

Foreword

Kyrgyzstan has taken huge strides since gaining independence in 1991. Having embarked upon a rapid transition to a market economy, it has been equally bold in developing the political and social institutions of a modern democratic state. Although progress has not always been smooth, recent elections have demonstrated the growing stability of Kyrgyzstan's political system, while its economy has shown great resilience in recent years.

Social protection has played a key role in Kyrgyzstan's transition. The Government of Kyrgyzstan (GoK) has not only maintained the sizeable social insurance system that existed prior to independence but has also introduced several new social assistance and labour market policies. Social protection is the largest component of public spending, accounting for more than expenditure on health and education combined.

However, social protection provision must continue to adapt to meet a number of emerging challenges, including pervasive informality, high rates of labour migration and unemployment and the prospect of rapid growth in the elderly population. Income poverty and broader measures of deprivation have fallen dramatically since the early 2000s but remain high. The pension system achieves near-universal coverage among the elderly population but at great cost; its long-term sustainability is in doubt.

This Social Protection System Review explores ways by which social protection in Kyrgyzstan can be enhanced through a systemic approach. The GoK has committed to systematising social protection in recent social protection strategies; this Review intends to support the GoK in realising its new vision by presenting a broad vision of the sector and improving the evidence base needed for reforms to establish a coherent, sustainable and effective set of programmes.

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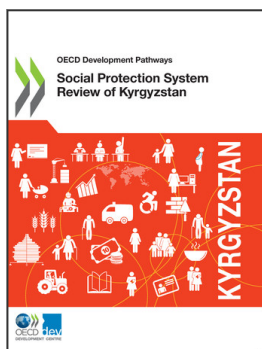
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