



European
Commission

CASE STUDY

KYRGYZSTAN



SPaN
Supporting people through crisis



Guidance Package on Social Protection across the Humanitarian-Development Nexus

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Background to the Case Study

The Kyrgyzstan case study was produced as part of the “Guidance Package on Social Protection across the Humanitarian-Development Nexus” (SPaN). It is the outcome of an initiative jointly led by the European Commission’s Directorate-General for International Cooperation and Development (DEVCO), Directorate-General for European Civil Protection and Humanitarian Aid Operations (ECHO) and Directorate-General for Neighbourhood and Enlargement Negotiations (NEAR) with the support of DEVCO Unit 04 and the MKS programme.



CASE STUDY

KYRGYZSTAN

Type of shock	Social protection instrument	Way the social protection system was used (typology)
Forced displacement, internal (short term)	Social transfer (unconditional cash)	Horizontal expansion (ex post)

Scene setting

In June 2010, in the aftermath of the ousting of President Bakiyev, riots escalated into violent clashes between ethnic Kyrgyz and Uzbeks in the provinces of Osh and Jalal-Abad. The interim government declared a state of emergency. About 400 000 of the 1.2 million population in these provinces were affected by the violence. At least 490 people (mainly Uzbeks) died and more than 4 600 were injured. 75 000 fled to Uzbekistan and a further 300 000 people were internally displaced¹. Families from both ethnic groups were affected, with Uzbek families being most affected.

The interim government appealed for international assistance to deal with the humanitarian consequences and established coordination centres for humanitarian assistance in Osh and Bishkek. Most refugees and internally displaced people were able to return to their homes within a month, however they faced a range of humanitarian needs due to destruction of property and disruption of livelihood strategies². Those injured also needed support for their healthcare needs. Families with children (an estimated 2 300 people) were in great need of support³. UNICEF took the lead in the Water, Sanitation and Hygiene, and Education Clusters, and the Gender Based Violence, Child Protection and Nutrition Sub-Clusters.

The national social protection system was relatively well developed, with total annual spending on social assistance between 1 and 1.5% of GDP, comparable with spending-to-GDP shares in

countries of similar economic development. **Two social transfer programmes** were regulated under the Law on State Benefits. The Unified Monthly Benefit (UMB) was means tested, targeting low-income families with children aged 0 to 18 years old (up to 21 years when the child was still studying). It also included payment of a birth grant to eligible families. The Monthly Social Benefit (MSB) was targeted to disadvantaged groups, including children and adults with disabilities, orphaned children, families with many dependents and the elderly who do not qualify for pensions. Transfer values varied depending on family size and demographic composition. Together these programmes accounted for 0.74% of GDP in 2007 (reduced to 0.5% of GDP in 2009 due to the impacts of the global financial crisis)⁴.

Programmes were centrally managed by the State Agency for Social Welfare (SASW), now the Department of State Benefits (DSB) under the Ministry of Labour and Social Development. Both had fairly extensive coverage, reaching 346 833 child beneficiaries (around 14% of the population and 18% of all families with children) and 63 818 persons (over 6.5% of the population) respectively in April 2010. A World Bank review considered that both programmes performed well in terms of targeting accuracy, however higher coverage of the poorest quintiles and larger benefit levels were recommended to increase the impact on poverty. In 2009 the value of the SMB was set at the minimum subsistence level, effectively increasing it by 10 times.

1 UNOCHA (2010) 'Kyrgyzstan Revised Flash Appeal, July 2010'

2 Estimated at 2 300 residential buildings, dozens of public buildings and more than 700 commercial establishments (UNOSAT satellite imagery, July 2010).

3 Data from Ministry of Statistics

4 World Bank (2009) 'Social Safety Net in the Kyrgyz Republic: Capitalizing on Achievements and Addressing New Challenges', World Bank Human Development Sector Unit, Europe and Central Asia Region

5 EC Response to Soaring Food Prices in the Kyrgyz Republic Programme involving EUR 5.0 million disbursed in two instalments over 2009 and 2010 of EUR 2 million and EUR 3 million respectively. The programme aimed at improving the impact of benefits on poverty reduction by providing a lump sum supplement (initially of KGS (Kyrgyzstani som) 35/month but increased to KGS 40/month in January 2010) to social benefits (the UMB and MSB) to compensate for the impact of increased food prices.

UNICEF had been working with SASW since 2008, supporting independent analysis of the social protection system, reforms to the MSB targeting design, and efforts to reduce exclusion errors. It had also worked on policy dialogue responding to the impacts of the global financial crisis through the social protection system in 2009, when the World Bank and EU⁵ provided the Government of Kyrgyzstan with funds to **'top up' benefits to social transfer recipients.**

Significant emergency and early recovery interventions were planned by the international community, especially in the Protection Cluster. However, assistance

was being limited to sector-specific, in kind, commodity distributions according to individual agency mandates. There was no analysis of the needs and vulnerabilities of low-income families, no plan to provide income support to households despite the fact that markets and services were not disrupted, and no engagement of the relevant and accountable duty-bearers in government. UNICEF saw provision of income support through the social protection system as a way to fully engage government in the response and as an opportunity to strengthen the underlying social protection system. UNICEF's country office negotiated with SASW to implement a joint collaboration.

What it looked like

This was a **government-led project extending social transfer programmes to new, disaster affected households.** The objective was to provide social protection measures to families with children affected by the conflict, to improve purchasing power and contribute to normalisation of the social situation.

The eligibility criteria for these programmes remained the same, but an extraordinary enrolment campaign was undertaken, and operational systems

were modified to support rapid identification and enrolment of households who fitted the criteria in the affected areas. The MSB also expanded to support children whose parents were missing in the conflict. Cash transfers were covered by the Government of Kyrgyzstan's own funding through the national budget. UNICEF's role was in providing technical assistance, mediating negotiations for regulatory changes, and increasing operational capacity of the SASW.

How it was done

Lessons can be learned from UNICEF's experiences linking to national systems, including factors that supported effective implementation and the challenges faced.

ASSESSMENT AND ANALYSIS

UNICEF's social policy unit led a rapid joint assessment with health colleagues and in partnership with SASW. This was a community-based assessment and independent of the protection cluster. It confirmed that socially vulnerable groups (low-income families with many children, children with disabilities, single senior citizens and families who lost their breadwinner) and especially children were among the most affected, and that many households had lost their means of earning an income. Affected households in both communities were in need of financial assistance, with the Uzbek community worse affected than the Kyrgyz community. It was clear that markets and services were not disrupted, although no specific assessments of local markets were undertaken. Based on these findings, UNICEF and SASW considered that income support to affected households was a feasible and appropriate response.

UNICEF's early engagement with SASW was important to generate **the political will to respond through the social protection system.** There was no precedent

for the national social protection sector to act in such a situation. The department was not initially clear about SASW's role in the response, assuming that it was the responsibility of law enforcement and disaster relief agencies. By engaging in the rapid assessment, staff saw the impacts of the crisis on families and children, and then understood the relevance of SASW's engagement as per their mandate.

The inter-ethnic dimension of the crisis was a sensitive issue for the government and SASW was not sure how to approach this in a response. The government was not a party to the conflict, but there were political sensitivities as the government should be perceived as impartial. UNICEF's engagement and the concept of providing support through the social protection system were beneficial in mobilising stakeholders within the government behind the concept of 'support to children'. These programmes are open to both Uzbek and Kyrgyz citizens and this gave the government a clear and neutral role in assisting all children and vulnerable groups affected by the emergency.

It was necessary to assess the feasibility of using the social protection system to respond to humanitarian needs. UNICEF's prior engagement with SASW meant that they were familiar with the social transfer programmes' objectives, designs and operational processes. This sped up the process of assessment.

UNICEF and SASW considered issues such as the possibility of relaxing administrative processes to facilitate rapid identification and enrolment, the capacities of administrative staff to manage a rapid scaling up, whether registration and pay out points were accessible, and the risks or concerns that SASW had in expanding the programmes.

DESIGN

The eligibility criteria for the social transfer programmes aligned with evidence from the needs assessments of those who were most vulnerable to the effects of the crisis. The key blockage to accessing these programmes was not the criteria, but the registration and enrolment processes. The eligibility criteria were not altered, but an extraordinary enrolment campaign and other actions were taken in an effort to reduce these barriers for new households (see Operations below). Social protection was also expanded to support children whose parents or caregivers were missing in the conflict, providing a monthly stipend of Kyrgyzstani som (KGS) 1 000.

The conflict most heavily affected Uzbek communities, whereas the majority of social welfare officers were Kyrgyz. There was therefore some reluctance on the part of local staff to respond, partly on the grounds of personal safety, but also because personnel were part of the community fabric and not immune from the effects of the long running tensions between these two ethnic groups. The design of providing support through the social protection system was beneficial in mobilising support among frontline staff since everyone could find common ground through the rationale of helping children.

Those who were enrolled received the standard monthly allowance provided on the UMB and the MSB. There was no discussion between UNICEF and SASW about temporarily increasing the transfer value for those affected by the crisis. This could have made the project more effective from the perspective of addressing humanitarian needs. There were efforts to harmonise with other 'standalone' humanitarian assistance provided by other actors (see 'Institutions and Systems' below).

OPERATIONS

Registration:

The processes for registration were bureaucratic. Families had to apply in the social welfare offices at district level, sometimes over 100 kms from their residence. Applicants had to provide extensive documentation which were not all easily accessible

(some required in-person application, again at district level)⁶. These barriers led to exclusion errors in normal times and were unsuited to the requirements of a rapid response. UNICEF convened an inter-governmental taskforce, chaired by the Vice Prime Minister responsible for social affairs, including SASW, the state registration services, the Ministries of Finance, Education and Health, and UNICEF. A Temporary Regulation was drafted and in two weeks was approved by the President. This was a critical factor **enabling social transfer programmes to be used as a mechanism for crisis response**. The Regulation relaxed the proof of eligibility requirements for six months in the two affected provinces and was also applied to those applications that were already in the pipeline. Instead, ad hoc local social commissions were established to rapidly assess applications for households without a household visit and decisions were made without the need for documented proof of eligibility to be provided.

Leaflets in three languages were produced by UNICEF and distributed by project staff in the affected territories to inform the population about the initiative, its purpose and ways to apply. UNICEF funded mobile social workers to take registration to community level, making it more accessible for the poorest and speeding up registration.

To ensure that the initiative was inclusive of both communities, UNICEF recruited both Uzbek and Kyrgyz social workers for the mobile network. The membership of the established social commissions was also in line with the ethno-demographic composition of the communities.

Enrolment:

The Temporary Regulation ensured **speedier enrolment of eligible cases**. During the six month 'grace period', applicants could be enrolled and begin to receive their transfers without providing all the necessary documents. It was also possible to enrol eligible cases outside of their place of residence, so that they could receive support in their temporary location. Both programmes saw a large increase in enrolled beneficiaries when the eligibility requirements were relaxed (UMB increasing by over 18 500 children and the MSB by 3 346 cases⁷). Households that were enrolled in the programmes then became part of the regular beneficiary caseload at the end of the 'grace period', upon submission of their restored documents. The fact that the government was financially responsible for providing these transfers from the outset, from the national budget, contributed to this sustainability. The taskforce facilitated the restoration of documents for affected households and children.

⁶ For example, the UMB required copies of national ID of parents, birth certificates of children, and proof of income for the last three months. The SMB required national ID of the caregivers, birth certificates of children, death certificates of parents, certificates for children at school, and disability certificates. The UMB also required a household visit by the social welfare officer.

⁷ These are nationwide figures across the seven provinces, not just in the two provinc

Payment:

Payments were delivered on a monthly basis through local post offices. This **delivery mechanism** and payment schedule continued during the crisis as the post office branches were accessible in all villages. The cash delivery process was smooth, since the post office were used to make these payments. It took approximately one month from the rapid assessment, in July, to the provision of the first payments in August.

Systems and institutions:

UNICEF increased the **capacity of the national social protection institutions** to manage the extraordinary enrolment process and strengthened the underlying social protection system. UNICEF trained newly deployed social workers and funded the mobile groups until the end of 2011. Thirty social workers were subsequently mainstreamed into the national social protection service under the new Ministry of Labour and Social Protection under the state budget. Others were employed by NGOs. The documented processes for case management (see 'Monitoring' below) were continued by government after 2011.

No digital Management Information System (MIS) existed on the social transfer programmes. UNICEF set up an information support centre in Osh city Social Welfare Department and developed an MIS to support the project. An integrated single database of affected families was hosted by the department, in cooperation with the Protection Cluster. Details were shared with the Early Recovery cluster for provision of other complementary humanitarian supplies to the same families through the parallel humanitarian system.

MONITORING AND EVALUATION

Social welfare officers in the SASW did not practice a case management approach prior to the crisis. UNICEF provided training to social protection managers and social workers on additional outreach measures to ensure family welfare and introduced a care and support plan to monitor needs and referrals to services. This monitoring approach was adopted by the government after 2011. Monitoring activities showed that the initiative addressed existing exclusion errors on the long-term social transfer programmes, identifying cases that were previously eligible for assistance before the emergency and enrolling them for long-term support.

What happened next

UNICEF's partnership with SASW served as a useful entry point to negotiate reforms of the UMB benefit value leading in 2011 to provision of a Guaranteed Minimum Income linked to national poverty indicators. There was an increase in the status of social protection within government with the creation of the Department for State Benefits (DSB) under the Ministry of Labour and Social Protection (MoLSP) in 2011. Between 2012 and 2014 a new social protection strategy was elaborated, which included an action to have an emergency unit or structure established within the MoLSP to formalise standby arrangements for similar deployments in emergencies. However, this was never implemented due to changeover of ministers and perceived competition with the mandate and responsibilities of the Ministry of Emergency Situations.

Since 2016 with World Bank support a **national social transfers MIS** has been operational. This has led to greater visibility for applications and enrolment, automated payment processes and improved analysis and reporting. This investment would be an asset in any future shock response, albeit with some challenges

in terms of staff capacity to use the system and with internet connectivity in remote areas.

EU FUNDED SUPPORT TO SOCIAL PROTECTION POLICIES

The European Union/ European Commission services have supported the Social Protection policies within its 1996 – 2006 **Food Security Programmes**⁸ and 2007 – 2010 **Sector Policy Support Programme (SPSP)**⁹.

The **SPSP aimed to enhance pro-poor policies** through more efficient social assistance targeted at poor families and the establishment of institutions to better address the condition of deprived children. Specifically, the SPSP supported development of the new social assistance legislation (adopted in 2009) with new eligibility criteria with updated proxy-means test norms used for calculating income, including that from livestock, land and some other assets with revised access procedures.

8 Over the eleven years from 1996 to 2006, the EC disbursed a total grant of EUR 91.87 million to financing eight Food Security Programmes in the Kyrgyz Republic. Of this, EUR 86.37 million was for budget support and EUR 5.5 million for accompanying technical assistance.

9 The 2007 – 2010 SPSP encompassed EUR 40 million of which EUR 37.75 million in budget support and EUR 2.25 million for technical assistance.

Also, the SPSP targeted improvements in the management of vulnerable families and children in difficult life situations through the establishment of the rayon (local) level Family and Child Support Departments and Commissions on Children's Affairs.

In addition to these two directions, the SPSP supported development of the '**Poverty and Food Security Information System**' at the National Statistical Agency to provide data to verify the programme's indicators (specifically about children in difficult situations) and better monitor the impact of the programme.

Source: Smith (2017) 'Supporting national social protection systems to respond to needs at times of crisis: lessons from Kyrgyzstan', a case study for UNICEF.





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