

Two thirds of total environmental pollution occur in the food and agriculture, housing and construction and mobility sectors. Kyrgyzstan's promising tourism sector in turn relies on intact natural environments and with increasing investment in tourism infrastructure and positive trends of positioning Kyrgyzstan as an adventure destination, the number of tourists (both domestic and international) will potentially increase along with the environmental challenges.

Sustainable and green consumption and production models can only be achieved with the commitment from the government, including provinces and municipalities, sectoral policy areas, actions by the private sector, service providers, scientific communities, and societal groups with a bigger environmental and social footprint. Government, consumers, businesses, civil society (organisations) and media all have a vital role in creating new green and inclusive narratives and advance economic paradigm shifts.

Policy Environment

In terms of green policy making the Kyrgyz Government has confirmed its commitments and is planning a new midterm strategy to continue its orientation towards a Green Economy, which it understands as “an economy that results in the improvement of people's welfare and the enhancement of social equity with the concurrent significant reduction of risks for the environment, while conserving and multiplying natural capital, efficiently using resources and incentivizing the conservation of natural ecosystems of the country” . The State Committee on Ecology and Climate (SCEC) and the existing Coordination Council on Climate Change, Ecology and Sustainable Development has garnered more attention. The state committee is now merged as a primary department at new Ministry on Natural Resources, Ecology and Technical Supervision (MNRETS), while the council is headed by the Head of Cabinet of Ministers. The Head of the Council is supported by three deputies the Deputy Head of the Cabinet of Ministers, a deputy from MNRETS and the Head of the President Administration responsible for political and economic research respectively. These are important steps for improving coordination, particularly on partnering efforts on dealing with climate change.

However, there are big gaps between the urban centres and regional structures, as well as Ministries and Local Governments on the matters of deliberation, coordination, understanding and implementation of desired actions, resulting in, for example, lacking harmonisation among existing and forthcoming legislative documents. There is insufficient knowledge and lack of evidence-based policymaking, political and societal dialogue and limited technical capacity among policymakers and line ministries. Overcoming these shortcomings necessitates a holistic, evidence-based and deliberative approach to support green economic policymaking that integrates results from future visions on the ground with sound assessments, feedback from service providers, the private sector, non-governmental organisations and academia.

There is weak coherence and a lack of coordination mechanisms between national, sub-national and local government levels. Missing dialogue formats and exchanges prevent private sector and non-governmental organisations providing their respective perspective and spell out sector endemic challenges in policymaking, which is quintessential for robust policy development. To ensure continuity beyond the duration of the Programme, it is imperative to introduce and institutionalise such dialogue formats and exchanges not only on all levels of government but also within the civil society structures engaged in the public sphere. Kyrgyzstan is also pursuing ambitious plans for the digitisation of its administration. This also offers entry points for sustainability topics, especially for the modernisation of the food safety system.

In terms of access to green and sustainable finance the “Roadmap for introduction of sustainable finance principles in the financial sector in the Kyrgyz Republic” as well as the foreseen National Green Finance System are first important steps; however, the actual implementation of the policies falls short of expectations. Kyrgyzstan is lagging in effectively providing access and using international green financing possibilities. Along with this, there is no favourable regulative environment for banks and microfinance institutions to incorporate environmental, social and governance aspects and green financing services.

Micro-, Small and Medium-sized enterprises

MSMEs are the backbone of Kyrgyzstan's private sector and a key employment provider, mostly in rural areas in sectors such as subsistence agriculture and in other areas of low productivity. However, economic growth has been primarily driven by resource-intensive industry and remittances. Thus, there is an urgent need to diversify and innovate economic and employment opportunities of MSMEs with a focus on environmental and social wellbeing. Currently the main financial value addition and quantitative employment effect in the agricultural value chains comes from export-oriented production. However, there is also potential for diversification and innovation in production methods that are sustainable and resilient towards climate-, geopolitical-, and economic crises, improve resource efficiency, circularity and the use of viable renewable energy sources. These potentials are still underused in the country, though, and demand for corresponding technologies cannot be taken for granted. There are very different