

PEI Kyrgyzstan

Theory of Change

2014-2017



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EUROPE & THE CIS

Context and Problem Statement

The economic foundation of the Kyrgyz Republic relies mainly on the agricultural, mining and energy sectors. Kyrgyzstan ranks 120 out of 187 on the Human Development Index (HDI 2015). Agriculture accounts for about 40% of total employment (70% of the poor) and over one-third of GDP. However, more than 40% of agricultural land is degraded and over 85% of land is exposed to erosion, posing serious threats to food security and agricultural production. Rural women and girls bear most of its negative effects due to insufficient enforcement of laws and regulations, disempowering traditions, lack of education and economic opportunities among other factors. These discriminatory factors accentuate the vulnerabilities of rural women to climate change and limit their opportunities to contribute to an inclusive green development and achievement of Sustainable Development Goals (SDGs).

Barriers Analysis

1. Inadequate awareness on the importance of ENR sustainability for poverty reduction amongst key policy makers.
2. Weak coherence between national P-E objectives and sector/district budget allocations, including due to inadequate institutional capacity and management systems for coordinating budget allocations and other investments with national objectives to address climate change and improve natural resource management.

Project Objective and Assumption

Objective

To enhance implementation of development policies, plans and budgets that combine environmental sustainability and poverty eradication to contribute to the achievement of SDGs.

Assumptions

With political stability, P-E mainstreaming will remain of strategic relevance to the government's evolving path to sustainable development and green economy. Evidence-based decision making around the P-E nexus will improve cross-sector coordination and integrated planning and budgeting processes, leading to increased investments in sustainable development and poverty eradication.

PEI Interventions

In response to identified challenges, PEI focuses efforts in three key areas with capacity building as a crosscutting objective:

P-E approaches and tools for integrated development policies, plans and coordination mechanisms applied.

National knowledge base is strengthened on cross-sectoral budget and expenditure frameworks, coordination mechanisms, and environment-economic accounting systems.

Progress

Sustainable development methodological framework endorsed by Ministry of Economy as main planning guideline and applied to integrate national pro-poor environmental sustainability objectives into the National Sustainable Development Strategy (2013-2017), the Government's Programme for Transition to Sustainable Development (2013-2017), and four provincial development plans.

South-South collaboration with Czech Republic: System of Economic-Environmental Accounting roadmap developed. Initial pilot work on economic valuation of forest ecosystems.

Partnership with UN Women increased knowledge and understanding of the linkages between gender, women's empowerment, and environmental sustainability to reduce inequality, drawing from key findings of the joint research on Gender, Poverty, Environment and Biodiversity.

Official adoption of the green growth indicators as part of the national system of sustainable development indicators.

Developed the first Poverty and Social Impact Assessment on pasture management in the country.

Inter-ministerial coordination mechanism at national level led by Minister of Economy upgraded to an SDG Coordination Committee under the Prime Minister.

Remaining Interventions

Use PEI supported research and experience for the integration of pro-poor environmental sustainability objectives in the upcoming 2018-2023 National Development Plan and in the 2030 long term development strategy.

Complete Public and Private Environmental Expenditure Review (PEER) on biodiversity and climate change in partnership with the UNDP Biodiversity Financing Initiative (BIOFIN) to identify gaps in public and private financial flows related to environment and natural resources.

Support capacity building of the Ministry of Economy and other relevant actors in the monitoring of green growth indicators.

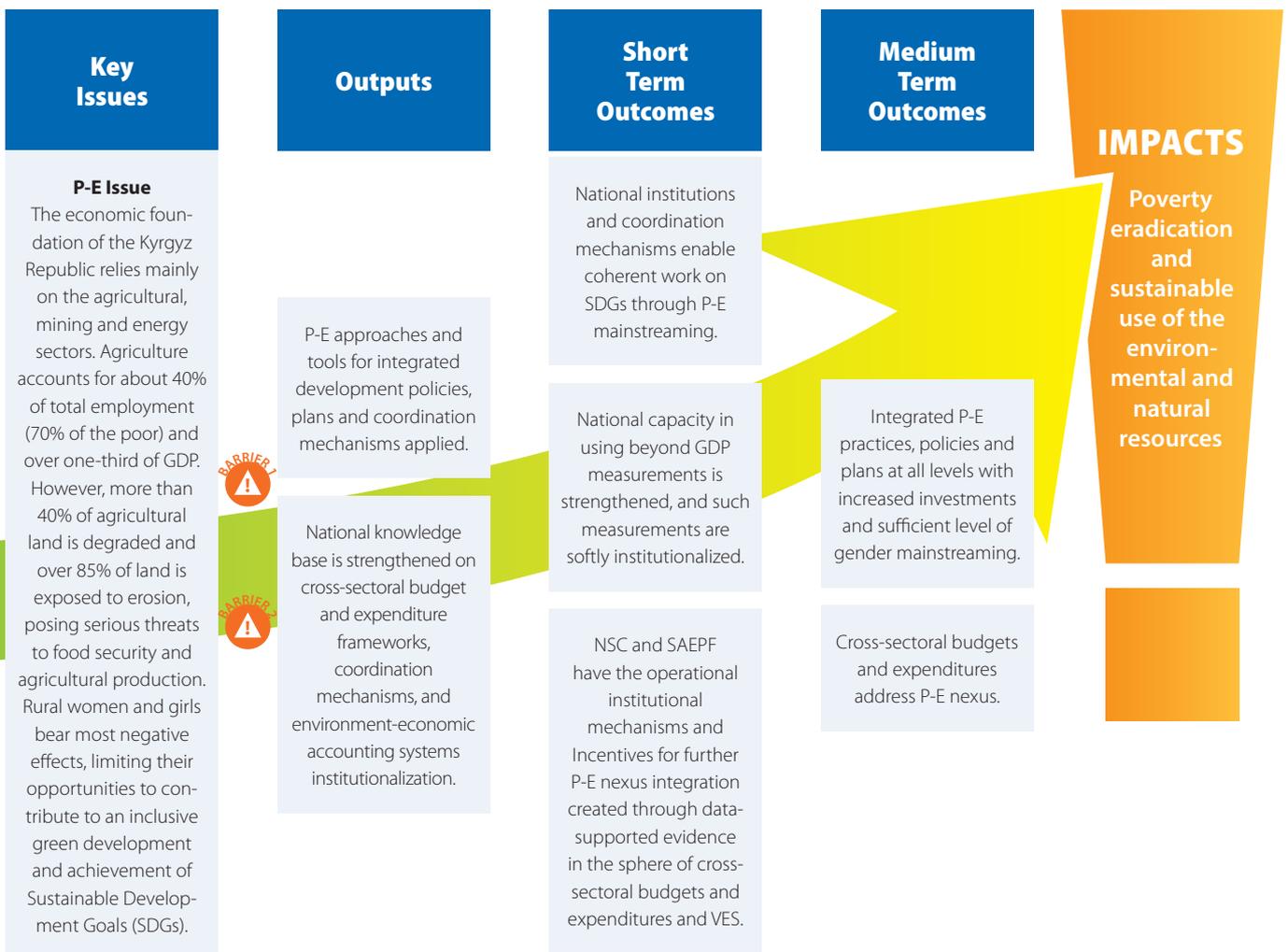
Continue the partnership with Germany's GIZ to introduce ecosystem-based development planning approaches using valuation of ecosystem services and a System of Economic-Environmental Accounting-Experimental Ecosystems Accounting (SEEA-EEA) through pilot work in the forestry sector.

Identify P-E mainstreaming champions among political and civil society leaders to widen and sustain the base for national ownership and sustainability.

Annex: ToC Diagram

Assumptions

With political stability, poverty-environment mainstreaming will remain of strategic relevance to the government's evolving path to sustainable development and green economy. Evidence-based decision making around the poverty-environment nexus will improve cross-sector coordination and integrated planning and budgeting processes, leading to increased investments in sustainable development and poverty eradication.



Barriers: 1) Policy makers awareness of ENR and poverty reduction importance 2) Coherence between national PE objectives and sector/district budget allocations