

POSSIBILITY TO SOLVE THE PROBLEM OF THE KYRGYZ EXTERNAL DEBT

M. Osmonaliev, Specialist of the Center of Economic Strategies

The most preferable way to try to solve the problem of the external debt of Kyrgyzstan is to write off a part of debt in exchange for ecological programs. It's possible for Kyrgyzstan to use certain similar experience of other countries. Mountains and waters of our republic, intact natural landscapes have really global value, and their economic cost will only grow.

more about ecological aspects and input their own means, getting writing off external debt in exchange.

Nature protecting activity means not only measures on safety of some animals (for example snow leopard, Marco Polo ram), rare birds, flora of our country or some unique landscapes (on the first - the lake Issyk-Kul). On the first it must be that conducting of economic activity, which would not destroy natural systems. We can say that it is possible and necessary to use financial resources, including forgiven debts, on the development of the economy; strong economy means health ecology and vice versa.

Kyrgyzstan has now all preconditions to initiate the process debt-for-sustainable-development swaps: excessive debts, insufficient financing of nature protection activity and educational sphere, readiness of the Government to realize the CDF programme and

This possibility to restructure external debt together with other schemes could be attractive for countries-creditors and financial organizations. It means, that industrially developed countries, world community are interested in that development of countries-debtors, when reserve territories were kept untouched and economic activity wouldn't damage environment. Countries-debtors themselves must care National Poverty Reduction Strategy, which are supported by the World Bank.

There are some fears that the initiative on exchange of debts for ecology could disturb already existing arrangements with the Parisian Club on restructuring of the Kyrgyz external debt. But these are different mechanisms both on a way and a scheme of realization. The suggested mechanism of reduction of the Kyrgyz external debt can find understanding from the side of the Parisian Club members, the American Initiative Organization, International Development Agency of the USA, the Japanese International Cooperation Agency, ecological programmes of such authoritative international organizations as the Global Ecological Foundation and the World Foundation of Wild Nature Protection.