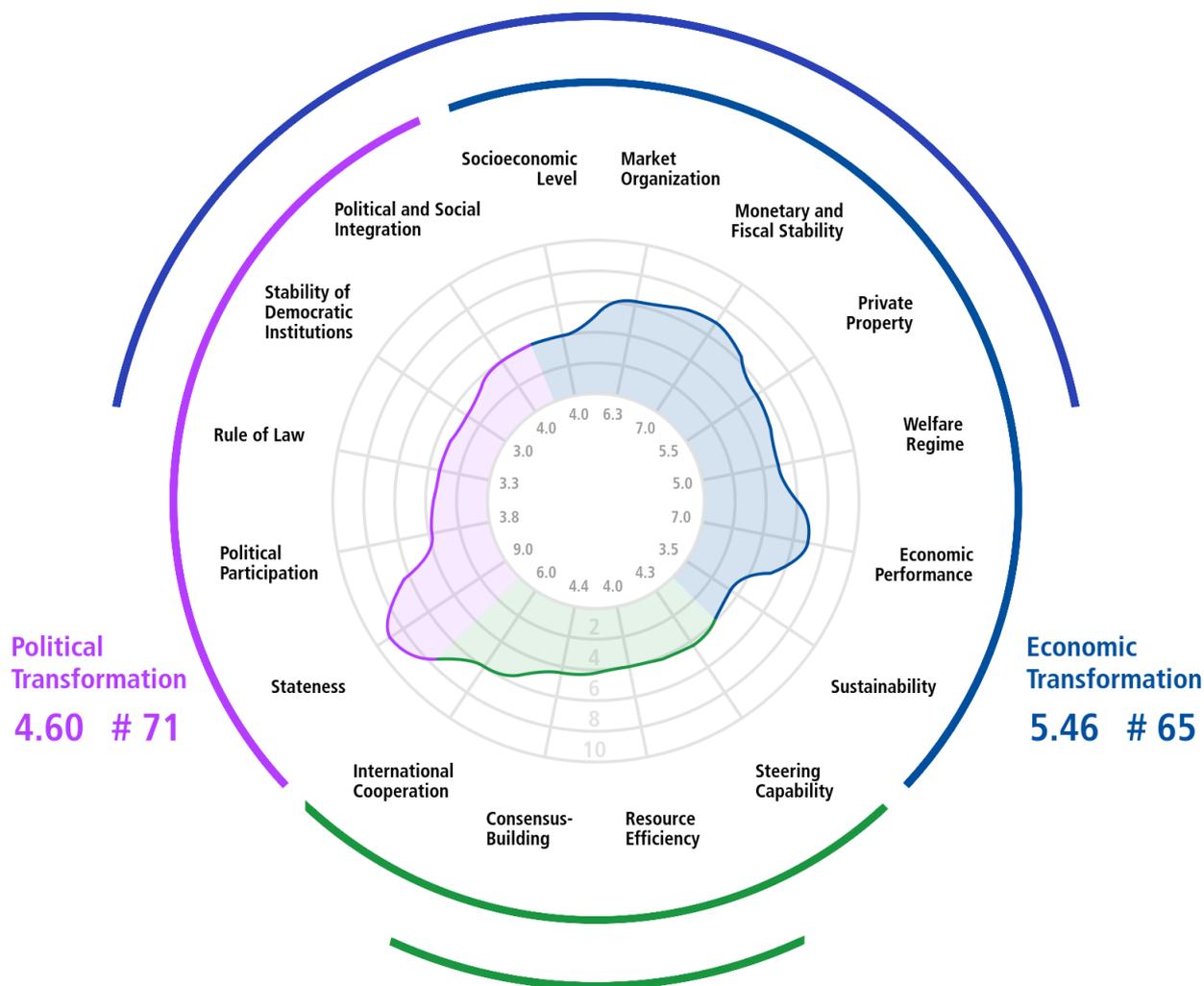


Kyrgyzstan

Status Index

5.03 # 68

on 1-10 scale out of 137



Political Transformation
4.60 # 71

Economic Transformation
5.46 # 65

Governance Index

4.21 # 87

on 1-10 scale out of 137

This report is part of the **Bertelsmann Stiftung's Transformation Index (BTI) 2026**. It covers the period from February 1, 2023 to January 31, 2025. The BTI assesses the transformation toward democracy and a market economy as well as the quality of governance in 137 countries. More on the BTI at <https://www.bti-project.org>.

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Key Indicators

Population	M	7.2	HDI	0.720	GDP p.c., PPP \$	8009
Pop. growth ¹	% p.a.	1.7	HDI rank of 193	117	Gini Index	27.2
Life expectancy	years	72.2	UN Education Index	0.755	Poverty ³	% 11.3
Urban population	%	38.2	Gender inequality ²	0.340	Aid per capita \$	62.0

Sources (as of December 2025): The World Bank, World Development Indicators | UNDP, Human Development Report 2025. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.65 a day at 2017 international prices.

Executive Summary

In 2023 – 2024, Kyrgyzstan continued along the path set during the preceding period. Politically, this resulted in a further contraction of civic space, a neglect of the rule of law, and reduced government transparency and accountability. In the sphere of economic governance, authorities worked to streamline tax administration and minimize the share of the informal economy, but there were also increasing instances of arbitrary persecution of businesses on various charges of economic wrongdoing. By the end of the period, the country had consolidated its autocratic nature, although President Sadyr Japarov remained highly popular and could claim a strong economy with 9% GDP growth.

The key figure associated with this strong economic performance, who triumphantly announced in 2023 that the Kyrgyz economy had surpassed the mark of 1 trillion som, was former cabinet chairman Akylbek Japarov. Sources of the strong growth included sharply increased earnings due to the war in Ukraine, significantly improved tax and customs administration, strong growth in the construction sector, and renewed exports of gold. Improved government revenue enabled more social spending, for instance by building schools and hospitals, enhancing emergency response capabilities, and constructing subsidized housing.

This subsidized housing, implemented mainly by the State Mortgage Company (SMC), was a curious new development, however. The SMC, managed by the notorious Office for Assets Management (OAM) of the Presidential Administration, became a formidable competitor for the private construction sector. More generally, OAM, under its head Kanybek Tumanbaev, grew into an opaque entity often wielding more influence and commanding more resources than the ministries in charge of the economy.

The only agency that was even more powerful and involved in virtually all sectors of governance – thus reaching beyond its ordinary remit – was the State Committee for National Security (SCNS), headed by Kamchybek Tashiev, the second-most-powerful person after the president and a friend of the president.

SCNS operations intruded heavily into economic governance. For example, numerous real estate properties and enterprises, long since privatized, were renationalized following claims of corrupt and illegal privatization; numerous business entities were searched, sealed and fined for tax evasion or other misconduct; many prominent or wealthy figures were arrested, charged with various abuses and induced to pay fines; and many state employees were charged with corruption-related crimes, including a mass arrest of members of the State Tax Service along with its leadership. The latter operation, apparently a politically motivated act, may have led to the resignation of then-Prime Minister Akylbek Japarov in December 2024.

SCNS was also active in its more typical field of expertise: numerous individuals and groups were arrested and charged, often based on mere social media posts and comments, with conspiring to organize mass uprisings, incite interethnic conflict or other comparable political crimes.

Thus, rapid economic growth – the sustainability of which remains in doubt – coincided with Kyrgyzstan’s further hardening as a country in which the freedoms of speech and assembly are no longer respected, the opposition is not safe, and the government is neither transparent nor accountable to citizens.

History and Characteristics of Transformation

The path that brought Kyrgyzstan to its condition at the end of 2024 – an emergent authoritarian regime and a dynamic yet erratic market economy with growing elements of state capitalism – was another in a series of cycles characteristic of the country’s political trajectory. What began as a buoyant, liberalizing and democratizing regime became an autocracy as a result of repeated retreats and failures after this start.

Kyrgyzstan became known as the “island of democracy” in the 1990s when Askar Akayev, a young and unconventional politician during the late Soviet era, unexpectedly rose to the presidency under unique political circumstances. After gaining independence in 1991, the country embraced a path toward pluralist electoral democracy and a free market economy under Akayev’s leadership. However, over the course of his nearly 15-year presidency, Akayev gradually shifted toward a more autocratic style of governance. In March 2005, his administration was overthrown in the Tulip Revolution, driven by resistance to dynastic rule as well as the desire to tackle corruption and reinstate fair and democratic governance.

The presidency of Kurmanbek Bakiyev – Akayev’s successor – lasted from 2005 until 2010 (i.e., from the Tulip Revolution to the April Revolution). It was marked by an embattled first half, during which numerous opposition groups demanded greater democracy, constitutional reform and transparency. The second half of Bakiyev’s presidency was characterized by runaway corruption, violence and dynastic rule, during which most opposition was silenced and the president’s sons and brothers installed themselves as the real wielders of corrupt and raw power.

The toppling of the Bakiyev government in April 2010 – the second such event in five years – resulted in the formation of a collective interim government consisting of 14 politicians. The interim government, led by Roza Otunbayeva, implemented a constitutional reform and held parliamentary elections later that year. However, this period was marked by the most severe violence the country had experienced since independence, with the violence stemming from an interethnic conflict, predominantly in the city of Osh in June 2010.

Otunbayeva served as a transitional president until the end of 2011, when Almazbek Atambayev won the presidential election and took office. The 2010 constitution moved the country toward a parliamentary form of government, while still sustaining a mixed system by granting significantly more power to parliament and reducing the authority of the presidency. By 2017 – the conclusion of his constitutionally mandated single term – Atambayev had effectively gained control over all branches of government, disregarding the constitutional framework. Consequently, he was able to secure the election victory of his chosen successor.

His successor, Sooronbay Jeenbekov, was apparently chosen in the expectation that Atambayev could retain power from behind the scenes. However, the new president quickly disproved this assumption. Within two months of taking office, Jeenbekov replaced all of Atambayev's loyalists in the government, prompting Atambayev to openly criticize Jeenbekov in March 2018 for what he saw as betrayal. Subsequently, one after another, the former president's ousted loyalists were charged primarily with corruption and incarcerated. In this way, Jeenbekov's first year in office was largely defined by his ongoing conflict with his former "friend," which showed no signs of abating. As a result, the new administration became entangled in a pattern of exploiting law enforcement, security and judicial institutions for political gain, to the dismay of the public.

Beyond this standoff, the Jeenbekov administration largely operated in a low-energy, conciliatory manner, failing to provide a clear sense of direction and exhibiting indecisiveness, particularly regarding corruption. Ultimately, this indecisiveness proved to be Jeenbekov's undoing. The October 2020 parliamentary elections were marred by widespread corruption, sparking major protests against the results that – somewhat accidentally – ended up overthrowing the Jeenbekov administration.

In the resulting stalemate, Sadyr Japarov and his key ally, Kamchybek Tashiev, demonstrated great agility and emerged as the victors. The Japarov-Tashiev tandem, each formerly a member of the Bakiyev cohort, came to power promising to address a number of Kyrgyzstan's long-standing political issues – corruption, lack of accountability, weak economic development, weak law and order, and even declining morale. They blamed the semi-parliamentary constitution of 2010, which they referred to as "the constitution of irresponsibility," as the underlying cause of all these problems.

As they took office, President Japarov and Tashiev, his friend and most influential partner in government, promised to end a cyclical malaise that Japarov often referred to as "the 30 years" of chaos, corruption and betrayal. Ending that malaise, in the Japarov administration's view, required a strong, centralized government and license to undertake harsh measures against all who prevented effective governance. The government began implementing its agenda almost

immediately in early 2021, starting with a series of spontaneously conceived large-scale reforms of government institutions, revision of nearly all legal foundations beginning with the constitution, and the curtailment of transparency and public consultation so as to allow uninterrupted execution of all initiatives.

In 2023 – 2024, having largely completed this fundamental overhaul, the Japarov administration focused on exercising full government authority. Using a mixture of ruthless repression and technocratic initiative, it sought to eliminate disruptors such as civil society, free media, political opposition and organized crime, aiming to achieve high economic growth rates without needing to report how this was achieved or how the resulting wealth was disbursed.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 1 (worst) to 10 (best).

Transformation Status

I. Political Transformation

1 | Stateness

The Kyrgyz state's monopoly on the use of force significantly strengthened in President Japarov's third and fourth years as president, during 2023 – 2024, as a result of several events and processes. In part, that strengthening coincided with state repression.

A major challenge to the state for an extended period had been the power of organized crime groups. In October 2023, the main figure in the criminal underworld of Kyrgyzstan – Kamchy Kolbaev – who had effectively established a shadow state, was killed in an arrest operation that turned violent. That event led to a sequence in which nearly all other criminal bosses were neutralized in various ways.

Another challenger to the monopoly of state power in recent years – a notorious smuggling baron, Raimbek Matraimov – was arrested and tried in a show process that effectively neutralized his network and influence, as well.

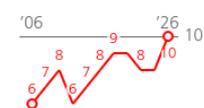
The main agency directing both events was the State Committee for National Security (SCNS), led by Kamchybek Tashiev – the second-most-influential (occasionally regarded as the first) person in the national government next to President Sadyr Japarov. The SCNS has strengthened its presence in all parts of the country and has become a feared force that has virtually canceled out the clout of local figures across the country. Increasingly, SCNS has turned into an omnipresent institution of repression and persecution unburdened with accountability.

Lastly, by late 2024, the state's monopoly control over the country's territory was improving as the border delimitation process between Kyrgyzstan and Tajikistan approached its final stages. In December 2024, the head of SCNS, serving as head of the Kyrgyzstan government's working group on border negotiations, announced that agreement had been reached on 100% of the border. The formal agreement was expected to be signed and ratified in early 2025.

Question
Score

Monopoly on the
use of force

10



1

The legitimacy of the nation-state is not questioned. One persistent political narrative of the current leadership (late 2020 – present) has been, evoking a strong strain of nationalism, that Kyrgyz statehood and sovereignty must be saved and asserted, a task they insist their predecessors had compromised. That narrative has drawn a positive response from among the large majority of the population.

The legitimacy of the state may be questioned by small minorities of people such as certain strata of Islamists – for example, the tiny clandestine group called Yakin Inkar – or some particularly devout pro-Soviet or pro-Russian groups. Such groups, to the extent they still exist, are certain to be very small and have been mute in recent years.

No people eligible for citizenship have been denied it for discriminatory reasons, though granting citizenship has been an area of concern due to various irregularities, including long wait times.

The Kyrgyz Republic remains a secular state by constitutional definition and in practice. State leaders and nearly all of the top political class pay deference to Islam in public rhetoric, yet the government and legislation are not influenced by religion.

One political party called Yiman Nuru (“Light of Iman”), which is presumed to promote Islam, has been represented in parliament since late 2021. However, it is the smallest parliamentary group, with just five seats, and has not advanced any religious influence in lawmaking or public institutions. Its popular leader Nurjigit Kadyrbekov, once a rising political figure, was compelled to resign his parliamentary seat following a corruption probe into a charity he had previously directed.

A new Law on Freedom of Religion and Religious Institutions, an earlier version of which had been stalled for more than two years, was actively debated in public during 2024 and adopted by parliament at the end of the year. It introduced a series of new restrictions and regulations on religious practice and institutions (e.g., mandatory registration, prohibition of unregistered activities, regulation of religious attire, and oversight of religious materials and education), further reinforcing Kyrgyzstan’s secular nature.

Most basic administrative functions of the state are established across all of Kyrgyzstan. This includes access to electricity (reaching nearly 100% of the population) and basic water and sanitation systems (just over 90% each). However, access to safely managed sources of water remains a challenge, with just over 75% of the population estimated to have this service, according to 2022 World Bank data.

The current government of Kyrgyzstan has continued its reforms, including in the area of basic administration. The long-dormant administrative-territorial reform – a redrawing of the boundaries of the country’s administrative-territorial units – was finally introduced in 2024 but is still being developed. The reform will reduce the number of ayil aimaks, the smallest administrative units, to 217 from the previous 452. The reform aims to improve the efficiency of local governance, among other objectives.

State identity

9



1

No interference of religious dogmas

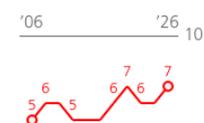
10



1

Basic administration

7



1

The law enforcement, educational and – to a lesser extent – health care sector saw the construction of new buildings, the enhancement of infrastructure and improvements to technical equipment across the country during the reporting period. Central government oversight of basic administration performance at the local level has strengthened. These improvements were made possible by enhanced government finances and were notable in contrast to the many years of disrepair and the poor condition of most such services in the past. In absolute terms, however, the improvements are only the beginning of long-delayed processes and leave much more to be done.

2 | Political Participation

In 2023 – 2024, the institution of elections and government by elected officeholders remained stable, though with challenges from the preceding period still casting a shadow. No national elections were held or scheduled to be held in the period, but elections to local assemblies took place in October 2024, along with by-elections in a dozen single-mandate parliamentary districts during those two years.

The local assembly elections were generally conducted in a peaceful and orderly manner, except for a notable disruption in the most important contest, the election to the city council of the capital, Bishkek. That poll was dominated by two newly minted parties, both suspected to be affiliated with top leaders of the country; moreover, the only nominal opposition party, the Social Democrats, was expelled three days before voting. The deregistration of the party by the election commission followed the arrest of three party leaders on allegations of vote-buying – a charge that still remained unproven, with all three remaining under arrest, as of February 2025.

Another worrisome trend was the abrupt departure of deputies from parliament – some after formal charges or arrests, others preemptively to avoid such issues. Nearly 20 of the original 90 members of parliament were replaced during the review period. All lawmakers who left the legislature did so under pressure. This had a chilling effect on the remaining members, incentivizing all to show loyalty and avoid criticizing the president or the chairman of the national security service.

Apart from these issues, elections in Kyrgyzstan will continue to be held as scheduled and regularly, and the secrecy of the ballot and universal suffrage will continue. There has been no movement against any of these features. While the electoral rules might change for the parliament to a majoritarian, proportional representation or other system, the basic voting rules and procedures, as well as provisions for the largely level playing field for candidates, are likely to remain unchanged.

Free and fair elections

5

'06 '26 10



1

The two main national offices filled by popular elections are the president and parliamentary seats. Effective power to govern has been fully exercised by the president, significantly strengthening the vertical of the executive branch of government. The other elected body, the parliament, has remained weak and subservient to the president and his national security chief. As noted above, nearly 20 deputies – those with critical stances and those not fully loyal – were forced out of parliament during the review period.

An unelected office within the government continued to expand its influence. This was the State Committee for National Security (SCNS) headed by Kamchybek Tashiev, who, with President Sadyr Japarov, is the second half of the ruling tandem. Its new influence was exemplified by its role in forcing 20 members of parliament out of the legislature.

In October 2023, longtime crime boss Kamchy Kolbaev was gunned down by an SCNS squad during an arrest operation. Other figures in the criminal underworld soon renounced their involvement in crime. Organized crime ceased to be the veto player it had long been within the country. Raim Matraimov, the notorious smuggling king and another figure previously holding veto influence, was neutralized after his arrest in early 2024, with much of his wealth confiscated and his network broken up.

A relatively new seat of power potentially capable of affecting the functioning of democratic offices was the Office of Assets Management, which is situated under the president and headed by Kanybek Tumanbaev. While Tumanbaev is rarely seen acting in public, his office has increasingly turned into a parallel cabinet alongside the formal cabinet.

Thus, by the end of 2024, the most powerful office in Kyrgyzstan, the SCNS, and the emerging new seat of power, the Office of Assets Management, had become non-elected veto players. Both are parts of the formal institutions of government, directly answerable to and appointed by the president.

Formally, the freedoms of assembly and association are guaranteed in the constitution and by several laws. In practice, however, those rights have faced significant curtailment since 2021.

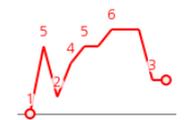
In October 2022, the arrest of more than 20 political figures and civic activists on suspicions of conspiring to overturn the government – the “Kempirabat affair” – marked the end of political assembly in Kyrgyzstan. The group had met privately to organize public protests against the border deal with Uzbekistan, which was finally concluded in January 2023. They were eventually all freed in June 2024, with the judge finding no evidence of a crime – a curious decision given a judiciary devoid of any independence.

A series of protests broke out in December 2023 at bazaars across the country, with traders opposing the government requirement to use online electronic cash registers. At one point, the protest movement grew so formidable that President Japarov

Effective power to govern

3

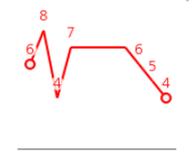
'06 _____ '26 10



Association / assembly rights

4

'06 _____ '26 10



personally appeared and promised to postpone the policy. Subsequently, all organizers of the protests and owners of the participating bazaars were summoned to participate in “prophylactic talks.”

Lastly, in another major public protest, more than 1,000 young people spontaneously gathered overnight in May 2024 following allegations that foreigners had beaten up a local youth. The allegation proved to be false, and the facts pointed nearly in the opposite direction. However, the protests, primarily mobilized over TikTok, resulted in law enforcement being put on alert, and the political leadership – Kamchybek Tashiev at that time – was compelled to speak.

Beyond those scattered incidents over two years, the right to peaceful political assembly has effectively been suppressed. The court-ordered limitation on peaceful protests in all of Bishkek, except for a single spot in a back alley in the city center, has been renewed every few months since it began in the spring of 2022, following the beginning of the war in Ukraine.

Kyrgyzstan had long been recognized in the region as an island of freedom of speech and expression, with these liberties enshrined – like all other basic civic freedoms – in the constitution. In recent years, however, there has been a sharp decline. A series of laws targeting independent media organizations, journalists and civil society organizations have been adopted or are in progress that effectively suppress freedom of expression and make self-censorship widespread.

In January 2024, the most significant attack on freedom of expression occurred when 11 journalists associated with Temirov Live were arrested in their homes and charged with conspiring to organize mass political disturbance. The group had become known for its journalistic investigations into possible corrupt activities involving the country’s leaders. Its founder and leader, Bolot Temirov, had already been persecuted and exiled in 2022. By the end of 2024, some of the journalists had been released, with some sentenced to probation and two given actual prison terms.

Under the guise of a new law ostensibly aimed at safeguarding local values, moral principles and the traditions of Kyrgyz society, the Kyrgyz state is seeking to suppress the media. Journalists are now prevented from criticizing the government, as they risk being accused of spreading misinformation that might contradict the “moral values of [the] people.” Kyrgyz President Sadyr Japarov has been given new powers to interfere with Constitutional Court decisions in cases involving “moral and ethical values.” This means Japarov can overturn any decisions that contradict these values and can justify such repression by citing the state’s role as a moral guardian.

In April, after a year of intense local and international advocacy both for and against the measure, a set of amendments was signed into the Law on Non-commercial Organizations that introduced Russian-style designations of “foreign representatives” (known as “foreign agents” in Russia), and imposed onerous accompanying

Freedom of
expression

3



regulations. Although enforcement was only gradually beginning by the end of 2024, the amendments had an immediate stifling effect on the freedom of expression among independent media and civil society organizations.

In addition to the high-profile events mentioned above, there were many individual or less-noted cases throughout the period in which people were arrested for posting, reposting or commenting on online content.

3 | Rule of Law

There is a formal, constitutionally provided system of separation of powers, although the scope of powers accorded to the executive – headed by the president – by the constitution of 2021 has significantly increased at the expense of the legislature. De facto, the situation has been even less balanced, with parliament becoming mostly a rubber-stamp and generally inconsequential branch dominated by the executive.

One nuance within the dominance of the executive in the current Kyrgyz government is the unequal power and influence of two elements within it. One is the State Committee for National Security, which is technically part of the cabinet but has acted as an autonomous entity over and above the rest of the cabinet. The second is the Directorate for Assets Management situated under the presidency; this body is technically not part of the cabinet, but has wielded expanding power over the economic bloc of the cabinet. Both entities have tended to skew the scope of constitutionally provided powers beyond the law.

The judiciary, as the third main branch of power, remained as dependent on and subordinate to the executive as before.

The judiciary in Kyrgyzstan, while constitutionally defined as a separate and autonomous branch of power, remains highly dependent on and dominated by the executive. De jure provisions have also reinforced this dependence on the executive. For instance, the president holds the prerogative to appoint the chairs of the Supreme Court and the Constitutional Court, as well as to select, appoint and dismiss judges at all levels of the judiciary. As a result, its legal status does not permit the judiciary to be fully independent.

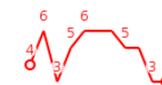
A further blow to judicial independence came in October 2023, when amendments were introduced to the Law on the Constitutional Court allowing the president or the court's chairperson to initiate a revision of previous court decisions. The amendments were adopted despite the clear provision in the constitution that decisions of the Constitutional Court are final.

In addition to the political imbalance weighing heavily against the judiciary, a high level of corruption has continued to undermine the integrity of the system. In many recent politically motivated cases, such as those against civic activists and journalists, court decisions favoring the prosecution have demonstrated a lack of impartiality for political and corrupt reasons.

Separation of powers

3

'06 '26 10



1

Independent judiciary

3

'06 '26 10



1

A key element of the Japarov government's efforts has been the fight against corruption, at least according to the rhetoric routinely expressed in the media and other public forums.

Evidence of the fight against corruption has been uneven, though voluminous. Judges, tax officers, police officers and members of other state bureaucratic institutions have been detained, charged and punished for engaging in corruption. However, the details of their prosecutions have not been made public.

The larger concern regarding office abuse is directed at those who are fighting corruption. The main entity responsible for anti-corruption efforts has been the State Committee for National Security (SCNS) – an institution which, as noted above, has increasingly operated beyond accountability to any public office.

Thus, predictably, the rule of law has been severely compromised by the methods of the SCNS. In the 2023 – 2024 period, numerous cases of abuse, corruption, tax arrears and other wrongdoing were reported by the SCNS on a nearly weekly basis, and the culprits were held to account. Since almost no information was made publicly available, suspicion has grown among the public that in most cases the alleged wrongdoers were simply forced to give up property in order to settle the allegations against them.

All civil rights are protected under the constitution of the Kyrgyz Republic. In practice, however, the most recent period has been characterized by disregard for these rights and the virtual impossibility of securing redress for their violation.

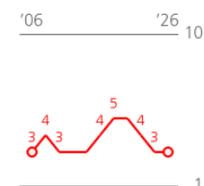
The worsening situation has mainly resulted from unaccountable and increasingly arbitrary actions by the country's law enforcement bodies, with the State Committee for National Security as the primary culprit.

Arrests for any form of critical speech, the imposition of dubious fines on business entities, the renationalization of property privatized decades ago, the extraction of punitive "repayments" of wealth earned through alleged corruption, and other acts have all occurred in gross violation of due process. These actions are marked by little to no evidence of crimes or wrongdoing; widespread reliance on linguistic and political "experts" issuing inculpatory forensic expertise; an absence of public information about trials or court rulings in economic cases; and arbitrary, across-the-board pretrial arrests for long periods, even for minor offenses.

On one occasion, when a former employee of an institution from which political and linguistic forensic evidence was solicited spoke out about the security services routinely issuing directions on what to write in such expert opinions, he was jailed on forged charges. In another case, a popular defense lawyer who often provided legal defense to individuals charged with politically motivated crimes, such as journalists and civic activists, was arrested and charged with an alleged crime unrelated to his professional work. Courts have almost always cooperated with the prosecution and acted in line with law enforcement and security institutions.

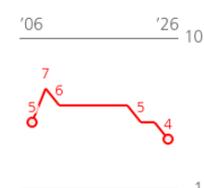
Prosecution of office abuse

3



Civil rights

4



The office of the ombudsman, the National Center for the Prevention of Torture, a few members of parliament and lawyers have raised concerns in protest against such abuses, but with little effect.

While the overall situation has worsened, there has been no known targeted abuse of the civil rights of distinct groups, such as by gender, ethnicity, religion or sexual orientation. Of these, LGBTQ+ people suffer the greatest stigma within society, largely due to long-term propaganda. They face significant hurdles and limitations to their civic rights when acting as members of LGBTQ+ communities. They do not face legal persecution because of their status, nor is there explicit legal protection. In the reviewed period, no case of abuse or repression against them in that capacity came to light.

4 | Stability of Democratic Institutions

Kyrgyzstan is formally a democratic republic according to its constitution, regularly holding elections for key national and local representative offices. In reality, however, the country – the only somewhat democratic nation in the region – has joined the mainstream of autocracies.

What has enabled the current leadership to claim to be a democratic government while pursuing an essentially undemocratic policy is its populist style. Appealing to the moods of a politically unsophisticated and long-disillusioned citizenry, the government of President Japarov has consistently enjoyed high levels of public support since taking office. The president and the second-most-important government figure – Kamchybek Tashiev, chairman of the State Committee for National Security – have consistently ranked as the first- and second-most-popular political figures in all recent polls.

In rare cases, such as the widespread protests against the requirements of the digital tax administration, the government has temporarily retreated. In most other cases, including the near-universal opposition to changing the national flag, the government has pushed forward with its initiatives.

Political opposition in Kyrgyzstan has virtually been eliminated. All independent and politically critical media outlets have either been pushed out of the country – such as Kloop and Temirov Live – or induced to engage in self-censorship – as in the cases of Azattyk Media, Kaktus Media, Media Hub and several others – through various politically motivated legal actions against them. Civil society activists and organizations have also been shut out of political activity via legal and propaganda-based blackmail.

Performance of democratic institutions

3

'06 '26 10



As noted above, the government’s rhetorical commitment to democracy and democratic institutions has remained in place, in stark contrast to the reality of political practice. No scheduled election has been postponed or questioned, nationwide local council elections were held in 2024, and multiple single-mandate district elections to fill parliamentary vacancies took place in 2023 and 2024. The national average of women’s representation on local councils as a result of the 2024 elections was well above 30% – the best outcome for women’s representation in recent years.

The commitment to holding democratic elections remains strong within both the executive branch and the representative bodies themselves. Despite the extremely low standing of the legislative branch compared with the executive, all by-elections for parliament were competitive. Local council elections were also competitive, and at least two new parties considered linked to top government figures were formed and participated in the elections. Both won large numbers of seats in the capital city council.

There is a similar commitment to and recognition of the legitimacy and necessity of democratic institutions and processes among actors outside the government, such as political parties, the media, civil society and representatives of the business sector.

5 | Political and Social Integration

Political parties in Kyrgyzstan have been numerous but, for the most part since independence, unstable, unrepresentative and ineffective. Political reforms following the late-2020 change of leadership further relegated parties to secondary roles.

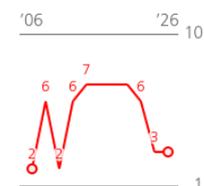
As a rule, the more powerful parties in Kyrgyzstan have been those affiliated with the presidents. That remains true today, with legislators from the Ata-Jurt party – which is affiliated with the president and his closest ally Kamchybek Tashiev – setting the tone and fully supporting their leaders in parliament.

Yiman Nuru, a party appealing particularly to the Muslim electorate that held a small parliamentary contingent, was essentially silenced after its leader was forced out of the legislature. Alliance, another small party faction in parliament, has failed to offer the electorate a recognizable political alternative. A third party, Butun Kyrgyzstan, which also holds only a handful of seats in parliament and is the only one identified as an opposition party, had one or two members who were regularly vocal and critical toward the executive. However, this party also was seriously demoralized after its once-popular leader, Adahan Madumarov, was charged with serious crimes and stripped of his parliamentary seat.

As a result, in the 2023 – 2024 period, the Kyrgyz political party system suffered several setbacks, experienced steady government pressure and saw only loyalist parties thrive. If the political leadership were to change, these loyalist parties would

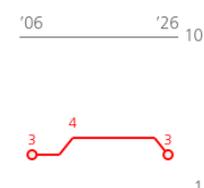
Commitment to democratic institutions

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Party system

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likely depart the scene with it. Parties’ performance with regard to voter representation, interest consolidation and articulation, the development of competing and alternative policy visions, and the maintenance of stable memberships or electorates remained as low as ever.

Whereas the constitutional provisions for freedoms of association and assembly allow citizens to form interest groups, independent associations that might at any time become political are strongly discouraged.

Thus, for example, the interest groups formed around taxi service providers, private mass transportation companies or owners of cars with right-side wheels, all of which were previously active in defending their interests, have generally been silenced.

In the wake of a series of bills restricting the space for media and civil society organizations, these entities formed several groups of solidarity and joint action – without formal registration – to oppose the efforts and defend members of their professions in cases of legal persecution. Through such self-organization, both the media sector and the civil society/NGO sector together and separately engaged in debates and dialogues with the government and were included in working groups to revise and amend the disputed bills. However, their efforts were only marginally successful.

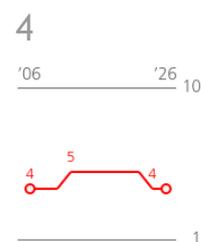
Due to the ongoing pressure of government legislative initiatives on multiple fronts, most relatively organized groups – mostly NGOs – were preoccupied with defending themselves against restrictive bills. This left many socially salient and large issue areas unrepresented, including the rights of children, educational sector issues, health care rights and challenges, environmental issues and others.

There remains a disconnect between the population’s moderate levels of approval of democracy as indicated by surveys and other evidence, and its strong support for the institutions, practices and figures most closely associated with undemocratic politics in the country.

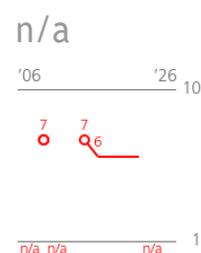
Two rounds of public opinion surveys in Kyrgyzstan were conducted by the International Republican Institute – the longest-running and most regular poll in the country – in May 2023 and January 2024. In each instance, respondents overwhelmingly indicated that they believed democracy was developing very well (a share of 70% and 66%, respectively). When asked whether democracy was “the best possible form of government” for Kyrgyzstan, 45% of respondents agreed in 2023 and 55% agreed in 2024, with the 10% fluctuation reflecting a margin characteristic of past rounds of the survey.

The same surveys showed strong approval ratings for President Japarov (an 88% share holding positive views in 2024) and Kamchybek Tashiev (a 71% positive share in 2024). There has also been widespread support for the arbitrary and heavy-handed policies of the State Committee for National Security – headed by Tashiev – against allegedly corrupt wealthy individuals and companies, with disregard for due process.

Interest groups



Approval of democracy



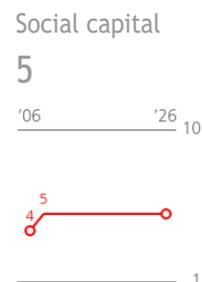
Hence, there is an obvious mismatch: The population approves of and is interested in maintaining democratic empowerment and a voice for citizens, while also approving – from their empowered and free positions as citizens – the undemocratic but “decisive,” “strong” and “effective” work of their leaders and institutions.

The social norms of mutual support, trust and cooperation remain relatively stable yet uneven across different social settings. Most expressions of trust and mutual support are found within networks of direct linkage such as the family or between co-villagers, or are faith-based.

No new surveys addressing the question of social capital were conducted in 2023 or 2024. However, data from the PIL Research Company survey of 2021 – 2022 confirmed the trends described above and most likely remain relevant in the most recent period.

In addition to the general observations above, specific practices indicating social capital include charitable and mutual support among Kyrgyz labor migrant communities in Russia, both within their own groups and toward their families and local communities back home. Another way people associate and maintain solidarity is through school alumni groups and shared local origins, especially among internal migrants living in Bishkek.

The exemplary event-driven cases of nationwide solidarity and cooperation seen in previous years, such as after the Kyrgyz-Tajik border conflicts or during the COVID-19 shutdowns, were not observed in the 2023 – 2024 period, possibly because no such challenges occurred.



II. Economic Transformation

6 | Level of Socioeconomic Development

Indicators of socioeconomic development in Kyrgyzstan have shown mild improvement, whereas the structural difficulties remain unchanged.

Kyrgyzstan’s Human Development Index score 2022 was 0.701 – a minimal improvement and the first time in the last decade that the country had scored above 0.7. Moreover, it was ranked 117th among all ranked economies, one place higher than previously.

World Bank data for 2022 (latest available) show that 11.3% of the population lived below the poverty line. In 2023, the National Statistical Committee (NSC) of Kyrgyzstan placed this share at just below 30%. That indicator was an improvement



upon NSC data for 2021 (33.3%) and 2022 (33.2%). In 2022, the World Bank estimated the Gini index score at 26.4, an improvement on the 2020 score of 29.0, putting Kyrgyzstan well above the average economies in this regard.

In the World Bank Gender Inequality Index – a statistic that tends to draw questions about its validity – Kyrgyzstan was given a score of 0.345, a figure that has remained stable in recent years. The 2023 NSC data indicated that women earned an average of 73.4% of men’s salaries when performing the same work, indicating a notable degree of gender inequality.

There is regional inequality in poverty levels. For example, the remote southern region of Batken (48.1%) and the mountainous region of Naryn (38.1%) had poverty rates that were significantly higher than the national average (NSC 2023).

There were no data on another category salient in Kyrgyzstan – ethnicity. It is safe to assume that for the non-Kyrgyz- and non-Russian-speaking population, education and employment opportunities are more limited than for speakers of Kyrgyz and Russian. In recent years, Uzbeks in particular – the second-largest ethnic group after the Kyrgyz – have tried to attend Uzbek-language schools (which are limited in number), seek education in Kyrgyz and Russian, and pursue education abroad, such as in Uzbekistan. Their employment tends to be in the private sector.

Economic indicators		2021	2022	2023	2024
GDP	\$ M	9249.1	12134.9	15180.8	17478.3
GDP growth	%	5.5	9.0	9.0	9.0
Inflation (CPI)	%	11.9	13.9	10.8	-
Unemployment	%	4.1	4.0	4.0	3.3
Foreign direct investment	% of GDP	2.4	0.5	1.0	4.0
Export growth	%	16.4	59.2	-3.0	-
Import growth	%	38.8	66.7	37.6	-
Current account balance	\$ M	-737.7	-5179.6	-	-
Public debt	% of GDP	56.2	46.8	42.0	37.5
External debt	\$ M	9060.6	9745.8	10115.1	-
Total debt service	\$ M	591.1	610.4	1179.7	-

Economic indicators		2021	2022	2023	2024
Net lending/borrowing	% of GDP	0.4	0.3	2.6	-
Tax revenue	% of GDP	16.5	19.5	19.6	-
Government consumption	% of GDP	16.6	16.8	16.0	-
Public education spending	% of GDP	5.2	7.2	6.8	-
Public health spending	% of GDP	3.0	2.6	-	-
R&D expenditure	% of GDP	0.1	0.1	0.1	-
Military expenditure	% of GDP	2.8	3.1	3.6	-

Sources (as of December 2025): The World Bank, World Development Indicators | International Monetary Fund (IMF), World Economic Outlook | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database.

7 | Organization of the Market and Competition

The recent changes in economic policies that began in 2021 and had accelerated by 2024 have led to contradictory outcomes. There has been improvement in some areas, such as overall growth and productivity, and deterioration in others, including business and investment insecurity for certain sectors, a renationalization of property, and weak foreign direct investment.

The lack of reliable data beyond anecdotal evidence on recent trends and the situation in economic and market governance hampers the ability to make a sound assessment. For example, the ILO statistic that 63.2% of the workforce was employed in the informal economy is from 2021. Since that time, government action has targeted the informal sector as a priority, so this statistic is likely to have changed considerably.

In principle, government policy is aimed at strengthening market organization. Provisions and oversight for anti-monopoly regulation are in place, the country garners high scores with regard to the ease of starting a business, and there are no systemic barriers with regard to access to products or production factors for business. The tax administration system, following a large-scale process of digitalization aimed at enhancing transparency and efficiency for taxpayers, has increased the burden on some categories of business but eased it for others.

One worrisome trend in 2023 – 2024 was the growth of the state’s role in the economy. This was particularly notable in the construction sector, the most dynamic sector of the economy, where the State Mortgage Company has become a giant

Market
organization

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construction company enjoying many benefits not available to private companies. The government has also entered the banking sector, launching three new state banks. One of these, a bank with a checkered history of ownership, was sanctioned by the United States, the first Kyrgyz company to be sanctioned in this way.

Antitrust laws and the Anti-Monopoly Agency under the Ministry of the Economy are in place and functioning. Because the private sector mostly consists of small and medium-sized businesses (SMEs), anti-monopoly efforts have not been urgently demanded. A few areas and cases of concern exist, however.

One example is state-dominated areas of economic activity, where private companies and customers are subject to nonmarket rules. The construction sector has recently emerged as an area experiencing this trend, with the State Mortgage Company – an entity originally established to help lower-earning and state-employed citizens purchase housing by providing long-term, low-interest mortgages – now operating as a developer. During the review period, it received free land for construction, expedited and free technical and utility permits, and inexpensive or free financing from the state.

Another example is the unequal competition in taxi services created by a foreign company, Yandex Taxi. This is a Russian firm that entered Kyrgyzstan a few years ago offering much lower prices, professional management and attractive terms for drivers, becoming a de facto monopolist that has driven all other local companies out of the market.

Other cases include the gasoline and natural gas market – which is entirely dominated by Gazprom – and the provision of electric energy, which is controlled and has its prices set by the government.

Apart from those cases, competition in the market has not been significantly challenged. It has not required much proactive work from the Anti-Monopoly Agency, whether in the retail, food, banking or other sectors.

Kyrgyzstan has long been one of the most open and liberal markets for foreign trade, and despite the increasing role of the government in domestic economic governance – which negatively affected the investment climate – the liberal regime for imports and exports continued to hold.

Kyrgyzstan has been a member of the World Trade Organization since 1998. However, this membership has allegedly not helped significantly, as the country is mostly an importing economy that exports little beyond gold. Since 2015, it has also been a member of the Russian-dominated Eurasian Economic Union (EAEU), which has become the main framework shaping Kyrgyzstan's foreign trade rules. According to 2023 WTO data, Kyrgyzstan's simple average applied most-favored-nation tariff level was 6.4%, very similar to those of the other members of the EAEU (Armenia, Belarus, Kazakhstan and Russia). This represents approximately a medium-level tariff level internationally.

Competition policy

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Liberalization of foreign trade

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Tariffs tend to be applied at higher levels for some products such as beverages and tobacco that have traditionally generated customs revenue, as well as for other products such as meat products, fruits, vegetables and clothing that are produced domestically. At the same time, many groups of products are duty free.

Some minor short-term restrictions on exports have been introduced in the past when the domestic market was experiencing shortages, such as with coal supplies during some winter periods or with meat and vegetables at various off-season points. These restrictions have been lifted once the domestic market stabilized.

With some regularity, certain Kyrgyz products faced questionable import restrictions or hurdles imposed by the Russian government, especially regarding dairy and milk products, such as those from the Toyboss meat company in 2023.

The banking sector in Kyrgyzstan has been a small but dynamic, pluralistic field, composed primarily of local actors along with some Kazakh and Russian affiliates. No major international bank has as yet entered Kyrgyzstan's market.

Banking supervision in Kyrgyzstan is carried out by the Governing Board of the National Bank of the Kyrgyz Republic. Supervisory and regulatory standards are based on both the Basel Framework and Shariah/Islamic finance principles.

There have been conflicting assessments of the banking sector as being both overregulated – with capital requirements, service permissions and exchange operation caps – and underregulated, with high loan interest rates, arbitrary transaction fees and especially a rise in questionable operations since the war in Ukraine began, which has led to exceedingly high profits for many banks since 2022.

According to 2022 World Bank data, the bank capital-to-assets ratio was 11.3%, showing a gradual downward trend. The share of non-performing loans stood at 12.5%, also showing a gradual worsening trend in recent years.

Many Kyrgyz banks have operated on unstable ground in their cooperation with Russian businesses since sanctions were imposed against Russia in 2022. While many banks have legally provided banking services to relocated or otherwise affected companies of Russian origin, some have also engaged in activities that violated sanctions. In 2024, a Kyrgyz bank was included on a sanctions list for the first time; this was Keremet Bank, one of Kyrgyzstan's state-owned banks, which is 97% owned by the National Bank.

Banking system

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8 | Monetary and fiscal stability

Kyrgyzstan had a relatively effective, strong monetary regime, with a free-floating exchange rate for the national currency – the Kyrgyz som – managed by the National Bank, which maintained a significant degree of autonomy from the government.

That situation began to change in the past four years, however. The National Bank became more subordinated to the executive and was often made to take actions it would not otherwise have taken. For example, in the period immediately following the dispute with Canada-based Centerra Gold over the Kumtor Gold company in 2021 – 22, which ultimately resulted in a settlement and nationalization, the government forced the National Bank to acquire the gold, which it could not sell abroad.

The National Bank has also had to work with the cabinet on its projects in the banking sector – for example, the cabinet’s purchase of all National Bank shares (a holding of over 97%) in Keremet Bank in early 2024, which were mostly resold to a foreign entity in mid-2024; the registration of the new State Development Bank, wholly owned by the government, in 2022 – 2023; and the announcement of a second state-owned bank, Kylym Bank, in January 2025. As the sector’s regulator, the National Bank is responsible for oversight.

Not least, and as an illustration, the National Bank was directed to transfer 100% of its 2024 profits to the state budget, as it was also directed to do in 2023. This was a departure from previous practices, under which earnings were divided, and a part was kept by the bank.

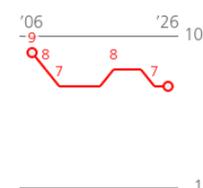
All those dealings with the National Bank notwithstanding, the monetary situation remained relatively stable, according to Kyrgyz standards. The inflation rate in 2023 was 10.8% (according to the World Bank), down from just under 14% the previous year. For 2024, the inflation rate is forecast to come in at well below 10%, showing a gradual stabilization. The Kyrgyz som withstood several exchange rate shocks – mainly due to the fluctuating ruble – with the National Bank actively intervening in the currency market.

Against the backdrop of rapid growth in both government revenue and overall GDP, Kyrgyzstan’s government was able to maintain fiscal stability in the short term while failing to ensure mechanisms for doing so in the long term.

Toward the end of 2024, Kyrgyzstan’s overall public debt exceeded \$6.6 billion (with more than \$4.5 billion in foreign debt), corresponding to about 45% of GDP and indicating a stabilization of that ratio (Ministry of Finance, Kyrgyzstan). According to the Ministry of Finance, total debt service in 2022 amounted to over \$790 million (the World Bank), with that figure peaking in 2024 and expected to decrease in the following years.

Monetary stability

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Fiscal stability

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Kyrgyzstan has experienced dynamic economic growth, peaking at 9% in 2022 and exceeding 6% in both 2023 and 2024 (World Bank data). Kyrgyz government estimates suggested that growth would reach about 9% in 2024.

In parallel with the buoyant growth, government expenditures also increased, with numerous social infrastructure programs, government facilities and economic projects financed by the state. According to some economists, the rapid growth was primarily due to short-term external conditions and did not justify increased spending.

Kyrgyzstan has run a budget deficit in recent years, including one of -1.3% in 2022, but in 2023 it closed with a surplus of 1.2% (according to the World Bank), and early estimates for 2025 suggest that an even greater budget surplus is likely in 2024. However, it is not clear that this surplus is sustainable. National currency reserves of Kyrgyzstan amounted to more than \$2.5 billion by the end of 2024 (National Bank), compared to \$1.8 billion in 2023 (World Bank).

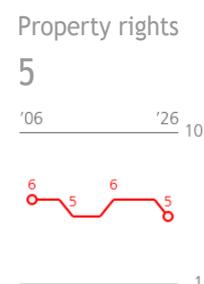
9 | Private Property

After the early years of instability, private property rights showed general improvement, except in the cases of a few politicized and disputed enterprises. Repeated protest-led changes of national governments in 2005 and 2010 were a major factor in ongoing disputes. However, over time, the private sector in Kyrgyzstan became the backbone of the national economy and has generally been based on secure property rights.

Following the late-2020 change of government, property-related destabilization began on an even larger scale than in the post-2005 and post-2010 periods. This time, however, it developed further and more broadly in 2023 and 2024, ultimately engulfing many more businesses. Numerous cases of arbitrary state intervention – most frequently by the State Committee for National Security – occurred under the standard rationale of anti-corruption efforts and the “return to the state” of property illegally privatized in past years, sometimes more than 20 years ago.

Another rubric under which many large business entities and their owners in construction or restaurants were arrested, charged and otherwise pressured was their cooperation with organized crime groups, particularly with Kamchy Kolbaev, who was killed in 2023. While no such case was accompanied by the release of clear evidence, it was reasonable to assume that many companies had had to pay “rent” to criminal organizations for protection and/or because of threats from them.

By late 2024, the climate in the private sector was such that no medium-sized or especially large businesses with assets large enough to confiscate were safe. This became evident in late 2024, when the Kyrgyz government announced it would transfer the network of private educational institutions called Sapat to the Turkish



educational-religious charity Maarif. The move was clearly a political decision to appease Ankara in its quest to eliminate the network operated by Erdogan’s arch-nemesis, Fethullah Gulen. Nonetheless, it was a blatant abuse of the private ownership rights of the network’s founders and stakeholders – an abuse they would not appeal in court due to the political nature of the affair and the futility of litigation in Kyrgyzstan’s courts.

Private companies are permitted, and until recently accounted for about 80% of the overall national economy. Private enterprise operated in nearly every business field, mainly through small and medium enterprises. Numerous small business owners worked as individual entrepreneurs. While the general situation has not changed substantially, a gradual weakening of the private sector can be observed.

Throughout the 2023 – 2024 period, the State Committee for National Security made headlines when private property privatized in the past was returned to the state. Properties from the earliest privatization waves in the late 1990s were among those returned to the state. In the overwhelming majority of such cases, no proper court process took place, even when the alleged reason was corruption, theft, tax evasion or another crime, and property owners presumably agreed to give up their holdings in order to avoid harsher legal persecution.

In nearly all cases of property “returned to the state,” the property in question was deposited with the Office of Assets Management under the presidency, instead of the more logical agency for that purpose, the State Agency for Management of State Property. The status of such properties after renationalization has rarely been disclosed publicly, but in a few cases investigative journalists found that individuals close to the president gained control of the properties.

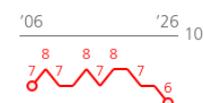
In many other cases where no expropriation occurred, enterprises were required to pay substantial fines and dues for allegedly evaded taxes, misreported business transactions or other wrongdoing. In most instances, such fines were imposed by the state and accepted by the enterprises without regular court proceedings. As a result, there are few if any details available about the cases.

After a series of laws were passed regarding the issues of financial transparency and tax management, the private sector – and all taxpayers – became exposed in terms of their financial transactions and bank operations, adding another layer of vulnerability.

Many small enterprises and individually owned businesses in the retail, tourism and other service sectors appeared to be doing well with some support from the state. In some sectors such as tourism, the government has even reduced taxes, while other sectors received flat low-tax benefits. Tax inspection and other regulatory procedures have been eased, although this was generally done via limited-time moratoria, and law enforcement and other public services benefiting business became more streamlined.

Private enterprise

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By the end of 2024 something resembling “state capitalism” had emerged – a state capitalism dominated by the national security service and exhibiting a high degree of nontransparency.

10 | Welfare Regime

During the review period, no significant change occurred in Kyrgyzstan’s social safety system or in the provision of such services. These benefits have tended to be very small in amount, weak in coverage and have largely left citizens in need to procure their own sources of support.

State expenditure on health was 2.6% of GDP in 2023 (National Statistical Committee), down from 2.9% in 2021 (NSC; the World Bank) – a very modest amount reflecting the weak state of the public health care system. In Kyrgyzstan, health services are generally covered with a minimal copay by the Mandatory Medical Insurance Fund when received at state-run hospitals, which is what less well-off citizens have to use. However, the quality of services at state facilities tends to be low.

Pensions in Kyrgyzstan are primarily paid from the Social Fund, which is financed through mandatory withholdings from all taxed citizen income. This redistributive system provides minimum or higher monthly pensions to all retired individuals, and does not strictly reflect any accumulated claims a person may have accrued. Only a very small percentage of people participate in private pension funds.

The government has been increasing the salaries of most categories of public sector employees, as well as their pensions. However, these improvements have been eroded by consumer price inflation. Unemployment, childbirth and childcare benefits, as well as support for the poorest families, all exist but provide only modest amounts that do not offset the difficulties citizens and households face.

One area of state activity has been housing provision, specifically through the active housing construction being carried out by the State Mortgage Company (SMC). The government has aimed to provide housing to thousands of families in need, especially those employed in the public sector. While a welcome effort, the work of the SMC has raised questions regarding its business model, lack of transparency and impact on the housing market.

Social safety nets

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Opportunities for citizens across all social categories have remained the same as in previous years. Laws and other formal provisions require nondiscrimination or equal treatment for all. In a form of positive discrimination, electoral law requires that no less than 30% of seats won by parties in national elections or on local councils be awarded to women candidates. Ethnic minorities, people with disabilities and youth are also provided protective quota requirements in party candidate lists, though these are less strict and less ambitious than those for female representation.

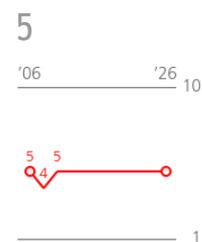
Women are traditionally better represented in certain sectors and professions such as media and journalism, civil society, education, and health care. Women have also made inroads in business, both as business owners and top managers. Overall, women made up 42.3% of the labor force in 2023 (World Bank), which is below their share of the population.

Discrimination based on ethnicity and religion – the other two salient categories in Kyrgyzstan – is neither pronounced nor widespread. Unequal opportunity persists in the education for ethnic minorities – children and youth are required to have some command of either Kyrgyz or Russian to access the full scope of educational opportunities. People with disabilities, similarly, face limits in access to education and most other services and opportunities, largely due to resource limitations rather than discriminatory policies.

Another troubling trend in recent years has been the targeting of major businesses owned by individuals of Uighur ethnic background, although in those cases, factors other than ethnicity – such as political affiliation, interaction with organized crime and other issues – seem to prevail.

A bill titled “Guarantees of the right to equality and protection against discrimination” was introduced by several members of parliament in 2023. It was conceived as a unified legal framework to protect against all forms of discrimination and ensure equal treatment, based on U.N. and other international standards. The parliamentary hearing on the bill recommended further elaboration, and the law had not been adopted as of early 2025.

Equal opportunity

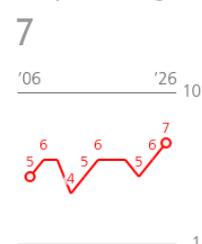


11 | Economic Performance

The overall performance of Kyrgyzstan’s economy has been strong in the past two to three years. Economic growth was one of the main factors offsetting declines in property security and business freedoms, as well as in civic freedoms and transparency.

Former Prime Minister Akylbek Japarov, who resigned at the end of 2024, is considered to be the mastermind of recent economic reforms and the growth dynamic. He proudly announced that the national GDP surpassed 1 trillion som in 2022, grew to more than 1.3 trillion in 2023 and exceeded 1.5 trillion in 2024.

Output strength



In late 2024, President Sadyr Japarov asserted that the GDP growth rate over the previous three years had not fallen below 7%. Data from the Ministry of the Economy show figures close to that: growth was 9% in 2024, 6.2% in 2023 and 7% in 2022. In all these years, the leading growth sector was construction, which showed 18% growth in 2024. Similar data are reported by international institutions such as the World Bank and the European Bank for Reconstruction and Development (EBRD). The GDP per capita growth rates as reported by the World Bank are slightly more modest: 4.3% in 2023 and 5.7% in 2022.

Inflation in 2024 is estimated to have fallen below a rate of 5%, after reaching 10.8% in 2023 and exceeding 13% in 2022.

The unemployment rate remains a less reliable metric in Kyrgyzstan due to its reliance on registered, self-reported unemployment, which does not capture unregistered unemployment or informal employment. Nevertheless, the rate has exhibited a gradual year-to-year decline, standing at 4.0% in 2023.

While the volume of foreign trade grew steadily, the current account balance remained deeply negative, with imports nearly three times higher than total exports and a 2024 balance of \$-7.7 billion, an improvement from \$-8.4 billion (NSC).

The mostly positive economic outlook has occurred in an international environment favorable to growth for a country like Kyrgyzstan – a small economy closely tied to the Russian economy and able to benefit from the sanctions imposed on Russia. If the Russian economy continues to survive and grow, Kyrgyzstan will remain safe, economic observers have predicted; however, if the Russian economy were to collapse or slow down significantly, it would spell bad news for Kyrgyzstan.

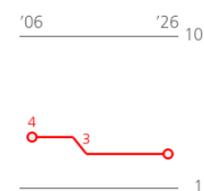
12 | Sustainability

Environmental sustainability measures, while reflected in various government policies, the functioning of dedicated institutions and laws, have been a weak area. Their development has primarily been encouraged from abroad.

The main law regulating environmental policy is the Law on Protection of the Environment, adopted in 1999 and amended many times (last amended/updated in 2020). There are many other legislative acts such as the Law on Special Protected Natural Zones (2011), the Law on Water (1994), the Law on Hunting (2014), the Law on Protection of Atmospheric Air (1999) and the Law on Permissions and Licensing System (2013), to name a few. Kyrgyzstan is also a signatory of all relevant international conventions, such as the Paris Agreement, Kyoto Protocol and the Aarhus Convention. It is also a participant in the Extractive Industries Transparency Initiative. These and numerous other normative bases form the commitments of Kyrgyzstan in environmental policy. The problem, across all commitments, is with implementation and compliance.

Environmental
policy

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As Bishkek, the capital city, continues to break world records for severely polluted air quality, with many days rated as “dangerous to life.” In December 2024, the city ranked as the location with the third-worst air quality globally, with an Air Quality Index (AQI) level reaching 229. The measures taken, whether switching heating systems from coal to natural gas, switching from poor to better quality coal, or encouraging more electric vehicles, have been far from sufficient. Yet one apparent way to cope with this negative world record was to remove most of the air quality measuring devices across the city.

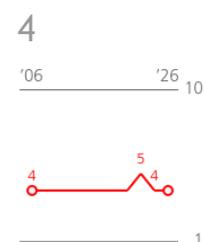
Massive campaigns of cutting trees – under the pretense that old trees would be replaced by young ones – have raised alarm among environmentalists and the general public, but to no effect. The booming construction sector has contributed by turning the remaining green areas into construction sites. The ambitious, presidentially initiated plans to build ecocities, first near Lake Yssyk-Kul and later in the Kemin region, have not moved much beyond the planning stage.

Kyrgyzstan’s education system continues to struggle, and its R&D sector is barely visible. Education spending amounted to 6.8% of GDP in 2023 – an impressive share that has remained steady in recent years. However, this spending – directed primarily toward maintaining the overwhelmingly public school system – has not translated into improved quality. The quality of education at all three levels remains very low and uncompetitive, although no up-to-date measure of education quality is available for the recent period. Private elementary and secondary schools, as well as several universities, tend to offer better quality.

In 2024, the country launched a bold reform of the school education system, switching to a 12-year system from the previous 11-year structure, introducing curricular changes and revising the funding system. The state also invested in physical infrastructure, building and launching more than 100 new school buildings in the 2022 – 2024 period. However, these changes are likely to take years to produce results in the form of noticeable improvements in the system. Major resistance to the reforms has emerged from key stakeholders in the education system, including teachers and parents.

The private school sector, while growing, has faced its own challenges. It is too expensive for most households, and features disparate systems of education and teaching, which can result in a potential mismatch for children in terms of outcomes. A popular and larger system of private schools, the Turkish-established Sebat schools, later reregistered as locally run Sapat schools, was eventually transferred – under pressure from Ankara and in an arbitrary and sudden move – to the control of the Turkish state-affiliated Maarif Foundation, disregarding the private ownership rights of the schools. This occurred against the backdrop of the feud between Bishkek and Ankara over the Fethullah Gulen network, which the Erdogan government in Türkiye regarded as an arch-enemy at home.

Education policy /
R&D



There is virtually no functioning system of research and development institutions, nor is there an effective state policy aimed at creating one. R&D expenditure has remained at around 0.1% of GDP (World Bank) in recent years. The government has not regarded this as a priority or as an area worth investment. Most research institutions, which date back to before the independence of Kyrgyzstan, including the National Academy of Sciences, remain deeply underfunded and underequipped, making genuine research impossible. Periodically, debates arise on reforming the National Academy of Sciences, with its closure also being considered as an option.

Governance

I. Level of Difficulty

The level of structural difficulties Kyrgyzstan faces in its development remains the same as before, with some seasonal or irregular challenges being replaced by others.

The country is a predominantly mountainous land, with mountainous areas accounting for 90% of its territory. This limits agricultural potential and presents challenges for transportation and logistics. The winters of 2023 – 2024 were relatively mild, helping the country avert power outages or other incidents often caused by cold weather.

Summers in Kyrgyzstan are hot, and the effects of climate change have been evident in long stretches of dry periods alternating with equally prolonged and damaging rainy seasons in late spring and early summer. In 2024, Kyrgyzstan experienced another season of numerous floods that damaged farmland and roads, and led to some fatalities.

The country is landlocked, and while relations with three neighbors are positive, those with the fourth – Tajikistan – have remained limited and tense following the brief but deeply damaging conflicts of 2021 and 2022. The two countries have worked on a border delimitation process, staking the improvement of their relations on a successful resolution. After repeatedly failing to meet self-imposed deadlines, completion of a border agreement took place in early 2025, with a draft announced in late 2024. The border between the two countries, as well as their mutual relations, remained on standby as of the end of 2024.

A long-anticipated project for a railroad crossing Kyrgyzstan, the China-Kyrgyzstan-Uzbekistan project, was symbolically launched in 2024. The undertaking is likely to come with a very high price tag and take years to complete due to its route traversing a tangle of high mountains.

While overall economic conditions were improving, a large portion of the population remained in poverty (nearly 30%, according to the National Statistical Committee). The high number of citizens returning from labor migration in Russia added to the difficulties faced by many families.

Structural
constraints

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In recent years, under the strongly authoritarian political regime, predominantly traditionalist and nationalist masses have tended to mobilize in support of the government, while citizens' self-organization, independent initiative and autonomy have been discouraged.

The civil society space in Kyrgyzstan, once vibrant and diverse, continued to shrink in both numbers and activities during the review period. This was due to increasing government pressure through restrictive new laws and numerous instances of legal action against organizations and individuals.

Even instances of voluntary civic cooperation, self-organization and mutual help with little or no politically critical implications, as seen in the aftermath of the Kyrgyz-Tajik conflicts in 2021 and 2022, have not been encouraged by the government. Spontaneous gatherings of people to express dissatisfaction have also dispersed quickly once their voices were heard and their concerns addressed.

As a result of the above negative trends, the level of social trust also appeared to be in decline. However, no direct measure is available in recent surveys. The highest levels of trust have been observed within faith-based and kinship communities or localist solidarity groups.

There were no serious or lasting conflicts in 2023 – 2024, although certain cleavages and the potential for conflict remained salient.

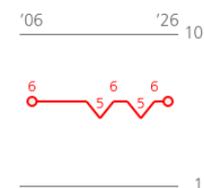
The most important line of conflict was interethnic, with the Kyrgyz-Uzbek relationship being the most significant, as it has developed into large-scale and deadly conflicts twice, in 1990 and 2010. No conflicts or conflict-prone mobilization took place during the review period, and social relations in the towns affected by the last conflict in 2010 remained peaceful. Interethnic stability in recent years has likely been a function of aversion to the losses from the last conflict, the effect of the strong and repressive state, the control of public space, and the absence of instigators among the groups that have sparked conflicts in the past.

No conflict was visible along religious cleavages, although some critical rhetoric and debate accompanied the drafting of a new law on religion that introduced additional limitations and restrictions.

As a result of the government's repressive actions, critical voices among the population have gradually gone silent, and mobilization or polarization along political allegiances tended to disappear. During the review period, several groups and individuals were arrested and tried for conspiring to organize political protest or to overturn the government. However, no such case involved large-scale mobilization; nor did the arrests and trials of these figures attract any notable number of their supporters.

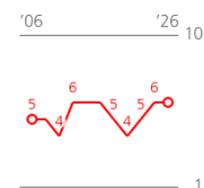
Civil society traditions

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Conflict intensity

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The few prominent cases of protest that did occur were not overtly political. One was a series of protests by retail traders in bazaars across the country in late 2023 against new tax policies. The other was a spontaneous anti-immigrant protest by young people following allegations that foreigners of South Asian origin had beaten a local resident. This first open instance of xenophobic mobilization in Kyrgyzstan – based on false allegations – led to the mass departure of students from Pakistan and India and diplomatic protest notes from the government of Pakistan. In both cases, the relevant government forces responded quickly to end the protests.

II. Governance Performance

14 | Steering Capability

President Japarov’s government has displayed contradictory behavior regarding prioritization, at times setting long-term objectives and pursuing policies to achieve them, and at other times engaging in short-term, rentier-like actions.

Cabinet chair and Prime Minister Akyzbek Japarov was the key strategist in the administration until his resignation in December 2024, leading state policy and helping to set fiscal, investment and sectoral priorities. One highlight of the work under his leadership was the streamlining of the country’s tax administration and digitalization of associated processes, bringing much of the shadow economy into the open and drastically increasing state revenues.

Besides the tax system, other priority areas where reforms had previously been postponed or failed included educational system reform at the K-11 level (newly shifted to K-12), energy tariffs policy, and the introduction of mandatory insurance for real property and vehicles. These were viewed as key to further development of the relevant sectors and as strategically important for the country’s overall development.

One additional priority area has been the fight against corruption, with the State Committee for National Security (SCNS) as the lead agency. The SCNS is a largely autonomous agency, independent from the cabinet, headed by President Japarov’s most powerful ally, Kamchybek Tashiev. The SCNS, extending its influence far beyond its official mandate to pursue corruption, has become a tool of intimidation targeting business entities, organizations, wealthy businessmen and government critics for alleged corrupt practices, tax and customs evasion, and other offenses. The agency’s actions have threatened to drive much of the large-scale business sector, especially domestic investors, out of the country and have generally undermined or complicated the government’s policy priorities and their implementation.

Question
Score

Prioritization

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The powerful Office for Assets Management situated under the presidency played a role similar to that of the SCNS, focusing on short-term objectives at the expense of long-term economic and governance development.

More generally, issues with policy prioritization were present in another sense: the significant increases in government revenues tended to be directed toward financing state-led construction projects, which threaten to create unsustainable spending needs when – most likely – state revenue contracts. No long-term sustainability mechanism has been put in place aside from the moderately growing national gold and currency reserves.

The government's capacity to implement its own policy priorities was mixed, reflecting a divided prioritization record. Tax reform priorities were implemented with a high level of resolve, in contrast to previous similar efforts that tended to be abandoned when relevant stakeholders protested or undermined them in other ways. With the digitalization of the tax and customs administration and the reform of tax calculation principles to minimize loopholes facilitating evasion and the shadow economy, there was a steep increase in both tax and customs revenues.

In terms of the policy priority of fighting corruption led by the State Committee for National Security, there was little overall progress. Anti-corruption efforts tended both to stifle entrepreneurship and to veer off into political persecution and abuse. In a notable example of the latter, in the late fall of 2024, the SCNS claimed it had uncovered a major corruption conspiracy in the tax service – the very service successfully implementing the government's foremost policy priority. Several dozen employees and two top officials were arrested. The resignation of cabinet chairman and Prime Minister Akylbek Japarov was broadly understood to have been induced by that event. The new head of the State Tax Service announced a revision or partial recall of a key part of the recent reforms immediately upon appointment.

Some other policy priorities that saw steady implementation under Prime Minister Japarov included the introduction of mandatory insurance for real estate and vehicles, an increase in energy prices including electricity, and reforms of the education system (primarily the K-11 level), to name a few. In many of those areas, especially with regard to insurance and utility prices, previous governments had repeatedly initiated measures but had retreated under public pressure.

Notwithstanding the countervailing work of the SCNS, the improved implementation capacity was primarily due to the authoritarian nature of the government and its ability to press ahead with reforms even when they were unpopular.

What remained in terms of implementation weakness was primarily due to the weak qualifications and competencies of appointees, the occasional rapid turnover of heads of certain ministries (e.g., in the Ministry of Education) and counterproductive political influence over some sectors, especially security, anti-corruption and construction.

Implementation

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The improved implementation capacity of the Kyrgyz government contrasted with little to no change in its learning capacity.

As before, the government maintained a highly insular mode of operation, disregarding opportunities to learn and improve its policies. The one lesson well learned by the current government appeared to be to avoid repeating the political mistakes that rendered its predecessors weak, for instance heeding public opinion too closely, taking outside advice too often and generally being overly liberal.

The government did not actively seek outside know-how from local expert and analytic communities or international partners. With their ideologically charged rhetoric highlighting sovereignty and equality in partnerships, representatives of the Kyrgyz government verged on arrogance in their communications with international partners.

The progress and quality of government work, despite such low learning capacity, were sustained mainly by recruiting high-capacity, competent professionals into its ranks.

15 | Resource Efficiency

The government of Kyrgyzstan has marginally improved its efficiency in using available assets after a period of particularly poor management of all assets early in the current government's term. The period of 2021 – 2022 was marked by a major overhaul of the government, along with a massive revision of more than 300 pieces of legislation, leading to a high degree of human resources turnover, confusion in the administration, and widespread debates and contradictions in the legal field.

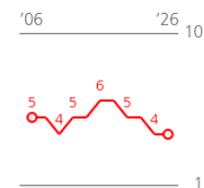
In 2023 – 2024, most processes were stabilized, the legal overhaul was effectively complete and the government's human resources became more stable. Compared to the previous average of one-year tenures for prime ministers, Akyzbek Japarov served in the position for more than three years, overseeing one of the most stable cabinet memberships and structures in Kyrgyzstan's recent history.

In 2024, Kyrgyzstan's administrative-territorial structure underwent reorganization after a pilot phase in 2023. The new structure reduced the number of local administrative units to just over half of the initial total of nearly 500. The purpose of the reform, anticipated for over a decade, was to introduce a more efficient, less costly and more logical system of administration. However, from 2021 onward, there was also a process of centralization, making local self-governance units much less autonomous and subject to oversight from above.

Economic and financial management in Kyrgyzstan, given the rapid growth of revenues, remained stable and effective, although it lacked systemic safeguards and efficiency measures. The debt burden remained at 44% of GDP (2023), and despite debt repayments reaching their peak, the government was servicing its debts without reducing its social obligations.

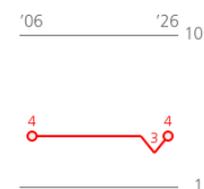
Policy learning

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Efficient use of assets

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In parallel to some of the above positive dynamics, a negative trend was seen in the steep decline in government transparency, exemplified by the elimination of previously instituted transparency standards with regard to government procurements. Similarly, some key government management positions tended to go to appointees based on personal loyalty rather than professional qualifications.

Part of the stated rationale for the post-2021 centralization process was to improve coordination among government agencies, with the president to personally ensure a smooth and cohesive administration.

While the efficiency of the executive did improve to some extent – especially with regard to the work of the cabinet – challenges to coordination persisted beyond that realm. Specifically, the influence of the Office of Assets Management (OAM), situated under the presidency (but not part of the cabinet), and of the State Committee for National Security (SCNS; part of the cabinet but autonomous in practice) grew substantially.

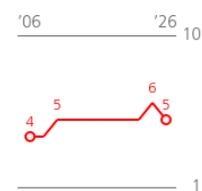
The actions of these two institutions, which sometimes appeared to compete yet generally functioned as complements, clashed with some of the cabinet’s objectives. The cabinet’s efforts to streamline taxation and improve the investment climate were undermined by the work of the two institutions, which was opaque, predatory and generally disregarded the rule of law. This in turn discouraged business and investment. Some of the Ministry of Justice’s initiatives to strengthen the rule of law and improve legislative quality faced opposition from the SCNS when its interests were at stake. Similarly, the Ministry of Economy and Commerce and the Ministry of Finance saw their efforts to attract investment or collaborate with the business sector contradicted by OAM actions.

One of the achievements of Prime Minister Japarov, who resigned in December 2024, was his ability to manage the above relations, maneuver among those influential entities and minimize the damage.

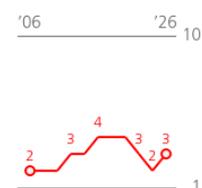
The government of Kyrgyzstan has continued its anti-corruption work primarily, if not exclusively, on the punitive and restitutive side at the expense of prevention. Corruption has remained a top concern, and all government agencies have been tasked with implementing anti-corruption measures within their purviews. However, this has largely remained a formality.

Campaign financing has been regulated regarding permissible sources and contribution amounts. Strict management of these funds is also required, with deposit in an account supervised by the Central Elections Commission, and use of the funds associated with strict record-keeping and reporting requirements. These rules have been in place for several years but have not prevented some electoral campaign funds from escaping such scrutiny. The state has failed to strictly enforce the rules, and the amounts of unreported money spent has typically been much greater than the reported funds. In 2023 – 2024, with no major national elections taking place, the issue was not salient.

Policy coordination
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Anti-corruption policy
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At the end of 2024, a new anti-corruption law was adopted, personally promoted by the chairman of the State Committee for National Security (SCNS). Under the terms of this law, state employees convicted of corruption crimes are to be permanently barred from public service, and even their close relatives are to be prohibited from holding such positions. The law was typical of the harsh declarative measures that had not proven effective in the past.

The SCNS has been the main agency charged with anti-corruption work. The agency has carried out a highly visible war on corruption, with its identifications and arrests involving politicians, government officials, lower-level bureaucrats and businesses. Indeed, in the perception of citizens and small businesses, the prevalence of lower-level bureaucratic and petty corruption has declined. However, a significant and illustrative case targeting the tax service reveals serious problems.

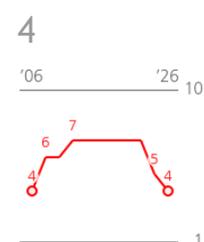
In early December 2024, about 100 employees of the tax inspectorate in the capital city division were arrested, ending with the detention of the head and deputy head of the State Tax Service. The stated reason was an elaborate corruption scheme allegedly used by the service to misreport and pocket billions of soms. However, many observers viewed the incident as a political maneuver, based on unconfirmed and likely false allegations regarding cases of unintentional irregularities in the tax administration, with the real target being the then-head of the cabinet, Akylbek Japarov. Two weeks after the incident, Akylbek Japarov resigned.

The case exemplifies the anti-corruption efforts in Kyrgyzstan. Anti-corruption initiatives are directed by an agency that is highly secretive and operates with little accountability, led by the country's second-most-influential political figure. This agency can serve – and most likely has served – as a legitimizing facade for political and economic persecution and extortion.

16 | Consensus-Building

While there is a formal and legal commitment to democracy, and a stable half of the population supports democracy as the best form of government in surveys, there is a weak commitment to democracy among key political actors. With the government of Kyrgyzstan essentially having become an autocracy, the political field has seriously contracted, and major political actors tend to offer agreement with the country's leadership – President Japarov and SCNS chief Tashiev. Japarov and Tashiev, in turn, have both verbally confirmed their commitment to democracy, evidently feeling the necessity to appeal to the sentiments and support of the general public. However, in practice, the government has preferred to forego many democratic standards and requirements such as transparency, accountability, seeking public consent for key policy decisions, and tolerance for alternative and especially critical views of the government. Major political actors outside the ruling group generally tend to interpret democracy in ways that uphold illiberal practices, or else have remained quiet.

Consensus on goals



In terms of economic governance, there has been a general rhetorical consensus that Kyrgyzstan is committed to a market-based free economy. However, there has been an accelerating movement toward state control of the economy, with the state itself becoming a major market player. Some have quipped that Kyrgyzstan was heading toward a “state capitalist” system. The market economy, alongside democratic politics, is an entrenched and established form of economic governance in Kyrgyzstan. From employment to taxes and revenues, and from the delivery of services to overall economic growth and development, the state inevitably depends on the private sector – from small businesses and individual entrepreneurs to large corporations and private sector investments. Rather than pull back from the market economy, therefore, the government of Kyrgyzstan – or rather certain influential and possibly corrupt parts of it – has sought to enter the market as a player, admittedly with significant advantages over regular market actors.

Given that the current leaders of Kyrgyzstan are the country’s main anti-democratic actors – in spite of their formal commitment to democracy – pro-democratic reformist actors have been sidelined and have become increasingly irrelevant.

The main reformist and pro-democracy forces in Kyrgyzstan have included some groups and individuals within the government, but have consisted mostly of forces outside government such as civil society and the media. In 2023 – 2024, all those reformist groups were effectively silenced and suppressed. As the government course tends toward anti-democratic policies, any protest on behalf of democratic standards is seen as anti-government and is persecuted in various ways: from public chastising, as the president has frequently done, to legal persecution and arrests.

In the current makeup of the government, the few reformists are primarily in the economic governance sector. For them, good governance, transparency and the rule of law are necessary ingredients for implementing reforms and development programs in their areas of responsibility. Democratic reforms as such may not be a strong motivation even among those reformists.

The strong centralization and authoritarianism of the current government has had the mitigation and suppression of conflicts as one of its possible positive outcomes. Given the strong hegemony of the country’s leaders, conflict-prone or otherwise divisive narratives and the cleavages underlying them have tended to be suppressed or self-censored.

The most likely sources of conflict in Kyrgyzstan are the north-south divide and ethnic divisions. The north-south divide is primarily political, and popular sentiments have traditionally been easily mobilized by regional political figures and groups seeking power. Ethnic divisions – especially between the Kyrgyz and Uzbeks – are more complex, involving political, economic and social grievances, and have previously led to the violent conflicts of 1990 and 2010. Both of these divisions have mostly remained dormant in the most recent period. Other, less prominent cleavages, such as those based on pro-Russian, nationalist, pro-Western or Islamist identities, have also been largely inactive.

Anti-democratic actors

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Cleavage / conflict management

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The fact that the government can suppress and has dominated lines of cleavage does not imply that it is moderating, solving or mediating such conflicts. Any of the divisions with potential for conflict may reemerge if or when the hegemonic dominance of the current government disappears, as could hypothetically occur in the event of a fallout between the president and the head of SCNS, for example.

The government of Kyrgyzstan seeks virtually no civil society input in its decision-making process. Certain formal venues for civil society engagement still exist; however, the effect of such engagement has been negligible.

One approach has been the participation of civil society representatives in legislative draft deliberations and revisions, as occurred with the drafts of new laws on the media and on “non-commercial organizations.” In both cases, due to vocal and well-argued criticism of the initial drafts by civil society, backed by international partners, the drafts were recalled and consultations were initiated. The subsequent changes, however, have been marginal, with the new drafts awaiting consideration in parliament in early 2025.

In other cases, such as with the so-called foreign agents bill, numerous civil society objections and opposing arguments were generally ignored, except for in the case of a few of the most controversial elements, with the law being signed in April 2024.

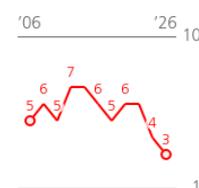
More generally, the government tends to consult civil society using highly orchestrated venues and mechanisms, conveying its own messages rather than gathering alternative perspectives.

Beyond these occasional engagements, the leaders of Kyrgyzstan – the president in particular – tend to disparage organizations and individuals in Kyrgyz civil society in interviews and comments, suggesting that they are unpatriotic, self-serving, grant-seeking collaborators of their foreign sponsors.

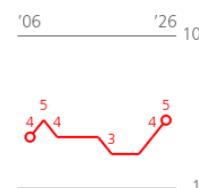
The most significant recent instance of conflict-related trauma in Kyrgyzstan was the deadly intercommunity violence between Kyrgyz and Uzbeks in the southern city of Osh and its surrounding areas in 2010. The current leaders of Kyrgyzstan – Kamchybek Tashiev in particular – were active participants in that conflict. Tashiev has since been regarded as a key figure who defended the integrity of Kyrgyzstan and the dignity of the Kyrgyz people. Primarily for his role during that period, the president awarded Tashiev the country’s highest honor – Hero of the Kyrgyz Republic – in 2022.

The award given to Tashiev sheds light on the government’s position on post-conflict reconciliation, seeing it as a reaffirmation of the status quo in which the ethnic minority and the Kyrgyz majority are expected to maintain their respective places, and grievances may not be tolerated. That said, some research and analyses suggest that the communities affected by the 2010 conflict are intent on overcoming that memory and looking forward instead. With more than 10 years now having passed, residents of Osh – the Uzbek community in particular – appear primarily interested in putting those events behind them.

Public consultation
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Reconciliation
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In another development, quite different from the events of 2010, the Kyrgyz government adopted a law opening the Soviet KGB archives from Stalin's tenure and authorizing the rehabilitation of victims of Stalinist purges. This measure reportedly had behind-the-scenes backing from both the president and Tashiev, though it was promoted publicly primarily by the speaker of parliament. Signed by the president on December 31, 2024, the law drew active criticism from various quarters, including some in the Kremlin, but stood as a signal act that could mark the start of post-Soviet and post-communist reconciliation.

17 | International Cooperation

During the review period, the Japarov administration pursued a policy with international development partners that combined hands-on, constructive engagement; sought ambitious long-term cooperation; and occasionally used blunt communication when politically inconvenient subjects arose.

Underlying that policy was a narrative emphasizing that Kyrgyzstan is a sovereign state with its own national priorities and development path, and that the country is increasingly less dependent on international donors and does not welcome being pushed around. Kyrgyzstan is willing to cooperate with partners when they are perceived as constructive, rather than critical or dictating, in order to help the country implement its development projects.

The bottom line of this narrative is clear: It is the attitude of an emerging autocratic government with higher-than-usual revenues at its disposal, but which is still interested in international support when it does not jeopardize the regime.

All the usual international partners, such as the World Bank, the IMF, the Asian Development Bank, the European Bank for Reconstruction and Development as well as foreign aid agencies such as USAID, SDC, GIZ, KOICA, JICA and others, continued their operations as before with various amounts of loan and aid budgets. Most organizations funded primarily economic, technical and environmental projects, with only USAID, SDC and the European Union providing funds for civil society, media and other politically oriented projects.

The government did not engage in well-considered long-term planning, but instead allowed donors to propose long-term visions and focused on securing continuous donor funding for near-term project financing. Kyrgyzstan persisted with unrealistic proposals for large-scale CO₂ emissions swaps with developed countries. It also sought project-specific funding, such as for particular hydroelectric construction projects, but no clear achievements were reported.

Effective use of support

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The credibility of the government of Kyrgyzstan as a partner was tested by two broad phenomena: the war in Ukraine and its impacts such as the sanctions regime, and the increasingly authoritarian nature of the government itself.

The former phenomenon tested Kyrgyzstan's commitment to cooperating with the sanctions regime imposed on Russia and Russian companies. The government generally reassured its partners – the visiting American and EU sanctions envoys in particular – of Kyrgyzstan's commitment to respecting the sanctions and ensuring that private entities did not violate them. A number of international measures such as the denial of SWIFT servicing of Russian banks and the switching off of the Russian MIR payments system were implemented by Kyrgyz banks.

However, Kyrgyzstan remained among the countries most broadly suspected of helping Russia circumvent the sanctions. Several companies registered in Kyrgyzstan were added to U.S. sanctions lists in 2023 and 2024, including the Keremet Bank. This is a bank that was owned by the National Bank and then the government of Kyrgyzstan before the majority of its shares were sold to a Luxembourg-registered company just months before it was sanctioned.

The authoritarianism of the Kyrgyz government became evident on more politically sensitive occasions, such as when it adopted the law on “foreign agents” amid widespread criticism from many Western interlocutors. This led to an exchange with then-U.S. Secretary of State Antony Blinken, who called on President Japarov to reject the bill. Japarov responded by asking the U.S. not to intervene in Kyrgyz domestic affairs and to respect the country's sovereignty.

Despite widespread Western criticism of similar initiatives, Kyrgyzstan was also courted via the C5+1 format – along with its four Central Asian neighbors – by multiple states and blocs including the United States, the European Union, Germany and China. Kyrgyzstan also signed the long-stalled Enhanced Partnership and Cooperation Agreement with the European Union, a triumph for Japarov and proof that Western partners would still cooperate despite disagreements on various initiatives.

Kyrgyzstan's commitment to international standards and treaties remained consistent: constructive in principle, weak in practice. Its compliance with environmental and especially human rights standards has been problematic, although the country has never openly reneged on its obligations. Despite being a signatory to all major international climate treaties such as the Paris and Kyoto accords, Kyrgyzstan continued to rely heavily on coal and oil, and experienced worsening air pollution each year. A member of the U.N. Human Rights Council for the third time, the country also continued to fall short in observing many human rights standards.

Credibility

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Kyrgyzstan remained an active partner in Central Asia, supporting regional cooperation and working with its neighbors in relations with countries outside the region.

Relations with Tajikistan remained the most demanding. Throughout 2023 – 2024, both countries continued expedited work on the border delimitation, which, toward the end of 2024, was finally completed and signed in March 2025 by the two presidents.

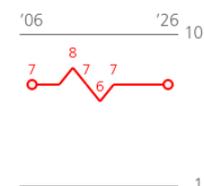
Kyrgyzstan is a founding member of the Organization of Turkic States (OTS) and hosted the OTS summit meeting in 2024. The OTS is an organization primarily sponsored by Türkiye, with which Bishkek has developed an active bilateral relationship, especially in defense cooperation.

Kyrgyzstan invited – and was joined by – Uzbekistan and Kazakhstan to jointly build a giant hydroelectric station, Kambar-Ata 1, a project initially launched by the Soviet Union but long stalled because of funding and political hurdles.

It is not far-fetched to assume that Kyrgyzstan’s autocratic slide facilitated a more cordial dialogue with the long-established autocracies in the region. Similarly, Bishkek developed a shared understanding with Moscow, although without the deep sympathies that characterized some previous Kyrgyz leaderships.

Regional cooperation

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Strategic Outlook

Kyrgyzstan entered 2025 with strong macroeconomic achievements and a stable but autocratic government. The country's GDP growth rate of 7% to 9% for three years running generated significant disposable revenue for the government to spend on social infrastructure, such as schools, hospitals and housing for public sector employees, and on strengthening government agencies. This was done by expanding their infrastructure and technical equipment, whether for the powerful national security service, the police or the emergency management services. The new presidential palace, the Yntymak Ordo (Palace of Concord), served as a symbolic jewel of the newly wealthy and ambitious government, which is now able to afford new facilities.

Moving forward, several challenges and risks requiring critical rethinking stand in Kyrgyzstan's way toward sustainable and fair development.

Foremost is the drastic retreat from some core democratic principles, such as freedom of expression, freedom of assembly and, more generally, a civic space in which a plurality of views and positions are tolerated and encouraged. This decline has largely been driven by the leadership's view that criticism is a nuisance and a hurdle to the delivery of stable government and development. However, it has also been strongly encouraged by geopolitical propaganda from Moscow that has vilified all actors associated with Western countries, targeting NGOs and independent media in particular.

The government of Kyrgyzstan would be well served to critically reevaluate its politically repressive policy, both to ensure long-term domestic stability and in light of the intensifying geopolitical dynamics affecting the country. Free media and a lively civil society, with their associated plurality of public opinions on matters of national governance, are not sources of danger to stability, as the government portrays them, but rather partners that would enable the government to better steer the country's development.

To that end, the leadership of Kyrgyzstan would be well advised to revise the overall governance role of certain entities. In particular, the outsize role that the State Committee for National Security (SCNS) has assumed risks creating conditions leading to intragovernment instability, jeopardizing the steady growth path that has just begun. The actions of the SCNS, together with those of the Office of Assets Management of the presidential administration, also pose a risk of undermining investment in the Kyrgyz economy, both domestic and foreign. Security of property, transparency, and equal conditions for all with regard to economic governance and the rule of law are essential for the market's sustainability, and these have been put at risk by the activities of those two institutions.

Lastly, the Kyrgyz government would benefit from cooperating both with intergovernmental and private international partners in devising a development and sustainability strategy. The strong growth dynamic of recent years, while impressive, has occurred under a specific set of circumstances that is unlikely to last long. The government of Kyrgyzstan should invest greater effort in ensuring that possible future crises and a likely economic slowdown do not impact an economy that is today overspending and overstretched.