In 2013 country announced the transition to SD.

### The key idea of the "National Strategy-2017, as a" five-year plan of creation "



#### Program of transition to SD (2013-2017)

#### SUSTAINABILITY OF ECONOMY:

- Low-Carbon energy
- •The development of agriculture through organic technology
- Food security and quality of nutrition;
- Resource-saving technologies for industry;
- •The development of mining in terms of minimizing impact on the environment and human health
- Energy-efficient construction;
- Development of tourism
- •Transport infrastructure and environment
- ICT: prospects for the introduction of e-government
- •Improve the competitiveness of the economy through innovations

#### HUMAN DEVELOPMENT:

- •Human development and social progress
- •Labor market and employment
- •The development of social protection
- Science and Education for SD
- Health and environment;
- •Cultural capacity-building for SD

**Economy** 

Social sector

**Ecology** 

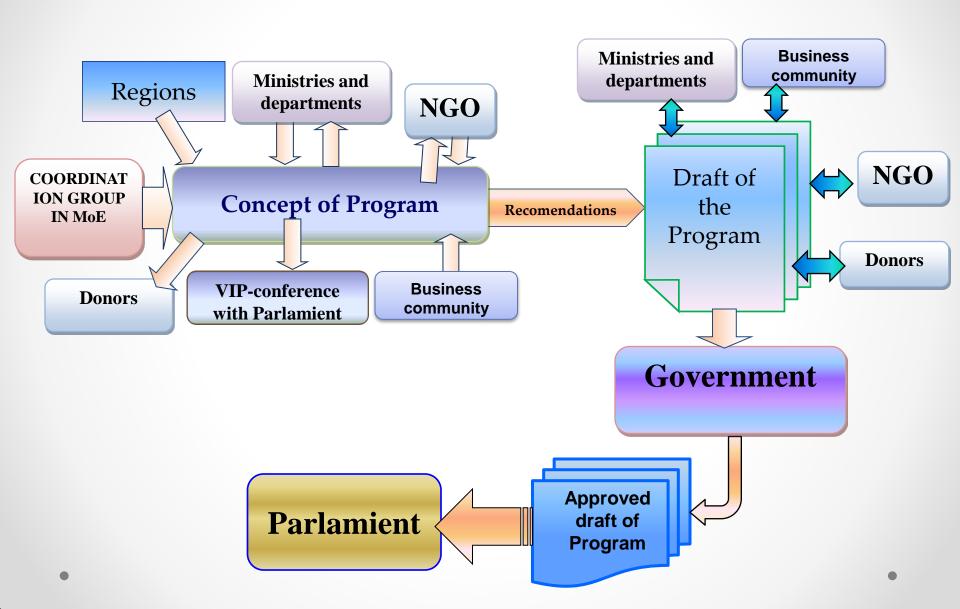
#### **ENVIRONMENTAL SUSTAINABILITY:**

- Environmental protection
- Water and drinking-water supply
- Mineral raw resources
- Complex safety of the population and territories from natural and man-made disasters



### Inclusive Stakeholder Engagement

### Process of Program of transition to SD development



### Looking Ahead

### Next steps in development of SD Programs

**Program and Action Plan of transition to SD Nation level** (2013-2017)economic Sectoral strategies and programs sectors Issy-Kul oblast strategy Batken oblast strategy Naryn oblast strategy Bishkek City strategy Chui oblast strategy Talas oblast strategy Osh oblast strategy Jalal-Abad oblast Osh City strategy strategy Regions Programs/ Programs/ **Programs/** Programs/ Plans of Plans of Plans of Plans of rayons rayons rayons rayons

### External causes and conditions of Macroeconomic stability

- political stability in the region and countries major trade partners;
- recovery in the global economy (forecast of economic growth to 4% on average per year);
- Expected economic growth in neighboring countries
   Russia (up 3.0%), Kazakhstan (at 6.0%), China (7.8%);
- low inflation in these countries (no more than 7.0%);
- expansion of foreign economic cooperation within the SCO, EurAsEC, CIS;
- political decision on the accession of the Kyrgyz Republic in the Custom Union
- expected stabilization of oil prices at the level of 100-110 dollars per barrel

## The negative impact of external factors may include:

- financial instability of some European countries and the United States;
- deceleration of economic growth in China;
- high degree of dependence on foreign borrowing to cover the deficit of the state budget;
- change in the price of gold to the decreasingly

# Internal factors of possible negative effects on macroeconomic stability

- possible complications of the socio-political situation;
- instability of the situation in the fiscal area;
- increasing risks of inflation for the growth of food prices;
- risks of water shortage and maintaining a high level of losses in the energy sector;
- increase in the purchase price of gas from Uzbekistan;

#### The political course of the Kyrgyz Republic

- I. Preparation of the country document "Priorities of the green economy in the Kyrgyz Republic", the national consultation before Rio +20. (March -June, 2012).
- II. Broad consultations on the path to sustainable development: "The Future We Want" (August , 2012 ongoing)
- III. The National Council for Sustainable Development under the President of the Kyrgyz Republic was established (November, 2012).
- IV. The National Strategy for Sustainable Development to 2017 (NSSD), which is presented by the President of the Kyrgyz Republic as the "Five-Year Plan Creation -2017" was approved (January, 2013).
- V. To implement NSSD the Government developed a five-year plan for transition of the Kyrgyz Republic to sustainable development (PTSD) (March 2013).
- VI. Defined steps for development of long-term sustainable development strategy -2030 . (Developed conceptual scenarios)

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# "FIVE YEARS OF CREATION" (2013 2017).

It is planned that the five-year period (2013 2017) for the Kyrgyz Republic will be a transitional stage towards sustainable development.

#### NSSD-2017 and PTSD – 2017?

- 1) A single strategic document of the country, focused on sustainable development
- 2) Program and Plan -2017 is tool of NSSD
- 3) The results of the implementation of the Plan assessment of target's achievement that were outlined in NSSD-2017

# What was proposed by the program of sustainable development?

- Perforational principle of public administration by everyone through the relationship and mutual influence of economic, social and ecological processes.
- Coverage of all categories of citizens by the guaranteed social services
- Coverage of cross-sectoral segments of management using new tools of public administration

### REGIONAL DEVELOPMENT

- Traditional approaches to the development of the regions are now becoming inhibitory factors for their development.
- It's time to take a course on regional specialization, inter-regional trade and cooperation
- Instead of the traditional industrial model of regional development the project-target-model for sustainable development of the regions and local communities was proposed.
- Because of this, the regions of the Kyrgyz Republic will become more recognizable both within the country and abroad, acquiring stable and specific brands

#### Next steps and the need to support sustainable

#### development initiatives in Kyrgyzstan

- 1). Capacity building of institutions on strategic planning for sustainable development
- 2). Educational initiatives among state officials
- 3). Promoting the idea of sustainable development at the local level
- 4). Training of business circles with skills of development of green projects
- 5). The need for best practices to attract green investment
- 6). The introduction of fiscal payments for EcoServices
- 7). Moving to quantitative estimates of natural capital, that is used in the production of GDP.

### Thank you!