REMITTANCES IMPACT ON YOUTH LABOUR SUPPLY: EVIDENCE FROM KYRGYZSTAN

RESEARCH PROPOSAL
(Revised)
Presented to
Partnership for Economic Policy (PEP)

By
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&
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Kyrgyz Republic

March 30, 2014
**SECTION A – For all projects**

1. **Abstract (100 to 250 words)**

The abstract should state the main research question, the context and its relevance in terms of policy issues/needs in relation to PAGE thematic foci, complete with a brief description of the data that will be used.

Kyrgyz Republic compared to other countries in Eastern Europe and Central Asia is among the poorest countries, reaching the half of population living on less than PPP $2.50 per day. According to the World Bank (2013) report Kyrgyz Republic ranks the second highest place as most poor and vulnerable country among selected ECA countries. According to the National Statistical Committee of Kyrgyz Republic the population living below absolute poverty lines in 2011 was 36.8% of total population. The share of poor among rural and urban areas shows that poverty predominantly lies in rural areas, reaching 68% of total poverty. Lack of investment activities since the dissolution of the USSR, caused mass labor migration to other countries, mostly to Russia and Kazakhstan. According to official data almost 10 % percent of active population is considered as migrated seasonally and permanently each year to Russia. Unofficial evaluations assert even higher numbers. Because of the high tendencies of migration for the last seven years remittances inflow to Kyrgyz Republic has increased approximately for 6.8 times. According to the World Bank (2012) Kyrgyz Republic Republic 3rd, after Tajikistan and Liberia, among the top 10 recipients of migrant remittances as per cent of GDP in 2011. For 2013 remittances account for 31 % of GDP. Most of the reports state that migration helps to mitigate social tension in country and Kyrgyz Republic becomes dependent to external shocks - policies towards migrant and general economic performance in Russia. Migration process is strictly related with the employment generation capacity of the economy, in particularly for youth population. Increase in employment of youth in sending community decreases household vulnerability to external shocks. However, remittances may also cause the dependency and decrease of labor market participation of those left-behind. Therefore, analysis of remittances impact over labour supply of youth is important for designing effective social and economic policies. Proceeding from the importance of remittances for Kyrgyzstan economy and unemployment among youth population, the principal objective of this research project is to investigate remittances impact on youth labor supply.

Large and nationally representative household survey data will be used. Taking into consideration
arguments in remittances related literature on the possibility of selection bias two-stage multinomial model will be applied. To our best knowledge it is the first attempt to analyse this topic quantitatively in Kyrgyz Republic context.

2. Main research questions and contributions

   Explain the focus (or key questions) of your research and its policy relevance.

2.1. Explain why you think this is an interesting research question and what the potential value added of your work might be (knowledge gaps). You might want to explain whether or not this question has been addressed before in this context (including key references), and if so, what do you wish to achieve (in addition) by examining the question again?

Labor migration may have different effects on labor force at the family left behind. On one hand the migration of a household member may cause reallocation of labor within the household with the aim to replace the migrants’ labor or income. Thus received amount of additional income or remittances can be used as extra income to invest in an existing household enterprise or to start a new business. On the other hand large amount of remittances causing household dependency on it may stimulate decrease of household members’ enter or stay in the labor market (for instance see, Binzel and Assaad, 2011; Mendola and Carleto, 2009; Amuedo-Dorantes and Pozo, 2006). Labor supply behavior of left-behind youth and women in migrant sending communities are important in terms of the government attempt to reduce unemployment rate. Higher rate of population growth results in growth of youth population at higher rates than employment generating capacity of the economy. Job-seeking youth population may further facilitate migration process. In Kyrgyzstan youth employment is among the challenging issues for government employment policy. According to the NSCKR (2013b) data for 2011 general unemployment level is 8.7 per cent, while this rate for young age groups varies from 18.9 % to 12.5 %. According to the In Kyrgyzstan Government Program on Employment and Regulation of Migration for 2013-2020 it is noted that labor force growth, or growth of youth population, requires increase of employment generating capacities in the economy and will probably increase migration from the country. Thus, it is important to investigate impact of migration and remittances on labor supply of youth.

As already noted remittances in Kyrgyz Republic case represents large income source for households and mitigates social tensions for the country, which since 2005 had two political shocks. Remittances play significant role in maintaining household livelihood and Kyrgyz Republic remains sensitive to external labor market shocks. The objective of this proposed research is to investigate impact of remittances on youth employment. Given this principal objective this study attempts to examine the following research questions:

1) What is the impact of remittance receiving status on left-behind youth labor supply
2) Which factors are important in choosing among different employment types
In terms of the impact on labour supply, neoclassical model of labour-leisure choice indicates that remittances through an income effect reduce the employment likelihood of remittance-receiving individuals (Killingsworth, 1983). However, some papers indicate positive impact on labor supply of left-behind. Piracha et al. (2013) in Tajikistan case found that the amount of remittances received increases the probability for men to be employed in a household business and decreases the probability of working as wage employees, while it has no effect on the occupational outcomes of women. Results of study by Torrado (2012) on Nicaragua suggest that remittances increase the probability of business ownership of households when the head is not a migrant. Also most of the studies point out that labor supply effect of remittances may differ by gender and location characteristics (Amuedo-Dorantes and Pozo, 2012; Lokshin and Glinskaya, 2008; Binzel and Assaad, 2011).

To our best knowledge there are a few papers addressing specifically the question of remittances and labor supply by age groups, in particular of youth. Dermendzhiieva (2010) investigating the effect of remittances and migration effect on labor supply of left-behind family members in Albania found that remittances reduce by 20-50 percent of probability of working for males between the age of 46 and 60. Results of research by Braga (2008) on remittances impact on youth labor supply in Albania indicates that remittances impact differ depending on youth gender and age. Labor participation reduction effect is found in the whole sample of young people. However, there is no effect for subsample of young people between 19 and 24 ages, while inactivity is lower for people aged between 25 and 33. Study by Petreski et al. (2014) on Macedonia suggests that youth in households receiving remittances have considerably larger probability to establish own business than compared to the non-young non-receiving counterparts.

In summary, empirical studies generally conclude that migration of family member may cause income effect over labor supply of left-behind family members: decrease of work participation and work hours. On the other hand left-behind family members may effectively utilize remittances from migrant and start for self-employment activities. Moreover, in order to supplement the loss of workforce because of migration, other non-migrant members of household may increase labor supply.

There are only few studies focused on remittances in Kyrgyz Republic. Atamanov and Van Der Berg (2010) analyze the motives for remitting for permanent and seasonal migrants. Altruism and insurance are noted as determinants of remittances from seasonal migrants, while the neither altruism nor insurance were found to be important for permanent migrants. In another study Atamanov and Van Der Berg (2012) examining the effect of remittances on crop income in Kyrgyzstan find that net effect of migration on crop production is different for farms with different land size and across households with permanent and seasonal migrants. The negative impact of lost labour from permanent migrants outweighs the positive impact of remittances, while seasonal migration positively affects crop production. Ukueva and Becker (2010) analyse the effect of remittances on the purchase of durable goods. They concluded that remittances increase durable goods consumption. Anderson and Kroeger (2011) investigated relationship between remittances and expenditures on child education and health. They found that remittances have not promoted investments in children education and health.

However, little is known about the remittances impact on labor supply in Kyrgyz Republic. Moreover, rigorous and quantitative studies on this topic for Kyrgyz Republic case do not exist.
To our knowledge this is the first study attempting to quantitatively evaluate impact of remittances on employment of youth.

2.2. Describe the specific policy issues/needs that your research aims to address; how your potential outcomes/findings may be used in policy making?

- Justify timing of your research in terms of policy and socioeconomic needs/context – e.g. reference to existing/planned/potential policies at the national level.
- Evidence of previous consultation with potential users (e.g. policymakers and key stakeholders) to help define your research question is strongly encouraged. Include a list of names, institutions and email addresses when possible.

Presently Kyrgyz Republic lacks strategic policies for addressing migration issue. However, both of the government institutions and international organizations emphasize growing importance of labor migration and remittances for poverty reduction and economic growth in Kyrgyz Republic. But discussions and official international meetings on labor migration in Kyrgyz Republic are mostly focused on the juridical and social status of migrants abroad and protection of their security and rights. There is a lack of analytical reports based on quantitative analysis on the impact of remittances. Our consultations with representatives of government agencies and international donor organizations indicated that there is a strong interest in results of this research. Findings of this research will contribute to the policy discussions on economic consequences of remittances in Kyrgyz Republic, which currently remains just at the descriptive level. In particularly, it will help for government ministries and international donor organizations to understand more about factors for migration and impact of remittances on households.

To sum up, results of this survey potentially will contribute to main four policy discussions:

- **Migration Policy:** Understanding factors that are important for migration decision and impact of remittances on labour supply will contribute to formulation of migration policy aimed at mitigation of negative aspects of migration. Since migration is double-sided. On one hand it helps to mitigate poverty and increase consumption of household directly and community indirectly. On the other hand it decreases labor supply and further potentially decreases local development. Thus understanding characteristics of household and factors behind migration may set good base for policy making.

- **Social Policy:** Education and income level characteristics of remittance receiving households will give information about economic and social conditions of migrant left-behind families. Moreover, inclusion of regional dummies as explanatory variables will make possible to discuss supply and demand of social policies (education, health etc.) in terms of the regional disparity.

- **Employment Policy:** Understanding the impact of remittances on labor supply of left-behind youth will shed light on whether remittances and migration cause dependency of households or increases employment activities by other household members in case of absence of migrant member. Gender differences in employment outcomes should be associated by government programs that bring about gender policy actuality. The set of regional and household characteristics as explanatory variables will give possibility to discuss results in terms of different household composition and regional context within country.
3. Methodology

Presentation of the specific techniques that will be used to answer the research questions and how exactly they will be used to do so. Explain whether you will use a particular technique normally used in other contexts or whether you intend to extend a particular method and how you will do so. Explain if these methods have already been used in the context you are interested in (including key references).

3.1. Estimation of Remittances Impact on Youth and Women Employment

This research aims to investigate impact of migration and remittances received on employment of youth. As already noted in previous estimation methodologies migration is a selective process and unobservable characteristics may cause selection bias in estimations. Since households might have an unobservable characteristics which may be associated with the likelihood of youth and women to work. Moreover, regional level characteristics related to labor access and social services may influence both the decision to migrate and to participate in the labor market.

The effect of remittances on the labor supply behavior of left behind young household members will be estimated by both binary response (tobit and probit) models and multinomial probit model. Binary response models will measure the effect of remittances over on occupational choice, while multinomial probit model will measure impact of remittances among all occupational choices.

The main methodological issue in remittances related studies is the endogeneity of remittances pointed out in economic literature (for instance, see: Binzel and Assaad, 2011; Mendola and Carleto, 2009; Amuedo-Dorantes and Pozo, 2006). Because of the endogeneity concern instrumental variable (IV) approach will be applied. Labor response of youth will be measured through several dependent variables (or outcome variables). These dependent variables are:

(1) Employment status (Employed or not )
(2) Wage status (Employer, Own-account worker, Employee, Member of a producers' cooperative, Contributing family worker, Other).
(3) Hours of work in a week

Set of explanatory variables will consist of variables of household characteristics, regional characteristics, residence and migration and remittances status. Our main explanatory variable is the presence of a migrant abroad and remittances received by household.

The general equation for specification the decision of youth to join labor market and employment selection can be represented with the following equation:

\[ P( W_{ij} = \Theta) = \beta_0 + \beta_1 X_{ij} + \alpha_1 M_{ij} + \epsilon_{ij} \]  

(1)

in which W is the dependent variable, as mentioned above: employment status, wage status or
hours of work in a week of youth and women. In case of hours of work, not the binary response models, but cross-sectional regression technique will be applied. These dependent variables are explained with household characteristics (X), and with dummy variable (M) reflecting whether household has migrant (internal and international) and whether household receives remittances (internal or international).

Given the binary specification of the model normal OLS estimation technique will not yield efficient results. Therefore, several methods of estimations will be considered. These methods are probit, IV-Probit and conditional mixed process (CMP) estimation of IV Probit and Multinomial Probit with Instrumental Variable approach. Among these estimation techniques CMP suggested by Roodman (2011) is most perspective given the discrete dependent variable and discrete endogenous variable specification of the model.

4. Data requirements and sources

This is a critical part of the proposal. The key issue is to explain the reason for the use of the particular data. You must establish that they are ideal for the question you wish to address. Please consult the “Guide for designing a research project proposals” for more detail.

This study will be based on the 2011 data of "Life in Kyrgyz Republic" survey. This survey includes sample of 3000 households and representative at the national level as well as for urban and rural areas of the country. This survey conducted by DIW Berlin in collaboration of Humboldt University of Berlin, the Center for Social and Economic Research (CASE-Kyrgyz Republic), and the American University of Central Asia (AUCA). The survey consists of individual level, household level and community level data.

The survey includes wide range of data including information on household characteristics (composition, education, child education, health etc.), assets, shocks, social networks, income and expenditure of households. Along with this the survey contains special section on migration and remittances. With respect to migration the survey questionnaire includes questions on number of migrant, education level, destination, employment status and duration of staying abroad. In remittances section questions on size of remittances, area of use these remittances and several other questions on household opinion on remittances. Income section of questionnaire gives the detailed information on sources of income: wage, income from agricultural enterprises or other enterprises, government social security payments, internal remittances and remittances sent from abroad. On the household expenditure section expenditures on food and non-food items (health, education, house construction, consumer goods, durable goods, customs and traditions etc.) on weekly, monthly and yearly bases are given.

This is the newest dataset and most relevant for remittances related studies for Kyrgyz Republic. Although, the main alternative dataset for this research might be in Integrated Household Survey (IHS) conducted by the National Statistical Committee of Kyrgyz Republic (NSCK) every year. However, HIS data of the NSCK has limited information on migration and remittances. IHS questionnaire includes only one specific question related to remittances in part devoted to the
income sources of household. While “Life in Kyrgyz Republic” dataset has distinct sections on migration and remittances: migration duration, migrant characteristics, remittances received from abroad, years household has been receiving remittances and other subjective opinion of household on remittances impact. Detailed individual level data within the survey specifies labor force activity, occupational choice, employment characteristics (employment sector, work hours, position, wage status etc.), current inactivity (duration, reasons, search for job etc.) and work experience. These features of the data gives possibility to examine impact of various factors on labor supply, in particular of migration and remittances.

To our best knowledge this is the first study which will use the “Life in Kyrgyz Republic” for analyses of remittances impact on labour supply. Therefore to our opinion this dataset is the newest and more accurate in remittances measurement and most relevant currently available dataset for the impact evaluation of remittances on labour supply in Kyrgyz Republic case.

5. **Policy influence plan (or research communication strategy)**

- Identify potential users of your research findings, including policymakers and other key stakeholders. Provide a list of institutions and, whenever possible, specific individuals to be targeted for effective policy influence. Please also indicate whether you have already made contacts within the institution
- How, in the elaboration and execution of your project (from design to dissemination), will you consult/communicate with these users to both gather their inputs and keep them informed of your project (expected contributions and uses), in order to increase chances of your findings to be taken-up into policymaking?

You can refer to **PEP’s research communications strategy and guidance** to have a better idea of what is expected in terms of activities for policy outreach and dissemination.

Related government agencies and international donor organizations have been contacted and they all expressed their interest in participating at all stages of conducting research. Policy influence strategy of this project consists of two components of activities.

1. **Consultation of policymakers**

   Findings of this research will be used to inform policymakers and discuss at planned small consultative meeting and one roundtable with participation of the key stakeholders and government institutions. First small meeting will present preliminary findings and will aim to identify strategic approaches of the key stakeholders to remittances, poverty and to the issue of rational utilization of remittances. During this meeting, all possibilities for consideration of research findings into the perspective strategic policy documents will be discussed. As mentioned above specific policies to evaluate the impact of remittances on poverty reduction and to address the issue of effective use of remittances yet do not exist in Kyrgyz Republic. Policy makers did not have enough analytical reports with quantitative analysis to help them in designing employment, investment and poverty reduction policies. We expect to receive feedbacks during this small group meeting that will help us to prepare final report and policy oriented recommendations. Final round table will present the findings and the policy recommendations to the wider public: ministries, international donor organizations, NGOs,
research institutions and experts.  
The primary government institutions for dissemination and discussions of research findings are Ministry of Labor, Migration and Youth and Ministry of Social Development. Our primary consultations indicated that these institutions are interested in migration, employment and social development interrelationship. Also there is a high possibility that research findings will be discussed with other institutions that are continuously interested with researches related with household consumption and investment. These potential government institutions are National Bank of Kyrgyz Republic and Ministry of Economy.

2. Dissemination of results:  
Findings of the research will be disseminated by three channels. First, short informative article on findings and policy briefs will be published in local journals and local newspapers in Russian and Kyrgyz languages. It will help to attract attention of institutions and general public interested in this issue. Results also will be presented at other meetings devoted to the migration issue, which are occasionally organized in Kyrgyz Republic. Second working paper format of this research will be posted at the website of the Central Asian Research Centre (ORASAM) of Kyrgyzstan-Turkey Manas University and disseminated among its counterparts. Third, articles will be submitted to international peer-reviewed journal. Although it may take longer time and require training activities.

Below is indicative list of key stakeholders for our research communication. Although the issue of interest of these stakeholders is the same, their activity area is different. Therefore, as targets we shortly described directions for these institutions where findings of this research will be used. We expect that this list of potentially interested institutions will be expanded, including such institutions as Ministry of Economy and National Bank of Kyrgyz Republic after official invitation for presentation of the preliminary results.
<table>
<thead>
<tr>
<th>Institution</th>
<th>Contact</th>
<th>Position</th>
<th>Email or Phone</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ministry of Labor, Migration and Youth</td>
<td>Aliasbek Aymkulov,</td>
<td>Minister</td>
<td>(00996) 312 300 232</td>
<td>Discussion of remittances impact on labor employment, in particularly youth employment and factors of migration</td>
</tr>
<tr>
<td>Ministry of Social Development</td>
<td>Kymbat Kadyralieva</td>
<td>Press-secretary</td>
<td><a href="mailto:kymbat3@mail.ru">kymbat3@mail.ru</a></td>
<td>Social protection of low income households, social services and households receiving remittances</td>
</tr>
<tr>
<td>Apparat of the Gogorku Kenesh of Kyrgyz Republic</td>
<td>Raikan Kurmanbekova</td>
<td>Expert on taxation and government budget analysis</td>
<td><a href="mailto:raikan.kurmanbekova@manas.edu.kg">raikan.kurmanbekova@manas.edu.kg</a></td>
<td>Potentials for improving social expenditures effectiveness and consideration of taxation reliefs for microenterprises initiatives of remittance receiving households</td>
</tr>
<tr>
<td>Institute of Public Research</td>
<td>Rita Karasartova</td>
<td>Executive Director</td>
<td><a href="mailto:koom.kg@gmail.com">koom.kg@gmail.com</a></td>
<td>Discussion of actuality of remittances and migration for policy making.</td>
</tr>
<tr>
<td>GIZ Kyrgyz Republic</td>
<td>Bolotkan Sydykanov</td>
<td>Coordinator of the project</td>
<td><a href="mailto:bolotkan@gmail.com">bolotkan@gmail.com</a></td>
<td>Labor migration, health issues and access to health services in regions</td>
</tr>
<tr>
<td>ICCO</td>
<td>Muratbek Ismailov</td>
<td>Deputy Director</td>
<td><a href="mailto:muratbek.ismailov@icco.nl">muratbek.ismailov@icco.nl</a></td>
<td>Local specifics, small size enterprises access to financial sources and efficient utilization of remittances by households.</td>
</tr>
<tr>
<td>JICA OVOP</td>
<td>Shakir Uulu Emil</td>
<td>Coordinator Assistant</td>
<td><a href="mailto:shuemil@gmail.com">shuemil@gmail.com</a></td>
<td>Households investment potential and local development</td>
</tr>
<tr>
<td>AVEP</td>
<td>Daniar Jasoolov</td>
<td>Project specialist</td>
<td><a href="mailto:d.jasoolov@gmail.com">d.jasoolov@gmail.com</a></td>
<td>Households investment potential and local development</td>
</tr>
<tr>
<td>Academy of Science of Kyrgyz Republic</td>
<td>Turar Koychuev</td>
<td>Senior Researcher</td>
<td><a href="mailto:turar.koychuev@manas.edu.kg">turar.koychuev@manas.edu.kg</a></td>
<td>Further intensification of quantitative studies on migration and remittances</td>
</tr>
<tr>
<td>Foundation for Progressive Initiatives</td>
<td>Amandgeldi Cumadirov</td>
<td>Director</td>
<td><a href="mailto:kagan.kg@mail.ru">kagan.kg@mail.ru</a></td>
<td>Discussion of actuality of remittances and migration for policy making.</td>
</tr>
<tr>
<td>ACTED (Batken)</td>
<td>Saporov</td>
<td>Project</td>
<td><a href="mailto:daniyarsaparov@list.ru">daniyarsaparov@list.ru</a></td>
<td>Remittances and local</td>
</tr>
</tbody>
</table>
6. **List of team members**

Indicating their age (or whether they are under 30), sex, as well as relevant/prior training and experience in the issues and research techniques involved (start with lead researcher).

Note that PEP favors gender-balanced teams, composed of one senior (or experienced) researcher supervising a group of junior researchers, including at least 50% female researchers contributing substantively to the research project. PEP also seeks gender balance in team leaders and thus positively encourages female-led research teams. (Each listed member must post an up-to-date CV in their profile on the PEP website – refer to “How to submit a proposal”)

<table>
<thead>
<tr>
<th>Name</th>
<th>Age</th>
<th>Sex (M,F)</th>
<th>Training and experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kamalbek Karymshakov</td>
<td>More than 30</td>
<td>M</td>
<td>PhD in Economics&lt;br&gt;&lt;br&gt;<strong>Work and Research Experience:</strong>&lt;br&gt;• Assistant Professor, Kyrgyz Republic-Turkey Manas University, Finance and Banking Department (Bishkek, Kyrgyz Republic)&lt;br&gt;• Post-doctoral Research Fellow, Free University of Berlin (Germany)&lt;br&gt;• Research Fellow (ORASAM, Bishkek, Kyrgyz Republic)&lt;br&gt;• Research experience for 7 years&lt;br&gt;  • Household welfare&lt;br&gt;  • Social accounting matrix&lt;br&gt;  • Economic integration issues&lt;br&gt;  • Corruption&lt;br&gt;&lt;br&gt;<strong>Training</strong>&lt;br&gt;• GAUSS programming&lt;br&gt;• Microeconometrics with STATA&lt;br&gt;• CGE analysis with GAMS&lt;br&gt;• Teaching integrity</td>
</tr>
<tr>
<td>Raziiakhan Abdieva</td>
<td>More than 30</td>
<td>F</td>
<td>PhD in Economics&lt;br&gt;&lt;br&gt;<strong>Work and Research Experience:</strong>&lt;br&gt;• Lecturer, Kyrgyz Republic&lt;br&gt;• Research experience for 7 years&lt;br&gt;  • Questionnaire-based surveys&lt;br&gt;  • Fiscal sociology&lt;br&gt;  • Tax culture&lt;br&gt;  • Behavioral Finance and Investment</td>
</tr>
<tr>
<td>Name</td>
<td>Age</td>
<td>Gender</td>
<td>Position</td>
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<tr>
<td>Burulcha Sulaimanovano</td>
<td>26</td>
<td>F</td>
<td>PhD candidate in Economics</td>
</tr>
<tr>
<td>Kadyrbek Sultakeev</td>
<td>30</td>
<td>M</td>
<td>PhD candidate in Economics</td>
</tr>
</tbody>
</table>

### 7. Expected capacity building

Description of the research capacities that team members (and potentially their affiliated institutions) are expected to build through their participation in this project.

This is an important aspect in the evaluation of proposals and should be presented in some detail. What techniques, literature, theories, tools, etc. will the team and their institutions learn (acquire in practice) or deepen their knowledge of? How will these skills help team members in their career development? Also indicate which specific tasks each team member would carry out in executing the project.
Quantitative research in social sciences and, in particularly, impact evaluation studies are at low level in Kyrgyz Republic. Lack of corresponding expert evaluations on the impact of different economic policies is one of the obstacles in designing effective government policies. Most of the quantitative researches are done with support of international donor organizations. However, development of research capacities of local scientific environment is extremely important for conduction of permanent analytical works for any government policies. Kyrgyz Republic-Turkey Manas University (KTMU) tries to bring new analytical skills through development of academic staff and stimulating research projects. This is done through internal and external training programs and development of research projects within post-graduate education. Several academic staff and post-graduate students are involved in questionnaire-based survey and utilize statistical analysis with SPSS or adopt econometric approach with STATA. These studies have local character and do not encompass more deep quantitative policy evaluation analysis, while policy studies and impact evaluation aspects have not been mastered yet. Thus, training in impact evaluation is significantly beneficial to capacity development at KTMU. For this research work, we propose a team of four persons.

<table>
<thead>
<tr>
<th>Name</th>
<th>Task</th>
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</thead>
</table>
| Kamalbek Karymshakov  | As team leader of this project Kamalbek Karymshakov will perform the following tasks:  
  - Overall coordination of team members work  
  - Guide the theoretical reasoning of research  
  - Guide the data utilization  
  - Guide on econometric estimation techniques  
  - Communicate for consultation meeting and organization of round table for discussion of preliminary results and dissemination of final results  
  - Review of the final paper for national and international publications |
| Raziiakhan Abdieva    | She will be responsible for the following tasks:  
  - Review of theoretical and empirical bases of the paper for efficiency of results  
  - Prepare dataset for analysis.  
  - Work on modeling techniques  
  - Involved for communication and organization works discussions and dissemination  
  - Write up discussion part |
| Burulcha Sulaimanova  | She will perform the followings:  
  - Review and analyse migration and remittances tendencies in Kyrgyz Republic in last 10 years.  
  - Produce necessary graphs, tables and figures for the paper  
  - Perform statistical analyses  
  - Help to Raziiakhan Abdieva for modeling techniques  
  - Write up discussion part together with Raziiakhan Abdieva |
| Kadyrbek Sultakeev    | He will perform the followings:  
  - Review relevant literature and write up the literature review part.  
  - Review of statistical analysis performed by Burulcha Sulaimanova |
8. List of past, current or pending projects in related areas involving team members

Name of funding institution, title of project, list of team members involved

<table>
<thead>
<tr>
<th>Name of funding institution</th>
<th>Title of project</th>
<th>Team members involved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foundation for Progressive Initiatives</td>
<td>Accession of Kyrgyz Republic to Customs Union: Advantages and Disadvantages (includes analysis of impact on households welfare)</td>
<td>Kamalbek Karymshakov</td>
</tr>
<tr>
<td>Friedrich-Ebert Stiftung (Bishkek)</td>
<td>The Role and Perception of Turkey in Central Asia</td>
<td>Kamalbek Karymshakov</td>
</tr>
<tr>
<td>National Council for Sustainable Development of Kyrgyz Republic and Kyrgyz Republic-Turkey Manas University</td>
<td>Development of Microfinance in Kyrgyz Republic</td>
<td>Kadyrbek Sultakeev</td>
</tr>
<tr>
<td>Kyrgyz Republic-Turkey Manas University</td>
<td>Preferences of Kyrgyz society in their choice of investment instruments: Evaluation within behavioral finance</td>
<td>Raziiaakhan Abdieva</td>
</tr>
<tr>
<td>National Bank of Kyrgyz Republic</td>
<td>Monetary Transmission Mechanism in Kyrgyz Republic</td>
<td>Burulcha Sulaimanova</td>
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<td>Akdeniz University</td>
<td>Savings and Credit Behavior Investigation from the Perspectives of Formal and Informal Finance: Case of Bishkek city. Akdeniz University</td>
<td>Burulcha Sulaimanova</td>
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</tbody>
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9. Describe any ethical, social, gender or environmental issues or risks that should be noted in relation to your proposed research project.

The research posts no ethical, social, gender or environmental risk. The gender balance is maintained by having two female and two male in the team. Other risks related with the conduction of research have been minimised and potential interested parties and policymaking institutions are informed.
REFERENCES


World Bank, 2012, “Migration and Development Brief 12”