Since independence, the Government of Kyrgyzstan has implemented agricultural land reform and the privatization of State property. As a consequence, there was a need to secure property and register land rights through the establishment of the State Agency for Registration of Rights to Immovable Property in 1999.4 Moreover, the insufficient availability of affordable housing required the development of a new national programme on housing construction. These reforms and developments have triggered changes and redefined the roles of institutions responsible for housing and land administration, which will be described in further detail in this chapter.

A. POLICY MAKING AND INSTITUTIONS AT THE NATIONAL LEVEL

Housing and land matters are dealt with in the broader policy framework of the country’s strategic documents. In 2001, the Comprehensive Development Framework Strategy up to 2010 (CDF Strategy) was adopted and was followed in 2003 by the Strategy’s first mid-term plan known as the National Poverty Reduction Strategy for 2003–2005 (NPRS). These documents determined key directions for policy and actions. Housing was not among the priorities, although the need for adequate and equitable living standards was articulated. Lack of an adequate attention to housing obviously contributed to the housing problems that the country faces today.

The growing housing problems were properly addressed in the CDS for 2007–2010. This document implements the second mid-term plan of the 2001 CDF Strategy. The CDS defines two major housing needs, including the production of more housing through the development of the house-building industry, and the provision of housing accessibility through the development of affordable mortgages. While the development of social rental housing is also mentioned, no tools to achieve this are mentioned. Overall, the scope of implementation mechanisms is limited in this Strategy.

Nowadays, policies related to land and housing are formulated and implemented with the involvement of different ministries, agencies and international and local organizations, as well as the private sector. Currently, the State Agency for Registration of Rights to Immovable Property (Gosregister), the Agency for Architecture and Construction (Gosstroy) and the Agency for Environmental Protection and Local Government are the State bodies directly responsible for land management and administration. Moreover, the Ministry of Finance, the Ministry of Fuel, Transport and Energy and the Ministry of Labour and Social Protection have been involved in the housing sector through the National Programme on Housing Construction in Kyrgyzstan for 2008–2010.5 The policies and functions of ministries and agencies at the national level are implemented through their branches in the local State administration.

According to the Law on the Structure of the Kyrgyz Government, adopted by the Government Resolution No. 176 on 27 December 2007, the Gosstroy and the Gosregister are the two main State agencies that are specifically responsible for land and property registration, cadastre development, and urban planning.

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4 Structure and Responsibility of the State Agency for Registration of Rights to Immovable Property under the Government of the Kyrgyz Republic were confirmed by the Government Resolution No. 133 on 1 March 2006, Bishkek

The State Agency for Architecture and Construction (Gosstroy)

The Gosstroy is an organ of the State administration with local branches in oblasts and rayons. It exercises regulatory and monitoring functions in architecture, urban planning, construction, engineering surveys, transport infrastructure and production of construction materials. The Agency has three main units and two research institutes: the State Expertise Unit; the Social Housing Unit; the State Centre for Certification; the Urban Planning Institute; and the Institute of Seismology.

In collaboration with its units and research centres, the Agency implements five main functions: (1) it introduces standards, rules and regulations for construction activities; (2) it coordinates and controls building activities; (3) it administers architectural design and urban planning activities; (4) it supports communication between different authorities; and (5) it regulates land use and development.

The first function of the Agency relates to selecting lands plots suitable for construction taking into account master plans, developing construction regulations and providing technical assistance for engineering surveys. The Agency harmonizes national standards for construction with international ones and develops the main principles for estimating construction costs.

The second function of the Agency involves the supervision of the quality of construction, implementation of administrative decisions and imposition of sanctions (in case of violation of legal acts regulating construction activities and land use), such as cancelling licences. The Agency is also responsible for investigating the causes of construction accidents and for carrying out recovery operations. Finally, the Agency participates in valuations of the State properties to be privatized.

The third function relates to reviewing and approving documents related to architectural projects and urban planning activities. It prepares development plans, architectural and engineering drawings, and landscaping plans, which are the documents required to start the construction process. Together with other relevant agencies, it participates in the preparation of documents to certify ownership rights over land plots. Also, the Agency protects the intellectual property rights of architects, engineers and designers involved in the construction.

The fourth function of the Agency includes the development and maintenance of a network, through the creation of a database, linking the Agency’s departments. This network contains information about the work implemented by the departments of the Agency. Also, the Agency provides scientific and methodological support for the maintenance of the urban development cadastre.

The fifth function of the Agency regulates land use, development and construction in urban areas as well as recreational zones in accordance with urban plans, land use and construction norms. The Agency issues licences and approves documents for urban planning and construction projects of residential, public and industrial buildings.

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6 An Oblast unit of the administrative territorial division of Kyrgyzstan is equivalent to a province.

7 A rayon unit of the administrative territorial division of Kyrgyzstan is equivalent to a district.

8 Structure and Responsibility of the State Agency for Architecture and Construction were confirmed by Government Resolution No. 7 on 11 January 2006, Bishkek.
The State Agency for Registration of Rights to Immovable Property (Gosregister)

The Gosregister was established in 1999 at the national level through merging the State Agency for Land Engineering, Geodesy and Cartography,9 Giprozem10 and the Urban and Regional Bureau for Technical Inventory.11 It has been entrusted with the task of introducing a system of registration.12 The Agency is an organ of the State administration, which implements the registration of rights to immovable properties, protects these registered rights and contributes to the functioning of the real estate market. It also maintains documents on the topography, geodesy and cartography of the territory of Kyrgyzstan.13

The current structure of the Gosregister consists of the Director’s office and other departments under its supervision, namely the Administration on Land Management and Land Cadastre, Economics and Financial Policy Management, Management of the Immovable Property Registration and Development of the Property Market. The Agency has local registry offices in 49 rayons including the capital city Bishkek. In particular, the Agency has the following functions:

- To develop a centralized, unified system for the registration of rights and conduct the registration of immovable properties.
- To issue documents confirming land property rights, including the identification of land boundaries in accordance with the decisions of other State bodies and local governments.
- To organize and maintain the State land cadastre and monitor all the registered properties and land plots.
- To conduct the monitoring of land by issuing an annual report on land use and the use of the LRF.14
- To create and maintain the State geographical information system of all land resources and immovable properties in Kyrgyzstan.
- To develop integrated programmes for the rational use of the LRF.
- To maintain the cartographic fund of Kyrgyzstan.
- To implement and monitor Government regulations on land use and its protection in accordance with the Land Code of Kyrgyzstan.
- To carry out geodesic, astronomical and gravimetric works, and organize the topographic mapping on the territory of the republic.

The administration and management of State-owned land such as forests and protected areas fall under the responsibility of the State Agency for Environment Protection and Forestry, which was established on 15 October 2005. It carries out the State policy on

9 Agency on Land Engineering, Geodesy, Cartography — a former State structure responsible for land surveying and for the cartography fund of the Kyrgyz Republic
10 Giprozem was a State structure working to collect and record data on landholdings of all enterprises existing on the territories of the former State and collective farms (from rural committee heads for annual land register)
11 Previously, the Urban and Regional Bureaus for Technical Inventory collected information and maintained the database on immovable properties, including information on building location, the area of the building and owner names. These bureaus maintained the archive for all blueprints, building construction plans of houses, apartments, and other immovable property
13 Structure and Responsibility of the State Agency for Registration of Rights to Immovable Property under the Government of the Kyrgyz Republic were confirmed by the Government Resolution No. 133 on 1 March 2006, Bishkek
14 LRF (Land Redistribution Fund) — 75% of land was distributed as agricultural land shares while the remaining 25% was reserved in the State Land Redistribution Fund.
Institutions responsible for the housing sector

As has been mentioned in the introduction above, over the last decade the lack of affordable housing has become a very acute issue in the urban areas of Bishkek and Osh. The problem is to be addressed by the Government within the framework of the National Programme on Housing Construction in Kyrgyzstan for 2008–2010. The programme aims to improve and stimulate housing construction through various mechanisms. The first stage of the programme considers the structural organization and interaction of institutions for housing construction; it designates responsibilities for different ministries whose functions will be discussed below.

Ministry of Finance

According to the National Programme on Housing Construction in Kyrgyzstan for 2008–2010, the Ministry of Finance is responsible for establishing mechanisms to provide affordable housing for vulnerable citizens. Currently, the Ministry’s attention is mainly focused on the development of affordable credit-based financing. In collaboration with the National Bank of Kyrgyzstan, the Ministry designs and implements the regulatory and normative framework for long-term credit lending and mortgages for housing; it is believed that a wide range of the population will be able to access housing via affordable mortgages. The Ministry of Finance also considers the availability of public and private funding for the housing construction envisaged in the National Programme. Regarding the private sector, the Ministry evaluates the potential private investors for each year and region in terms of their interest in contributing to the implementation of the housing programmes envisaged.

Ministry of Economic Development and Trade

According to the National Programme on Housing Construction, the Ministry of Economic Development and Trade is responsible for effectively utilizing external assistance and funding from international financial organizations and donors with regard to affordable housing. It focuses particularly on vulnerable citizens. The Ministry identifies, together with the State Agency for Architecture and Construction, the amount of investment in housing construction each year for each region, and develops projects taking into consideration the need for housing construction in the country.

Ministry of Industry, Energy and Fuel Resources

The development of the country’s industrial and energy sectors is the main responsibility of the Ministry of Industry, Energy and Fuel Resources, carried out through its branches at the oblast and rayon levels. The Ministry is also responsible for introducing the regulations for the use of locally produced building materials throughout the country, the reuse of discarded industrial material for construction and the use of effective technology for construction (taking environmental protection into consideration). Also, the Ministry is responsible for modernizing construction materials with respect to cost, and it promotes the use of local substitutes to replace imported construction materials in order to reduce costs.

Country profiles on the housing sector – Kyrgyzstan

Ministry of Labour and Social Protection

The Ministry of Labour and Social Protection implements the State policy on social development and labour and promotes the improvement of living standards of the population. The Ministry carries out its functions through its branches in oblasts and rayons in cooperation with other relevant State structures and local government. The Ministry has been assigned the task of developing norms for social housing and defining standards, parameters and criteria for improving living conditions.

Specifically, the Ministry contributes to the housing sector through allocating subsidies for utilities. There are two kinds of subsidies. The house utility service is a subsidy for electricity, heating and natural gas. Only families with a per capita income of less than 350 soms per month (approximately $9.50) are eligible for this subsidy. The second is a subsidy for which only residents of Bishkek city are eligible. This subsidy has been provided since 1996, under the Housing Subsidies Programme. Only families whose monthly bill for utilities makes up more than 27% of their whole monthly income are eligible.16

Ministry of Health

The Ministry of Health, along with its regular functions, has responsibility for defining health and epidemiological requirements for new buildings as well as approving the sanitary and epidemiological conditions of building plots. The Ministry makes recommendations on the selection of construction sites. However, a major problem is that the Ministry’s requirements and recommendations are based on Soviet-era building regulations, which have not been updated since then. Also, the Ministry has no clearly defined responsibilities for monitoring existing buildings.

Ministry of Foreign Affairs

According to Kyrgyzstan’s CDS for 2008–2010, the Ministry of Foreign Affairs is responsible for attracting foreign investment to housing construction projects in Kyrgyzstan. Mainly, the Ministry operates through its consular offices in different countries. It offers information and direct assistance to domestic and international partners. The Ministry assists foreign citizens to invest in immovable property and obtain land use rights where reciprocal arrangements have been agreed with the other countries. Property ownership in Kyrgyzstan by foreigners is regulated and screened by a commission under the Ministry of Justice. This commission reviews and approves applications for sale, exchange and donation of residential buildings to foreigners, legal entities and individuals within the territory of Kyrgyzstan. This commission is composed of the Secretary of the Department of Notary and Advocacy and another five representatives, one each from the Ministry of Justice, the Ministry of Internal Affairs, the Ministry of Foreign Affairs, the State Committee on National Security and the Secretary to the Commission provided by the Ministry of Justice. This commission also maintains the registry of foreign legal entities and individuals applying for the sale or exchange of residential buildings.

National Statistical Committee of Kyrgyzstan (NSC)

The National Statistical Committee is the central national statistical body operating on a self-sustained budget. The NSC is responsible for conducting population censuses, household surveys and producing demographic statistics on a wide range of economic, agriculture, labour and social issues. There are over 1,200 statisticians working for the NSC. The Committee has its head office in Bishkek and regional offices in each oblast, as well as a research and training centre.

Following a general decision of statistical offices of all Commonwealth of Independent States (CIS) countries, the Kyrgyz National Statistical Committee has confined its tasks to...

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reporting observed data only. It publishes no forecasts, even though forecasts are made when data for GDP and population are processed.

B. REGIONAL AND LOCAL LEVELS

To ensure close interaction between the central and local government and also to promote local self-government at the national level, the Ministry of Local Self-Government and Regional Development was established at the end of 2000. In 2002 the Law on Local Self-Government and Local State Administration was adopted; on this basis the structures of regional and local governments and bodies of local self-government are now being formed in Kyrgyzstan.

As indicated in the Local Self-Government Law, local power at the level of administrative-territorial units (districts, cities, villages, small rural communities) is represented by both the local self-government bodies (acting as local representative bodies) and the local State administrations (acting as local executive bodies). There are 7 oblasts and 49 rayons in Kyrgyzstan.

Local State administrations as executive bodies

In general, the local State administrations operate as the executive bodies of general competence and are accountable to the President and the Government. The local State administrations exercise the functions of the ministries and agencies responsible for housing and land administration described above.

The local State administration at the oblast and rayon levels consists of the head of the local State administration, the governor; the rayon level is administered by a government-appointed official (Akim) and the mayor governs at the city level. All of them are appointed by the President of Kyrgyzstan. Departments within the structure of the local State administration that are responsible for housing and land administration involve oblast, rayon and city level departments of justice, departments of architecture and construction and departments of social protection, as well as departments responsible for land use management and registration of rights to immovable property.17

The departments are the local branches of the national ministries and agencies, and implement national policies at the local level. The local State administrations prepare the local budget and drafts of local programmes for social and economic development and submit them to the local council (representing local self-government) for approval; monitor land use and construction of buildings within their territories to ensure these activities are in compliance with regulations established by the corresponding State administrations; manage resources of the State local administrations and decide on the allocation of land plots; manage municipally owned enterprises; and coordinate activities of the departments of the ministries and State agencies. The local State administrations consult and coordinate their decisions on all crucial matters of territorial development with local councils (bodies of the local self-government) on a regular basis.

Local representative bodies of self-government (keneshes/councils)

The system of local self-government is made up of local councils (local keneshes), heads of provinces, villages and cities of district importance, mayors of cities, and executive-administrative local government bodies. Also, various kinds of territorial public government (formed by the population itself) and assemblies of citizens may be created in a separate part of a city and village.

The members of the local council are elected by the people, while the head of the village community is nominated by the State with the agreement of the oblast governor and should be approved by the local council. Local councils and other bodies of local self-government are responsible for enforcing laws and reporting to the Government; they are also

accountable to the local community for results of their activities.

Self-government in cities is structured according to two categories of cities — cities that are part of an oblast and those that are part of a rayon. While local self government for rayon-level cities was approved by a presidential decree in 1998, the oblast-level cities’ right to manage local affairs was established in 2001.

The city council represents the highest elected representative body of local self-government in cities. The competence of the city council includes, inter alia: approval of the city budget and programmes for social and economic development in the city; levying of local taxes and duties; and the establishment of procedures and conditions for land use or for the use of other natural resources in accordance with national legislation.

The executive and regulatory branch of the local self-government in cities is represented by the executive committee. Among other functions, the committee develops draft programmes for social and economic development in the city and a draft local budget and submit them to the city council for approval; maintains and renovates municipal facilities; supervises sanitation in the city and the implementation of environmental measures; contributes to housing development, city transport and communications; designs and implements urban development plans; monitors compliance with construction standards and oversees the rational use of city lands; submits proposals to the city council to levy local taxes and duties according to the law; strengthens the material and technical foundations for institutions of health care, education and social security; assists in the completion of the privatization process; and regulates the use of land and other natural resources.

The City Council of Bishkek considers and approves administrative borders of the rayons of Bishkek city, and, together with the city administration, approves construction projects in Bishkek.

In terms of housing construction, the city council of Bishkek coordinates the development of master plans and ensures compliance with construction standards. The local self-governments of Bishkek and Osh are responsible for allocating urban land for private use and ownership in accordance with the master plan and the detailed project plan of the city. They also conduct land cadastre and land management projects. Together with the city council, they develop and supervise the implementation of programmes on rational land use and give permission to carry out preparatory work before the actual construction starts.18

The administration of Bishkek city has three structural divisions dealing with land administration.

The Land Committee of the City Council of Bishkek supervises the implementation of the 1999 Land Code within the territory of Bishkek city. The Committee is also in charge of organizing auctions for allocating land use rights or for directly selling land without auction to potential clients on behalf of the local self-government. It also represents the City Council of Bishkek vis-à-vis land users.

The Main Architectural Body of Bishkek City is a division of the City Council of Bishkek. It designs development projects based on the socio-economic development strategy that is in force at the time with the agreement of the State Agency for Architecture and Construction and the City Council. The Architectural Body enforces construction norms, commissions the preparation of the master plan of Bishkek city and supervises its implementation.

The Department of Individual Housing Construction in Bishkek is part of the City Council. It develops and monitors procedures for land allocation and individual housing construction. The Department also monitors the implementation of the legal framework for

individual housing construction and designs the required documents, sets norms and exercises control over individual constructions. It also registers newly constructed and reconstructed buildings including individual houses and sets up a competent State commission that approves the completion and operation of newly built houses. The Department is responsible for reporting to the mayor and to the city committee on statistics about the number of newly constructed houses.

**Condominium associations (partnerships of home owners)**

After its independence, Kyrgyzstan started the privatization of the existing housing stock, and by 1994, about 90% of it had been sold off. Privatization of residential buildings raised the issue of maintenance of common areas in such buildings. The *Civil Code* adopted in 1996 addresses the problem by granting joint ownership rights to common areas and facilities to owners of individual units within the building. A voluntary organization of condominium associations is regulated by the 1997 *Law on Condominium Associations*. The condominium association is responsible for the maintenance of common spaces and management of the multi-apartment building through its elected representatives (see Chapter IV). According to this scheme, each unit owner is obliged to cooperate in solving problems pertaining to common living areas, make decisions about budgeting and expenditure and participate in setting rules for sharing the communal parts of the buildings.19

**C. OTHER INSTITUTIONS**

**The Kyrgyz State University of Construction, Transport and Architecture**

In 1998, the Kyrgyz Architectural Building Institute became the Kyrgyz State University of Construction, Transport and Architecture. The University is an active member of the International Association of Higher Institutions within the CIS. Since independence, the University has trained more than 10,000 specialists. It is also a source of pedagogical and research staff that includes 25 Doctors of Sciences, more than 30 professors and more than 500 teachers. There are 7,000 full-time and 4,000 part-time students.20

**Association of Cities of Kyrgyzstan**

The Association of Cities of Kyrgyzstan is a voluntary, non-governmental organization established by city government bodies in order to promote political, economic, cultural and informational linkages, cooperation and development among the cities in Kyrgyzstan. The Association seeks to further develop local self-government and to represent and promote the common interests of its members. This organization has implemented several projects on the development of legislation in the sphere of local government, on increasing the role of local communities and self-government institutions in exercising rights over municipal property, on the creation of networks for local self-government for the cities of Kyrgyzstan and on international cooperation among cities for socio-economic development. These projects have been funded mainly by the Soros Fund, the Eurasia Fund, USAID and the World Bank.21

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**Association of Realtors**

The Association of Realtors has operated in the cities of Bishkek and Issyk-Kul since 1994. The main purpose of the Association is to carry out sales transactions and develop contracts of sale. Realtors serve as mediators between vendors and buyers of land and other property. Realtors also assist in property registration. For example, when a notary carries out the registration, realtors prepare the required documents checking their correctness and legality. The Association has only 10 members who pay a membership fee and who mainly work in Bishkek.

Overall, more than 200 real estate agents are operating in Kyrgyzstan, but no international agencies. There is no coordination among realtors and each of them works on their own. The Law on Realtors’ Activities was adopted in 2003, but it has not been enforced. Recently, national standards (guidelines) for realtors have also been adopted, but there is no licensing of real estate brokers. An estimated 60–70% of real estate transactions go through real estate agencies whose service fee is 2–3% of the purchase price. Realtors have only loose cooperation with banks, and banks do not support their clients with mortgage loans.\(^{22}\)

**Private sector**

In the construction sector, private actors are filling a gap in the provision of housing by offering construction services to new housing and commercial projects. The private construction sector is represented by both local and foreign companies. In order to be able to operate, foreign builders are obliged to obtain construction licences from the State Agency for Architecture and Construction. In 2007, about 440 licences were issued. These licences have different categories, which determine what the private company may undertake. According to these categories foreign companies have permission to build either one-storey houses or multi-storey houses. They operate throughout the country. Regarding land surveying, the Gosregister still has a monopoly.

**International organizations**

Since its independence, Kyrgyzstan has been assisted in improving land administration and management by several donor organizations such as the World Bank Group, the Asian Development Bank and USAID.

*The World Bank Group* has been operating in Kyrgyzstan since 1992; it has been assisting the country with overall development funding. From 2003 to mid-2005, half of the World Bank’s assistance to Kyrgyzstan was provided in the form of a grant. Regarding credit support, the World Bank has funded a project on Land and Real Estate Registration for 2000–2005 together with SIDA. The main objectives of the project were the support of the development of land and real estate markets through introducing the system of registration of rights to immovable property. The World Bank is funding another project for improving urban infrastructure in Bishkek and Osh in 2008–2010.\(^{23}\)

*The Asian Development Bank* (ADB) has been operating in Kyrgyzstan since 1994. Regarding land management, ADB mainly works on the management of agricultural land and on developing the agricultural sector. Together with the Global Environmental Fund, a project on preventing land degradation and erosion has been planned. The project will address the question of soil salinity. The ADB’s future plans in Kyrgyzstan envisage improving land productivity and developing market-based agriculture.

*The United States Agency for International Development* (USAID) has been

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providing development assistance for Kyrgyzstan since 1992. Through its projects, USAID has been contributing to the development of land legislation and the land market in Kyrgyzstan. So far one project supporting land reforms and land market development has been completed. The project has mainly contributed to the management of land resources of the LRF and it has also developed and introduced zoning regulations in some cities. Another project called Legal Assistance for Rural Citizens has been implemented since 2000. This project is aimed at resolving land disputes through legal consultation and representation and instructing local government structures about proper application of laws through its 22 offices located all over the country.  

Non-governmental organizations (NGOs)

Habitat for Humanity in Kyrgyzstan (HfH) is a local affiliate of Habitat for Humanity International, a non-profit organization dealing with housing issues. The organization has been working in Kyrgyzstan since 1999 and it is the only one to give interest-free mortgages for homes. The organization is governed by a Board of Directors, consisting of eight local volunteers. The Board selects families to support with construction of simple and affordable houses. Individuals and corporate donors provide funding and construction materials for building Habitat houses while volunteers provide most of the labour. Partner families themselves also contribute to building their own houses and the houses of others. Payments received from housing mortgages are used for building more houses. The Government provided its initial support by granting a plot of land to this NGO for the construction of dwellings; this new housing development project was then named as the Habitat Region. The first phase of this project started in 2000 and 20 houses were allocated to people in November 2002.
