

# DREF operation



International Federation  
of Red Cross and Red Crescent Societies

## Kyrgyzstan: Socio-economic crisis

DREF operation n° MDRKG002

19 December 2007

The International Federation's Disaster Relief Emergency Fund (DREF) is a source of un-earmarked money created by the Federation in 1985 to ensure that immediate financial support is available for Red Cross and Red Crescent response to emergencies. The DREF is a vital part of the International Federation's disaster response system and increases the ability of national societies to respond to disasters.

**CHF 58,286 (USD 52,134 or EUR 35,325) has been allocated from the Federation's Disaster Relief Emergency Fund (DREF) to support the national society in delivering immediate assistance to some 2,852 beneficiaries. Unearmarked funds to repay DREF are encouraged.**

**Summary:** This operation is to support the Kyrgyzstan Red Crescent Society in providing supplementary food assistance to vulnerable children in three regions of the country. These children are at increased risk of malnutrition due to the food shortage resulting from a sharp rise in prices for bread and other basic food staples in the country.

This operation is expected to be implemented over three months, and will therefore be completed by 19 March 2008; a Final Report will be made available three months after the end of the operation (by 19 June 2008).



Food price inflation undermines the ability of the vulnerable populations to access adequate food.  
Source: E.Pavlyuk/Kyrgyzstan Red Crescent

[<click here for the DREF budget and here for contact details>](#)

## The situation

Kyrgyzstan is currently facing a dramatic increase in prices for bread and other basic food staples (see Table 1 below for details). The sharp rise in flour prices, which has triggered a surge in prices for bread and related bakery products, has affected the entire central Asian region. With food costs spiraling, the inflation in Kyrgyzstan has reached an estimated 13 per cent in September 2007, compared to 3.7 per cent in April 2007<sup>1</sup>.

<sup>1</sup> Source: Economist Intelligence Unit

**Table 1 Comparative analysis of food prices**

<b>Food items</b>	<b>Unit price as of 1 April 2007 (Kyrgyz Soms)</b>	<b>Unit price as of 1 Nov 2007 (Kyrgyz Soms)</b>
Flour	12	24
Beef	110	220
Milk	17	40
Eggs	25	50
Vegetable Oil (sunflower)	50	110
Cheese	85	180
Rice	30	70

*Source: news agency 24KG*

The large increase in the cost of staple foods has a disproportionately hard impact on the poor who form a large segment of the Kyrgyz population. The poor spend a higher share of their income on food: the most vulnerable groups can spend up to 80 per cent of their total expenditures on basic foods alone. As a result, the higher prices are not only leading to the deterioration of their diets in terms of quantity and quality, but are also significantly eroding their overall purchasing power.

Wheat is a basic staple in the region and cereals account for up to 70 per cent of the daily calorie intake of the poor and vulnerable populations. Coupled with higher fuel prices, the food and consumer price inflation will undermine the ability of the poorest to access adequate food and heating during the cold winter months.<sup>2</sup>

Any analysis of the vulnerable groups would identify children as those most at risk of being affected by a food crisis. According to official data, there are over 6,000 orphans, 2,000 street children and over 36,000 disabled children in Kyrgyzstan. The government currently allocates 25 Kyrgyz Soms (0.71USD) a day for food for one child residing in children's institutions. This amount was insufficient for adequate nutrition even before the prices had risen. The increase puts many children at serious risk of malnutrition.

The government seeks to mitigate the impact of inflation on the poor. In addition to the monetary and fiscal measures announced by the National Bank and the Ministry of Finance, the government released grain from state reserves in August, and the following month set up the Food Security Council charged with replenishing and building up strategic reserves, particularly of wheat. In October-November the government started to work on immediate support measures for the population: provision of flour and bread for the vulnerable groups at affordable (subsidized) prices, and ad-hoc financial payments for the poor in Bishkek. It was also decided to increase the food allocations for children's institutions to 50 Kyrgyz Soms (1.42 USD) per child per day as of January 2008.

A series of policy measures by the government are expected to ease the inflationary pressure, but will take time to filter through into lower prices and allocations actually received by the poor and vulnerable groups, including children. The immediate two to three months are going to be very difficult, particularly because it is winter time and the poor have no reserves to help them cope with the crisis.

## **Coordination and partnerships**

The government has formed a Food Security Council that brings together various state bodies to coordinate the actions in different sectors (trade and customs, social security and fiscal sector) aiming to address the food insecurity. The Kyrgyzstan Red Crescent Society is in continuous contact with the local and central administration, and has initiated some immediate actions to help one of the most vulnerable groups: the children.

## **Red Cross and Red Crescent action**

The National Society is following the situation in the country closely. At national level and through the regional branches it maintains contacts with the authorities to monitor the developments, including

---

<sup>2</sup> Global Information and Early Warning System, Food and Agriculture Organization of the United Nations, see [website](#)

mechanisms for response to the food crisis. The Red Crescent Society made a call to raise funds for food for orphaned children and contacted business structures and banks with the appeal to help children at risk of starving. A call for help advocating the needs of children is being broadcast by ten TV channels. In addition, the National Society is planning to hold press-conferences for mass media and other parties concerned.

## The needs

The National Society through its regional branches has identified the most vulnerable children that suffer from the shortage of food. These are the children placed in residential institutions in the three poorest regions in the north of the country. Food products are normally brought to these regions from the south, and the transportation of goods can be problematic in winter time when mountain passes become inaccessible because of the snow. This also affects the prices for food in these regions that are higher than elsewhere. The institutions that were selected are boarding schools, medical or service-provision institutions for children from poor families, orphans, children with disabilities and street children.

Region and type of institutions	Target groups	Number of children
<b>Chu region:</b> TB (Tuberculosis) hospitals, centres for street children, schools and kindergartens for children with disabilities, association of children with diabetes, orphanages	Children with TB, street children, orphans, children with disabilities	1,041
<b>Naryn region:</b> kindergartens, boarding schools, orphanages, rehabilitation centre	Children from poor families, orphans, children with disabilities	1,430
<b>Issyk-Kul region:</b> orphanages, centres for street children	Orphans, street children, children with disabilities	381
<b>Total</b>		<b>2,852</b>

It is expected that the government allocations to children's institutions will increase in the beginning of next year and this will eliminate the need to rely on support from the Kyrgyzstan Red Crescent Society. The National Society is therefore not planning to launch an Emergency Appeal in response to this situation.

## The proposed operation

### Relief distributions (food and basic non-food items)

**Objective: To provide supplementary food rations for three months for 2,852 vulnerable children in order to reduce the threat of malnutrition.**

A food package for one child will contain the following food ration for three months:

- Pasta products 3 kg
- Rice 3 kg
- Flour 4.5 kg
- Vegetable oil 1.5 l.
- 

The supplementary products will be used to prepare one hot meal a day (lunch or dinner) so that the total caloric value of daily meals will make at least 1,000 kilocalories per child per day. The meals will be provided through residential institutions.

#### Planned activities:

- Complete the list of beneficiaries;
- Procure, transport and distribute food supplies to the target institutions;
- Monitor the provision of meals to the beneficiaries.

## Budget

Item	Unit	Quantity	Unit price CHF	Total CHF
Supplies				
Pasta products	Kilogram	8,556	0.95	8,131
Rice	Kilogram	8,556	0.64	5,452
Vegetable oil	Litre	4,278	0.47	2,009
Flour	Kilogram	12,834	2.12	27,262
Subtotal				42,854
Transportation & Distribution				
Transportation				4,472
Geneva Costs				
Programme Support Recovery 6.5%				3,788
Personnel				
PMER & DM NS Coordinators				3,041
General Administration, Information				
PR activities				1,000
Communication, monitoring, other				3,130
<b>Total</b>				<b>58,286</b>

## How we work

*All International Federation assistance seeks to adhere to the [Code of Conduct for the International Red Cross and Red Crescent Movement and Non-Governmental Organizations \(NGO's\) in Disaster Relief](#) and is committed to the [Humanitarian Charter and Minimum Standards in Disaster Response \(Sphere\)](#) in delivering assistance to the most vulnerable.*

The International Federation's activities are aligned with its Global Agenda, which sets out four broad goals to meet the Federation's mission to "improve the lives of vulnerable people by mobilizing the power of humanity".

### Global Agenda Goals:

- Reduce the numbers of deaths, injuries and impact from disasters.
- Reduce the number of deaths, illnesses and impact from diseases and public health emergencies.
- Increase local community, civil society and Red Cross Red Crescent capacity to address the most urgent situations of vulnerability.
- Reduce intolerance, discrimination and social exclusion and promote respect for diversity and human dignity.

## Contact information

### For further information specifically related to this operation please contact:

- Kyrgyzstan Red Crescent Society: Rosa Shayahmetova, Secretary General, Bishkek, phone: 996312 66 38 86; email: [01@redcross.elcat.kg](mailto:01@redcross.elcat.kg)
- In Europe Zone Office: Leon Prop, Deputy Head, Budapest, phone: 361 248 33 00; fax: 361 248 33 22; email: [leon.prop@ifrc.org](mailto:leon.prop@ifrc.org)
- In Central Asia Regional Representation: Drina Karahasanovic, Regional Representative, Almaty, phone: 7727 291 41 56; fax: 7727 291 42 67; email: [drina.karahasanovic@ifrc.org](mailto:drina.karahasanovic@ifrc.org)
- In Geneva: Linda A. Stops, Operations Coordinator, phone: 41 22 730 4300, fax: 41 22 733 0395, email: [linda.stops@ifrc.org](mailto:linda.stops@ifrc.org)

[<click here to return to the title page>](#)