I would like to thank the Government of the Kyrgyz Republic, as well as the World Bank and all of our development and humanitarian partners with whom we have worked in the Joint Economic Assessment and the UN Flash Appeal, for the opportunity to share with you our views on how the UN system can contribute to donor efforts to enable the Government to reach its objectives.

Today, Kyrgyzstan is facing huge challenges. These have not been spared either in the Government’s presentations nor in the Joint Economic Assessment. On the one hand stand the nation’s ambitions to build a new democratic system, one truly of the people and for the people of Kyrgyzstan, one that will be, above all, accountable to the people of Kyrgyzstan while delivering broadly shared economic prosperity. On the other hand stands a serious economic slowdown that threatens the economic foundations of prosperity, as well as continued insecurity in the South. The challenges faced by the caretaker government are daunting, and the government that will be elected this Fall will inevitably continue to face them.

We—I speak in the name of the International Community—we know this, because we have seen it before. Twenty years ago, we underestimated the magnitude of the tasks posed by transition. A successful democratic process is about negotiation, compromise, and a shared understanding of common policy ground. However, in transition, as economic resources were being redistributed, and governance of a market driven economy was being learned, the democratic process often became captured by groups defined by personal, patronage, or ethnic allegiances—groups that typically are not able to find common policy ground.

Over the past few months Kyrgyzstan has expressed its determination to extricate itself from the vicious cycle of narrow interest capture, and to find a way to productively balance genuine democratic and market processes. The President has presented a clear, compelling vision of how such a system can be designed to serve the prosperity of all, not a few. We know this is a tall order. But I want to argue today that Kyrgyzstan’s record since April has already beaten many odds. Kyrgyzstan today
is offering us all an opportunity to try again. We owe it to the people of Kyrgyzstan to rise to the challenge and provide their country with timely, sufficient, adequate support. In this we will need to rely on the experience and lessons that transition and the record of development assistance have to offer.

Many of these lessons have clearly been internalized by the people and political elites of Kyrgyzstan. First, they have for the second time in a few years shown that they will not tolerate a narrow interest group’s expropriation of power and resources. This is a stark lesson for any future aspirants to power. It is also a lesson that the provisional leadership seems to have internalized. Over the past months it has led a genuinely participatory and consultative process, seeking to define a constitutional framework that will prevent such a capture of power in the future.

Second, the members of the provisional government have recognized that the establishment of a democratically elected, parliamentary government will not be simple and straightforward. To ensure effective governance, they have given the country eighteen months of a stable anchor of power, in the form of a presidential office that has been confirmed by the same referendum that approved the new Constitution.

Third, both the new constitution and president were confirmed in a strong vote of popular confidence and support. We in the international community also need to give this vote of confidence and immediate support to this office, as it is bound to play a pivotal role in the establishment of Kyrgyzstan’s stability.

Fourth, the turmoil in the South may have taken country to the abyss of ethnic division—but it has not toppled in. Doubtless, there are forces who see division and conflict as instruments to advance their narrow interests. But so far—they have not succeeded. Before any levers of power had been fully established, before the international community had been mobilized to offer truly meaningful help, the people and provisional government were able to pull back from this abyss. The people voted with their feet for peace and reconciliation—returning, to the extent possible, to their homes.

And finally, despite the power vacuum and very difficult political conditions, policy measures adopted since April speak of a strong commitment to increasing the accountability and transparency of governance in Kyrgyzstan.

This is not a country, or a government, that is doing business as usual. If the ambitious vision that President Otunbaeva has set forth is to succeed, the support provided by the international community will have to reach beyond business as usual as well.

However, the devils—particularly in institutional and policy articulation—are in the details.

Looking forward, the government’s priorities, the Joint Economic Assessment, and the Flash Appeal give us a strong basis to work from. These emphasize the importance of immediate and targeted humanitarian assistance, and support for reconciliation, reconstruction, and social protection for the most vulnerable. They also
emphasize infrastructure investments—for reconstruction, but also for energy and transport, as well. Such investments are needed to increase Kyrgyzstan’s resilience to systemic crisis. Finally, a prominent place in the government’s vision, as well as in the Joint Economic Assessment, is taken by governance reform, particularly parliamentary democracy, transparency and accountability, and civil service modernization. Such reforms are needed to produce an effective state, one able to deliver on the country’s expectations.

With the Millennium Development Goals giving us an operational yardstick to measure progress, the United Nations pledges continued support for improved governance and institution building. An immediate priority is support for the Central Electoral Commission in the forthcoming parliamentary elections. So are meeting the most pressing needs of the President’s Office and key central ministries. Governance programs must be adapted in light of the longer term imperatives of reform and capacity building, in support to the central and sub-national authorities, the Parliament, and the governments’ relations with civil society and media.

In particular, the forward looking development activities of the UN system aim to support:

- **Strategic policy development and direction**, in terms of support for Kyrgyzstan’s country development strategy, and work towards the achievement of the Millennium Development Goals.

- **Strengthening existing and new government institutions** that are to assist in the design and implementation of the country’s development strategy. The UN system can provide relevant technical expertise where requested. Support for the provision of quality social services (especially in health and education), human security and rights protection, gender equality, poverty monitoring, food security, agriculture reform, sustainable energy and environmental policies, employment generation and regional economic development will continue to be major foci.

- **Handling constitutional and legal uncertainties** that may appear before the formation of a new government following the parliamentary elections this fall, and then afterwards (in Kyrgyzstan’s new hybrid parliamentary democracy). Looking to the critical short-term, we would like to help the presidential office manage tensions that may be associated with Kyrgyzstan’s nascent constitutional structure and governance institutions.

- **Media** development and oversight, via support for independent centers of information management and dissemination—both in the NGO and state sectors—could be particularly important in this respect.

These programs need to be carefully designed, and their implementation planned and supported. But we know from experience that such care takes time—time during which the risks that threaten Kyrgyzstan’s noble vision have to be minimized. My personal experience in Serbia’s post-Milosevic government leads me to believe that it will be some time before circumstances settle enough for the government to deliberately articulate its most immediate support needs. Meanwhile, we need to be responsive, flexible and fast with our assistance—in line with bold interpretations of the Paris Declaration’s principles of government leadership and ownership.
Careful design may be a necessary condition for successful institutional reform. But we know from experience that it is not enough. Institutions are not legal frameworks—they consist of a community’s shared beliefs and common expectations of how written and unwritten rules work. While these beliefs typically change very gradually, there are moments in history when minds and expectations are open and to bolder changes. Now is one such moment in Kyrgyzstan. Acting now—and I mean right now, not after the elections—the agents of stabilization, constructive dialogue, reconciliation, accountability, and financial sustainability can make a huge difference.

We face the dual challenges of both capitalizing on this short-term window of opportunity, and of ensuring that Kyrgyzstan’s reforms are supported adequately over the medium and longer term. In facing these challenges, we in the United Nations would like to call your attention to the need for a two-pronged capacity building approach. One prong—the implementation of which has begun in the absence of adequate donor support—is designed to be fast, responsive to immediate needs for better policy design and implementation. In Georgia, Moldova, Serbia, and elsewhere, UNDP has worked with bilateral donors and other partners to set up “on-demand” capacity development facilities to provide ministers and other senior officials in post-crisis governments with high-level consultants. This modality can quickly and flexibly provide Kyrgyzstan’s reformers, and particularly the President’s office, with the capacity to lay the necessary foundations for the maximum effectiveness of the longer term changes that will follow the elections. Such support necessarily has a “gap filling” character.

In order to ensure that we do capacity development rather than capacity substitution, a parallel, second prong needs to take the form of longer-term support for technocratic state institutions whose effective work is needed to underpin the nascent democracy. This could be the civil service, audit institutions, the Ministry of Finance, the regulatory office of the Ministry of Energy, or the institutions charged with media development and regulation. Specific activities could include staff development, or the use of stronger incentive systems for staff engaged in key reform initiatives. They could include administrative restructuring, via functional reviews and other reorganizations of the relevant institutions, including via deconcentration and decentralization (where appropriate). They could include support for the adoption of e-governance and other ICT-based governance innovations.

This is only a timid beginning. The risks are easy to see, list, and dwell on. But since so many odds have already been beaten, it is hard to argue that more such odds cannot be beat as well. Kyrgyzstan’s biggest enemy today is a lack of faith—among its elite, its society, and among the international community. We must not adopt a “wait and see” attitude; this is no time for business as usual. Today, in Kyrgyzstan, the risks of errors of omission dwarf the risks of errors of commission. By acting now, and acting together, we can achieve very real improvement in people’s lives.

Thank you for your attention.