**Macro-economic Food Situation Analysis: Kyrgyzstan**

The food security issues were important in Kyrgyzstan during the Soviet period but became a critical issue since its independence. The reform of a centralized control system into a market economy implied sharp reduction in subsidies in the mid-90s in the overall economy, and in agriculture particularly. Between 1990 and 1995, the GDP collapsed by 40 per cent from USD 2.67 bn in 1990 to USD 1.66 bn in 1995 (World Bank database). This was followed by a further declining trend till 2000. Such a deflationary income situation has severe implications for food security in Kyrgyzstan.

There was a massive decline in the consumption of food-grains in the early half of the nineties. This is exhibited by Figure 1. The annual per-capita grain consumption in the economy, taking both direct (human consumption) and indirect (consumption by livestock and other industries) rapidly declined from 583 kgs in 1990 to 259 kgs in 1995. This decline was mainly on account of a fall in food-grain imports, though there was also a lesser fall in the per-capita domestic food-grain production from 332 Kg in 1990 to 199 kg in 1995 (based on USDA, Foreign Agricultural Service (FAS) database).

**Figure 1:**

**Annual Per Capita Production and Consumption of Food Grains in Kyrgyzstan:**

**1990-2015**

Source: Estimated from country data, Foreign Agriculture Service, USDA

The GDP collapse also led to decline in grain imports by 80 per cent during this period. As Figure 1, depicts, there was some partial recovery in the grain consumption after 1995. By 2001-02, this reaches around 370 kg and has stabilized at that level till the current times. This recovery was driven by the expansion of domestic grain production, particularly of wheat, after 1995 and up to 2002. The import dependence of domestic consumption came down from roughly 40 per cent in 1990 to only around 6 per cent in 2002-03 (USDA, FAS).

Within the grain consumption in Kyrgyzstan, the per-capita feed component used for livestock production declined significantly from nearly 400 kg in 1990 to 87 kg in 1995 implying sharp cutbacks in domestic production and consumption of animal products (USDA, FAS). The recovery in this regard has been slow and over the last two decades, there has only been a partial reversal of this decline. In 2015, the per-capita feed consumption stood at 168 kg, a fraction of what it was in 1990 and this continues to remain a major challenge for food security in the country (USDA, FAS).

The decline in the consumption of meat and other animal products in Kyrgyzstan have been compensated to a small extent by consumption of potato and potato products, which ensured the maintenance of a minimum energy security though having no positive impact on protein intakes. The annual per-capita intake of potato and potato products increased from 68 Kg in 1992 to 101 kg in 2011 (FAO Food Balance Sheet, 1992 and 2011). Such a macro-economic situation in food security has important implications for poverty and well-being.

The poverty in Kyrgyzstan increased from 35% in 1993 to a maximum of 64% in 1999. High poverty incidence drove a significant part of the population close to hunger - in 2000, 32.9% of the population were below extreme poverty line (undernourishment or hunger line). Such changes in the food access have led to a sharp rise in wheat production in Kyrgyzstan in the late nineties: the share of wheat in total cultivated area increased from 15% in 1990 to 46% in 1997.

The national policy of the Kyrgyz Republic Food Security (Resolution # 585 on October 26, 1999) identified strategic priorities like agrarian and land reform, marketing reform, access to credit, processing of agriproducts institutional strengthening, natural resource management, development of extension services and improved seed production. The policy also emphasized on social security and health care, emergency situation readiness, macroeconomic stability, and public finance.

With land distribution to individual rural families as private property, agricultural productivity started increasing. Agricultural output recovered to the 1990 level by 2002. Also in 1999, Kyrgyzstan joined the WTO and started actively develop foreign trade through lowering import tariff policy, which led to an increase in cheap food imports. Moreover, following the oil-led economic recovery in Russia and Kazakhstan since 2001, there has been rapidly growing labor migration from Kyrgyzstan into these countries, thereby increasing incoming remittances. As a result, between 2001 and 2008, poverty consistently declined and halved to a level of 32%.

Food security improved in the country, but the observable improvement was not sustainable primarily due to the emergent Global Food Crisis after 2008. The high food prices in the world markets and associated volatility subjected the population to economic shocks as well as macro-economic problems related to the balance of payments. The decline of poverty was also arrested after 2008. This new environment, where cheaper imports are not available reflects a new range of challenges which required fresh policy interventions.

The Food Safety Law (# 183 on August 4, 2008) adopted by the government undertook varied measures like distribution of food to vulnerable people, domestic wheat procurement, building of reserve food stocks, etc. This also led to the deliberative and coordinated development of the Food Security and Nutrition Programme (FSNP) for 2015-17, notified in September, 2015.