

THE ANNUAL REPORT
OF THE BOARD OF THE
INTERNATIONAL BUSINESS
COUNCIL

2011



LETTER OF SUBMISSION

BOARD OF THE INTERNATIONAL BUSINESS COUNCIL

Bishkek, May 12, 2012

Dear IBC Members,

We have the honor to submit to you the 2011 Annual Report of the Board of the International Business Council, the 10th such report.

Respectfully,

Hugh McKinnon, General Director, Kentor Gold LTD, Chairman of IBC Management Board

Ian Claytor, General Director, Celestial Mountains Tour Company, Deputy Chairman of IBC Management Board

Kwang Young Choi, CEO, Kyrgyz Investment Credit Bank CJSC, IBC Management Board Member

Ainura Abdukarimova, Deputy General Director on Finance, Gazprom Neft Azia LLC, IBC Management Board Member

Eliza Djumasheva, Executive Director, KPMG-Bishkek LLC, IBC Management Board Member

Azamat Murzaliev, General Director, Alpha Telecom LLC, IBC Management Board Member

Ruslan Chynybaev, Corporate and Legal Affairs Manager, Reemtsma-Kyrgyzstan OJSC, IBC Management Board Member

Michael Fischer, President, Kumtor Operating Company JV, IBC Management Board Member

Eduard Kubatov, General Director, Talas Gold Mining Company CJSC, IBC Management Board Member

David Grant, Chairman of the Management Board, Talas Copper Gold LLC, IBC Management Board Member

1. Introduction

The Board is pleased to report that during 2011 IBC has maintained its position as the leading and most influential business association in the Kyrgyz Republic. This follows a period of a continued growth since establishment in 2000. Although this year was an extreme emergency year for Kyrgyzstan we are pleased to report progress in all aspects of the IBC's work including membership, financial stability, lobbying and advocacy, and being seen as a credible and respected partner by the Kyrgyz Government, Parliament, President's Administration and other state institutions in all matters affecting business. In 2012, IBC will continue to strive to be the voice of the business community, further strengthening its position and ability to influence the authorities to ensure a better business environment for the growth of existing business and for the attraction of new investors, thus promoting the economic development of the Kyrgyz Republic.

Political and social instability in 2011 provided extreme challenges for the Kyrgyz business community; however, IBC succeeded in establishing good and fruitful cooperation and partnership with new government and political leaders. Being absolutely apolitical, IBC concentrated on pursuing its mission to promote an attractive investment climate and conducive business environment. Immediately after the elections to the Parliament and formation of the coalition, Government of the Kyrgyz Republic, IBC was actively involved in resolving issues on supporting of the businesses which had suffered from looting, issues of closed borders, raiding, violence of the private property rights and many others. IBC as a professional organization always focused on its main mission and has repeatedly stated its readiness to work with the Government to promote improvements in the investment climate.

The Board of the International Business Council reports each year on the activities within the past year.

This report covers the period from January 1, 2011 to December 31, 2011 and includes following sections:

1. Achievements – Business Environment
2. Achievements – Internal IBC
3. Membership Development
4. Achievements – IBC Outreach
5. Committee Activities
6. Annexes

2. Achievements – Business Environment

2.1 Business Development and Investments Council under the Government of the Kyrgyz Republic

IBC is one of the most active members of the Business Development and Investments Council under the Government of the Kyrgyz Republic (BDIC). In 2011 the BDIC conducted three meetings under the chairmanship of Prime Minister Atambaev. The meetings discussed a range of issues including:

- creation of an Investment Promotion Agency (IPA);
- public private partnership (PPP) mechanisms;
- tax inspection and administration;
- agricultural land use and introduction of land mortgage mechanisms;
- property rights protection;
- normative legal basis of regulation of entrepreneurship;
- reforms in the insurance system;
- supporting entrepreneurs of southern Kyrgyzstan;
- developing mining sector.

As a result of the meetings of the Council, decisions have been taken. IBC is actively taking part in helping to implement and monitor the implementation of the Council's decisions. Below is the summary of the key outcomes that followed the issues raised by IBC in the meetings of the Council:

- The Ministry of Economic Regulation has prepared appropriate information and documents to create the IPA. Three different versions of the IPA have been prepared by the Ministry of Economic Regulation and handed over for the Government's consideration. As soon as the Government approves one of these versions, further steps to create the IPA will be taken.
- The draft law on PPP has been elaborated and is being discussed in the Parliament. Adoption of the law should enable inflow of investments for PPP projects.
- Automated risk based inspections have been introduced in Bishkek and will further be introduced all over the country. As a result, in the 1st quarter of 2011 the number of inspections decreased by 30% (800 planned inspections) compared to the same period of 2010. At the moment the Asian Development Bank is working on the reforms and modernization of the tax service, introduction of software for electronic reporting by taxpayers. The third copy of the VAT invoice has been annulled as well.
- The State Directorate on Reconstruction and Development of the Cities of Osh and Jalal-Abad rendered help to local entrepreneurs who suffered from the June 2010 events. 1776 entrepreneurs received 50 000 soms each as non-repayable aid. The total amount of aid amounted to 88.8 million soms. Besides, 16 entrepreneurs received 5-year credits on easy terms with one year grace period amounting to 15.0 million soms.

2.2 Interdepartmental Commission on Reforms of the System of State Regulation of Entrepreneurship

The IBC Executive Director is an official member with voting rights of this interdepartmental commission. The commission, chaired by the Prime Minister, was created by Decree No. 94 of the Government on the 3rd of March 2011 and is the successor to the Intergovernmental Commission on Conducting Optimization of the Normative Legal Base of Regulation of Entrepreneurship (created in 2008) with the purpose of reducing red-tape and increasing the level of economic freedom of businesses. In 2011 the Commission had two meetings. These meetings summarized the results of the work of the Commission in 2009-2010. As a result, the draft Law of the Kyrgyz Republic on the Permit System in the Kyrgyz Republic should be

developed. At the moment, there are 31 types of activities that are subject to compulsory licensing according to the Law of the Kyrgyz Republic on Licensing.

By the 16th of May 2011 the Commission gave its recommendations regarding the reduction of licenses and permits by at least 25%. By the decision of the Commission, 121 licenses and 47 permits have been recommended for annulment. Besides, the Ministry of Economic Regulation recommended canceling 40 licenses and 23 permits. The number of types of activities, which are subject to licensing, are not limited to the ones indicated in the Law of the Kyrgyz Republic on Licensing, but some are regulated by other laws. To exclude this type of licensing, the procedure for implementing the “guillotine” principle is introduced in the licensing and permits sphere. The “guillotine” principle shall be applied to 48 types of licenses and permits. Altogether, out of 500 permits 278 (56%) have been recommended for annulment.

It should be noted that since the beginning of optimization, no single new type of permit or license has been introduced, which shows that the public policy aimed at decreasing red-tape is heading in the right direction.

2.3 Private Property Rights Protection

As a consequence of the April 2010 events, nationalization of private property took place, which showed that there are significant shortfalls in the legislation with regard to the protection of property rights. During the reporting period IBC continued its work aimed at protection of property rights. On the 4th of November 2010, at the initiative of IBC, an interdepartmental Working Group was created under the Ministry of Justice. The Working Group developed a number of amendments to the civil legislation of the Kyrgyz Republic aimed at strengthening private property rights. By today the draft law has been approved by the Government and submitted to the Parliament of the Kyrgyz Republic for consideration.

The IBC initiative to reinforce property rights via the training of judges was supported by the Government and GIZ. With the technical assistance of GIZ, two-day training was provided to judges from various regions of the country at the Training Center of the Supreme Court of the Kyrgyz Republic. Out of four lecturers/trainers, three were provided by IBC members: Galina Kucheryavaya (Demir Kyrgyz International Bank), Galina Parpieva (Kyrgyz Petroleum Company) and Gulnara Uskenbaeva (Association of Suppliers).

Last year IBC raised the issue of private property protection at the meetings of the Business Development and Investment Council as a result of which on the 26th of December 2010 a Commission on Civil Monitoring of the Activities of State Agencies in the Sphere of Property Rights Protection was created with the chairmanship of the First Vice Prime Minister. In 2011 this Commission had only one meeting where organizational issues and approval of the work schedule took place.

2.4 Public Oversight Councils (POCs)

In the beginning of 2011, then President of the Kyrgyz Republic Roza Otunbaeva initiated the formation of POCs. POC is an advisory and supervisory council created with the purpose of ensuring citizens’ participation in public control over the activities of executive body under which it is created, establishing efficient interaction between the executive agency and the public, and taking into account public opinion in the shaping and implementing of public policy.

The IBC Senior Lawyer is a member of the Permanent Commission for Selection of Candidates to POCs. IBC representatives are the members of more than 30 POCs under different executive agencies of the Kyrgyz Government.

IBC took an active part in the discussions devoted to the amendments to the normative legal acts that regulate the activities of POCs. The Union of Crisis Managers created a website for POCs (www.ons.kg). With the support of the IBC this website was presented to the President

of the Kyrgyz Republic and further approved as the official website of POCs. The Union of Crisis Managers conducted a series of trainings for POC members and is administering the website.

2.5 Compulsory Insurance

Since four laws:

1. On Compulsory Insurance of Civil Responsibility of Hazardous Freight Forwarders”;
2. On Compulsory Insurance of Civil Responsibility of Freight Forwarders to Passengers”;
3. On Compulsory Insurance of Civil Responsibility of Employer for Causing Harm to Life and Health of Employee in Duty Status”;
4. On Compulsory Insurance of Civil Responsibility of Organizations Exploiting Hazardous Site”

were adopted in 2008, IBC has been actively involved in the interpretation of these laws and in the assessment of their impact on the business community and country economy in whole.

Since these laws caused criticism, Working Group under the State Service for Regulation and Supervision of the Financial Market was created in April 2011. The Working Group consisted of experts from both the private and public sectors. For five months the group worked on the amendments to the existing legislation with the active participation of the IBC Senior Lawyer. Recommendations developed by the Working Group are currently being considered by the Interagency Commission.

Moreover, IBC together with other business associations is initiating elaboration of an insurance concept with the purpose of harmonizing compulsory insurance premiums with tax payments and social security fund payments.

2.6 Mining Legislation Revision

During the reporting period the IBC Mineral Resources Committee (MRC) was actively involved not only in the legislation process, but also was in close touch with the Government and Parliament with the purpose of stabilizing the situation in the mining sector of the economy. The sector was exposed to destructive forces at the local level and is still under pressure due to controversial changes in the legal regulation of the sector.

In November 2010 business community initiated continuation/renewal of the work related to the following laws and draft laws:

- On Subsoil;
- On Mining Concession;
- On Concession;
- Amendments and additions to the Tax and Land Codes.

WG under the Ministry of Natural Resources was created in order to develop recommendations to change the above-mentioned normative and legal acts. The IBC MRC took an active part in the WG activities. The IBC Senior Lawyer, lawyers of mining companies and of Kalikova & Associates law firm together with other experts worked on the above-listed laws for two months. Almost all of the MRC recommendations were adopted by the Working Group. Unfortunately, due to the changes in the Government the above-listed draft laws were not enacted.

IBC is still working on the adoption of these draft laws, which should create a better investment environment in the sector. Thus, in the meeting of the Business Development and Investment Council, which took place in September 2011, the IBC MRC member Kuban Ashyrkulov informed about the problems in the sector and said that there was a need for legislative changes. As a result, a working group was created by then Acting Prime Minister on the 5th of October 2011 with the purpose of developing specific recommendations to

create a favorable investment climate in the mining sector. The following representatives of the IBC members were included in the WG:

- Aicholpon Jorupbekova (Kalikova & Associates);
- Murat Madykov (Kalikova & Associates);
- Rysbek Toktogul (Kumtor Operating Company);
- Kuban Ashyrkulov (Andash Mining Company).

IBC held several round tables with the participation of the Government representatives, members of the Parliament and many other interested parties aimed at discussing problems of the sector and developing recommendations for decision-makers. The minutes of the meetings and letters with recommendations on specific issues have been sent to the Government and Parliament of the Kyrgyz Republic.

2.7 Legislation

IBC took an active part in laying the basis for parliamentary democracy. The IBC Senior Lawyer was included into the Constitutional Council that prepared the draft of the latest Constitution of the Kyrgyz Republic. All of the recommendations of the IBC members were conveyed to the Constitutional Council meetings, some of which were adopted and included in some statutory provisions of the Constitution. Thus, the proposed composition of the Judge Selection Council in the proportion of the 2/3 from the civil society and remaining 1/3 from the judicial staff was adopted by the Constitutional Law on Judge Selection Council. Almost all of the recommendations of the IBC members concerning basic human rights and freedoms are reflected in the new Constitution.

IBC organized, participated in and/or gave its recommendations to the working groups, public hearings, round tables and other discussions related to the following laws and draft laws:

- Constitutional laws regarding legal reforms;
- Constitutional laws regarding the Government, elections and Jogorku Kenesh;
- Amendments and additions to the Law on Subsoil;
- Amendments to the Law on Licensing;
- Amendments to the Tax Code;
- Draft Law on Public Private Partnership;
- Law on High Technology Parks;
- Law on Compulsory Insurance;
- Law on the State Budget for 2011 and Forecast for 2012-2013;
- Amendments and additions to the Land Code;
- Amendments and additions to the Law on Free Economic Zones;
- Amendments to the Law on Pastures;
- Amendments and additions to the Law on Non-Tax Payments;
- Law on Natural and Permitted Monopolies
- and others.

2.8 Commissions under the Ministry of State Property

IBC is taking part in the work of the two commissions under the Ministry of State Property:

1. The IBC Senior Lawyer is a member of the Commission on Approving the Assessment of Nationalized Property;
2. The IBC Executive Director is a member of the commission that carries out the sale (through auctions) of the nationalized property.

The goal of these commissions is to help the Ministry to privatize the state property. Private ownership will help these properties to be used more efficiently creating jobs and making payments to the state budget.

2.9 EBRD TAM BAS Programme

IBC Executive Director is a member of the Steering Committee of the EBRD TAM/BAS (Turn Around Management / Business Advisory Services) Programme. The main role of the Steering Committee is to guide the project. TAM projects in the Kyrgyz Republic are aimed at SMEs manufacturing food, textiles, furniture and operating in the construction, tourism and ICT industries, and providing linkages to foreign buyers and suppliers.

Since inception in 2004, BAS Kyrgyz Republic has received a total of €5 million in donor funding. Switzerland is the primary donor (€4.8m) with co-financing of €215k received from the EBRD Shareholder Special Fund. The Business Advisory Services Programme provides consultancy services for Kyrgyz businesses at reasonable prices. The bigger part of the consultancy services' fees are covered by the BAS Programme. Currently, in all oblasts 75% of costs are subsidized by the BAS Programme, except for southern oblasts where the subsidy covers 90%. By the end of 2011, BAS has completed 474 projects with a further 55 ongoing, engaging 158 consultants, 97% of which are local.

3. Achievements – Internal IBC

3.1 IBC projects

In addition to the main operational and institutional activities, IBC has always been involved in the implementation of projects with the support of international development or donor organizations.

"Reviewing and Disseminating Information on Trade Policy Regulations of WTO Members and Trade News in Central Asia" / USAID-RTL / 25,000 USD

IBC completed the project on reviewing and disseminating information on trade policy regulations of WTO members and trade news in Central Asia. The goal of the project was to inform entrepreneurs in Kyrgyzstan on import rules of WTO members and trade news in Central Asia.

This project was launched in September 2009. By the mid of March 2010, IBC had successfully implemented the first phase of the project, and as a follow-up the second phase was launched by USAID with IBC participation. The whole project was successfully completed in June 2011.

In the framework of the project IBC developed a WTO Trade Newsletter, an online information portal with WTO notifications, and held information events on trade. The project included:

- Publishing of a monthly newsletter that includes both analytical and general information related to trade and WTO.
- Developing and regularly updating an online search engine, which makes it easy to find the WTO notifications by country, by types of regulation (technical regulations, safeguard measures and/or sanitary measures) or using keywords.
- Organizing press cafés that provided for a casual setting for experts and journalists to interact and discuss various issues at hand. 91% of the surveyed journalists said that they will publish at least one article as a result of the press cafés.

During the reporting period IBC conducted press cafés devoted to the following topics:

- Introduction of the Single Window principle in foreign trade;
- Protection of intellectual property rights;
- Trade relations in the southern region of Kyrgyzstan;
- Development of organic agriculture in Kyrgyzstan.

“Promoting a Public Debate on Governance and Investment Conditions” / OSCE / 20,000 EUR

The project was started in April 2011 and was terminated by the end of the year. The main aim of the project was to create a conceptual framework for a cross-sectoral dialogue between state structures, businesses and NGOs to discuss the nexus between governance, conflict prevention and investment climate. This should help to bridge the gap between policy development and public understanding of these issues.

The following activities have been completed within the frame of the project:

- Open meeting titled: “Fighting Corruption: Importance of Preventive Measures”;
- Roundtable titled: “Problems of Cross-Border Trade in the South of Kyrgyzstan” conducted in Osh;
- Research trip to the south of Kyrgyzstan, including conducting interviews with local entrepreneurs and other stakeholders and collecting data for the Investment Now (IN) magazine;
- Survey on Corporate Social Responsibility in Mining.
- Writing and editing articles for the Investment Now (IN) magazine;
- Open meeting in Bishkek on Corporate Social Responsibility in the Mining Sector;
- IBC Annual General Meeting;
- Open meeting on WTO and Customs Union.

The following activities are planned to be finalized in 2012:

- Release of IN on Reconstruction and Development of Entrepreneurship in the South of Kyrgyzstan.

“Strengthening Business Intermediary Organizations (BIOs) for Sustainable Economic Development in Kyrgyzstan and Central Asia” / EU / 512,000 EUR

The European Commission launched the second edition of Central Asia Invest Program which aims to reinforce the role and the competences of Central Asian business intermediary organisations, increasing their capacity to support SMEs and to influence policies in favour of micro and small scale companies. The main objective of the project is enhanced economic development of the tourism sector in Kyrgyzstan and Central Asia.

The main European project counterpart of the IBC is the European Center for Eco and Agro Tourism (ECEAT) with headquarters in Amsterdam. The local project partners are the Kyrgyz Association of Tour Operators (KATO) and the Kyrgyz Community Based Tourism Association (KCBTA). The project was launched in the beginning of 2011. The total budget of the project is 512,000 EUR for two years. IBC will receive 154,770 EUR. So far, IBC received 66,533 EUR.

The activities completed within this project by the end of 2011 include:

- From February 1, 2011 IBC rented a project office and signed work agreements with three local specialists and one international consultant to implement this project. Currently, the team consists of 3 local specialists, and other staff are involved as required by the activities carried out in the frame of the project.
- In April the project team participated in the international fair in Almaty – IX Kazakhstan International Travel & Tourism Fair in Almaty. The IBC project team has held meetings with Kazakh business associations and tour operators with the purpose of future cooperation within the framework of the project. The meeting was attended by five tourism business intermediary organization leaders from Kazakhstan, Kyrgyzstan and Uzbekistan to discuss possible cooperation in promoting Central Asia as a tourism destination.
- On the 26th of May the IBC project team conducted a press café as a project kick-off meeting. The Deputy Minister of Economic Regulation, the First Counsellor / Head of

Operations Section of the Delegation of the European Union to the Kyrgyz Republic and the Head of the Department within the Committee of Jogorku Kenesh on Economic Strategy, Investment Policy and Tourism opened the meeting informing the participants of what is currently being done in tourism in the country. The kick-off meeting was held in the form of a press café at which five experts from the tourism sector were able to inform the members of the media about the challenges and the opportunities of the sector in the country.

- In May and June, IBC conducted a number of trainings in Bishkek, Almaty and Tashkent for tour operators on handling standards. The training was carried out by an international expert and more than 60 employees of various tour operating companies from three Central Asian countries participated at the training.
- IBC also conducted coaching for Central Asian BIOs (Business Intermediary Organizations) in Almaty and Bishkek for over 10 leaders of tourism associations. The training included topics such as the role and responsibilities of tourism associations, lobbying, management, conditions for membership, recruitment, services, benefits, communications, institutional issues, role and election of board members, country public relations and marketing abroad among many other issues.
- In the frame of the project, four European journalists from Germany, United Kingdom, Italy and Spain came to Kyrgyzstan for a familiarization trip at the end of August. As a result of their trip, the European journalists published articles about tourism in Kyrgyzstan in different European papers and magazines. Within 5 days the journalists were able to experience various kinds of tourism activities in Issyk-Kul, Naryn and Chui.
- IBC held a sequence of meetings with tourism associations in Kyrgyzstan, as a result of which a new Kyrgyz cooperation model between business associations, government and the parliament is being developed in the form of a public fund. The Public Fund “Tourism Promotion and Development Board of Kyrgyzstan” unites eight main tourism business intermediary organizations in Kyrgyzstan. Currently, the fund is developing recommendations in regard to the budget and the national plan for tourism for the upcoming year.
- In September, the project team organized a meeting in Almaty to discuss a Central Asian cooperation model with representatives of tourism BIOs from Kazakhstan, Tajikistan and Kyrgyzstan, as a result of which a draft charter was developed that will be further discussed during a Central Asian cooperation meeting in Bishkek.
- Moreover, IBC is closely working with the Interdepartmental Commission on Tourism within the Ministry of Economic Regulation in order to develop a Kyrgyz brand name. Currently, the Commission is writing up criteria for a national logo that IBC will develop and that will further be officially accepted and used as the national logo for Kyrgyzstan. The Ministry of Economic Regulation is also collecting data for the Kyrgyz tourism website that will be handed over to IBC for developing a national tourism website.

3.2 Membership Development

15 new members joined IBC during 2011. The list of new members is provided below:

1. Center for Development of Economy CJSC – Corporate D
2. Sunel Tobacco CJSC – Corporate C
3. UniCredit Bank OJSC – Corporate A
4. CSR Business Network Public Fund – Associate
5. Association of Customs Brokers – Associate
6. Center for Public Opinion Studies and Forecasting “EI-Pikir” – Associate
7. Human Resources Company – Associate
8. Legal and Business Development Foundation – Associate
9. Svetofor Trade LLC – Corporate D
10. Soros Foundation–Kyrgyzstan – Associate

11. Stans Energy KG LLC – Corporate C
12. Zalkar Bank – Corporate A
13. Interchurch Organization for Development Cooperation – Associate
14. Baker Tilly Bishkek – Corporate D
15. Arktur LLC – Corporate C

Two members changed their categories of membership:

1. Insurance Company Kyrgyzstan OJSC has moved from Corporate C to Corporate A;
2. Kyrgyz Investment and Credit Bank has moved from Corporate B to Corporate A.

As of the end of 2011, IBC unites 143 members in total, 87 of which are Corporate members, 44 – Associate members and 12 – Honorary members. The current IBC Membership List is given in Annex 3.

3.4 IBC magazine “Investment Now”

The IBC *Investment Now* magazine was first published in July 2004 and has become a well established bi-lingual business journal published several times each year. The magazine is provided free of charge to IBC members and to all key individuals in the Kyrgyz Government and business as a means of presenting the case for improvement in the business environment. *Investment Now* issues have become partially self-financing through advertising and financial support of the IBC members who have published their articles in the magazine. In order to optimize costs, IBC decided to launch the magazine only in case of full coverage of costs. Thus in 2011, IBC has launched two issue. IN # 2, 2010 was published with the financial support of the OSCE Centre in Bishkek and was devoted to the investment climate conditions and forecast. IN #1, 2011 (Business in the Parliamentary Republic) was published with the financial aid of the EU-UNDP New Legal Framework Project and advertising of the IBC members. IN #2, 2011 which is devoted to reconstruction and development of entrepreneurship in the southern regions of Kyrgyzstan will be published with the support of the OSCE Centre in Bishkek in the beginning of 2012.

3.5 Investor Survey

The IBC Investor Survey has continued unchanged since June 2004 and is now seen as an invaluable tool for anyone analyzing the Kyrgyz business environment. The IBC Management Board thanks all businesses who take part in the Survey and encourages wider involvement from business.

In 2011 two Surveys have been conducted: in May and in October. The results of the Surveys are published on the Investment Now magazine and posted on the IBC website.

3.6 Website

The IBC website contains information on business legislation of the Kyrgyz Republic, current draft laws, and amendments to laws, analytical articles, and expert opinions. IBC products are posted on the website, including quarterly Investment Survey, Law & Reality newsletter, IBC Events newsletter and Trade and WTO newsletter. The IBC website reports the latest events from all over the country and news about our members and partners. The website gives necessary information concerning some business conferences and events held in the Kyrgyz Republic and neighboring countries. IBC members actively contribute to the Expert Opinion on Legislation and Analytics section. The IBC website has been kept up to date and is now operational in English and Russian with open access to public information. More update and improvement of the website is planned for the next year.

3.7 IBC Weekly Digest

In October 2008, IBC launched the IBC Weekly Digest with detailed information on the events that took place during the past week. The Weekly Digest is an e-bulletin distributed by e-mail to all IBC members, with scope of brief information on IBC involved events. The Weekly Digest provides a quick report on and overview of the IBC activities; in addition it announces the most important events for the coming week. All IBC members may seek additional information on the reported or announced event within the digest. IBC considers the Weekly Digest to be a good tool to provide additional visibility of the IBC's efforts and achievements.

3.8 Management/Advisor to the Executive Director – Support from German Government/CIM

The Board acknowledges the valuable assistance rendered by the German Government, in particular, the Center for International Migration and Development (CIM) over the past 7 years. The last CIM expert Anita Richter, who worked for IBC as an Economic Advisor since 2008, finished her employment contract with IBC by the end of May 2011.

3.9 Law & Reality

The Law & Reality (L&R) bi-weekly electronic newsletter, which started in early 2004, provides a valuable update and commentary for business on the most recent legislative changes. Development and publication of the Law & Reality has been supported by the OSCE since its inception which allows it to be sent free of charge to all businesses in the Kyrgyz Republic, who have an e-mail address. Several IBC members are partner editors of L&R. These are Alpha Sheersfield Audit, Lorenz Law Firm, Egemberdieva & Partners, and Kalikova & Associates.

Currently L&R is an independent IBC issue and has no financial support from any other organizations.

3.10 Office

The IBC office continues to be located in the Hyatt Regency Hotel.

4. Achievements – IBC Outreach

Open Meetings:

14.03.2011: Economic Development and Business Sector in the Parliamentary Democracy

The IBC conducted this open meeting as a follow-up to its open letter expressing the concerns of the business community about the deteriorating investment climate in Kyrgyzstan. The purpose of the meeting was to raise the key problems in the economy and present the suggestions of the business to solve them. Ulanbek Akmatbaev, General Manager of Reemtsma-Kyrgyzstan, raised the problems of the industrial sector. Gulnara Uskenbaeva, President of the Association of Suppliers, talked about necessary changes in the taxation and tax administration. Kuban Ashyrkulov, General Director of Andash Mining Company, addressed the key issues in the mining sector that require legal and legislative reforms. Gulnara Shamshieva, General Manager of the Bai-Tushum and Partners Microcredit Company, raised the problems of microfinance sector, which at that time were very much dependent on the low credit ranking of Kyrgyzstan, closed border with the neighboring countries, safety and security, and insolvency of entrepreneurs suffered from the June events in the south of the country. Nurbek Sabirov, Senior Lawyer of Kalikova & Associates law firm, presented some mechanisms to fight corruption. Natalia Shirshova, Chairman of the Association of Customs Brokers, pointed out the necessity of reforms in the customs services. Mihail Khalitov, member of the Union of Entrepreneurs, proposed that the tourism sector development should first start with writing the strategy on how to develop tourism.

Anvar Abdraev, President of the Union of Banks, suggested that developing mortgage loan and leasing activities would be a good step towards supporting population and business in such a critical time. Parliament members Erkinbek Alymbekov, Daniyar Terbishaliev and Dastan Bekeshev, and the Deputy Minister of Economic Regulation Sanjar Mukanbetov took an active part in the discussions. Detailed meeting minutes were circulated to all IBC members, the Parliament and the Government of the Kyrgyz Republic.

26.04.2011: Fighting Corruption: Importance of Preventive Measures

The meeting was conducted with the support of the OSCE Centre in Bishkek. The Head of the OSCE Centre in Bishkek Ambassador Andrew Tesoriere, Vice Speaker of the Parliament Bodosh Mamyrova, member of the Parliament Kanybek Imanaliev, Secretary General of the Anti-Corruption Business Council Nuripa Mukanova, and President of the Association of Suppliers Gulnara Uskenbaeva were the speakers at the meeting. Nuripa Mukanova proposed measures to reduce corruption, developed by the Anti-Corruption Business Council. Public private partnerships, as well as introduction of electronic trading could help reduce corruption risks for businesses in the country.

Participants of the meeting were unanimous that the prevention of corruption primarily serves to protect the interests of the state, so that investment could come into the state budget, but not into the pockets of corrupt figures from the government. The meeting inaugurated a series of debates aimed at linking the discussions on governance, conflict prevention and economic development in Kyrgyzstan.

During the event, member of Parliament Kanybek Imanaliev initiated the creation of an anticorruption organization. This initiative was then taken under the Government's consideration that is currently discussing the necessity of establishing a governmental agency aimed at fighting corruption.

23.06.2011: Problems of Cross-Border Trade in the South of Kyrgyzstan

The round table was conducted in Osh with the support of the OSCE Centre in Bishkek. The meeting was attended by the Adviser to the President of the Kyrgyz Republic Viktor Chernomoretz, Governor of the Jalal-Abad oblast Bektur Asanov, Deputy Governor of Osh oblast Ahmadjan Mahammadov, many other representatives of the Government, nongovernmental organizations and business community.

The Central Asian Free Market Institute presented the results of research devoted to the assessment of the impact of the closed border with Uzbekistan to the economy of the Kyrgyz Republic. The meeting participants agreed that there are several factors that negatively influence cross-border trade and decided that urgent measures should be taken by the Government. Thus, a resolution of the round table with specific recommendations was sent to the country leadership and is currently being monitored.

12.10.2011: Discussion of the Amendments and Additions to the Law on Non-Tax Payments

The roundtable discussed the draft Law on Amendments and Additions to the Law on Non-Tax Payments that obliges all extracting companies to pay two percent of their income to the local development funds. The meeting was attended by the bill initiator MP Iskhak Pirmatov, Chairman of the Committee on Transport, Communications, Architecture and Construction; Leonid Oseledko, Deputy Minister of Natural Resources Adylbek Kasymaliev, Deputy Minister of Economic Regulation as well as IBC members, representatives of international organizations and experts. MP Pirmatov believes that the law will regulate the relationship between mining companies and local communities that will use the funds for local infrastructure development.

Members of the IBC Mineral Resources Committee (MRC) supported the initiative of the MP, in general, adding that the bill should be finalized taking into account the opinion of the

business community. There are some concerns about the content of the additions and amendments to the law, which were presented by Kuban Ashyrkulov, General Director of Andash Mining Company, on behalf of the IBC MRC.

It was also noted and that some companies are already providing, on a voluntary basis, support to the community in infrastructure development. Nonetheless, several business representatives are extremely concerned about the proposed legislative changes and are pessimistic about their positive impact on the development of the mining sector.

03.11.2011: Discussion of the draft Regulation on Pricing for Goods of Economic Entities Regulated by the State

IBC and the State Agency for Antimonopoly Regulation under the Government of the Kyrgyz Republic held round table to discuss draft Regulation on Pricing (Tariff Setting) for Goods (Works, Services) of Economic Entities Regulated by the State. The meeting was attended by representatives of the State Agency for Antimonopoly Regulation, Government, Parliament and monopolistic entities. Participants of the round table suggested improving the provisions governing execution and return of documents and consideration deadlines, and providing a more detailed interpretation of certain chapters of the draft Regulation.

10.11.2011: Mutual Cooperation of Central and Local Government and Business as the Basis for Sustainable Business Development

The open meeting was held with the support of the OSCE Center in Bishkek. The meeting discussed problems related to the protection of investors' rights in mining industry, analyzed conflicts between local communities and gold-mining companies, and considered possible solutions to the problem. Discussions were held by representatives of the OSCE Center in Bishkek, Deputy Chairperson of the Parliament Asiya Sasykbayeva, MPs Zamir Bekboyev, Zamirbek Alymbekov, Dastan Bekeshev and others, as well as representatives of mining companies, international organizations and leaders of youth movements. Tolkunbek Abdygulov, Head of Economy and Strategic Development Division of the Government Office of the Kyrgyz Republic, called for constructive dialogue between civil society, government and business community and expressed readiness of the Government for active cooperation in the implementation of reasonable proposals on improvement of the situation in the mining sector. OSCE Center in Bishkek offered its assistance in creating a commission, which will support effective dialogue between the local community and mining companies.

15.11.2011: Kyrgyzstan and Destination Marketing

IBC with the financial support of the European Union within the framework of Central Asia Invest Program II held round table on Kyrgyzstan and Destination Marketing. The round table was attended by Deputy Minister of Economic Regulation Sanzhar Mukanbetov, MP Shirin Aitmatova, President of the Kyrgyz Association of Tour Operators Daniyar Kazakov, President of the Silk Road Tourism Association Vladimir Komissarov, representatives of the Committee for Economic Strategy, Investment Policy and Tourism of the Kyrgyz Parliament, National Institute for Strategic Studies, and international experts. International expert Naut Kusters and ASR (German Travel Association) expert Detlef Meyer emphasized the direct relationship between the country's image and the Government's image and recommended finding new methods to attract tourists, and shared experience of German tour operators.

29.11.2011: Customs Union and WTO

IBC with the support of the OSCE Center in Bishkek held open meeting titled "WTO and Customs Union: Compatibility and Prospects". The event was attended by Ambassador Extraordinary and Plenipotentiary of the Russian Federation Valentin Vlasov, Counsellor of Embassy of the Republic of Belarus Victor Zdanchuk, MPs Omurbek Abdrakhmanov, Ravshan Zhenbekov, Raikan Tologonov, Kanybek Imanaliyev, representatives from the Government, Presidential Office, international organizations, business community and civil

society. Participants discussed the prospects for the development of entrepreneurship after Kyrgyzstan's accession to the Customs Union. Rimma Kiseleva, Head of the Foreign Trade and WTO Division of the Ministry of Economic Regulation, presented advantages and risks of Kyrgyzstan's membership in the Customs Union and possible ways for mitigating negative consequences. Independent expert Nuritdin Zhamankulov noted that Kyrgyzstan would have to change its WTO obligations to join the Customs Union. However, Kyrgyzstan should notify the WTO of its intention to accede the CU only after Russia's accession to the WTO and establishment of the CU initial external tariffs, he added. President of the Kyrgyz Association of Markets, Trade Enterprises and Services Sergei Ponomarev suggested adding representatives of various sectoral business associations to the Working Group, which is studying the possibility of Kyrgyzstan's accession to the Customs Union.

Other IBC meetings and events:

Press café on Protection of Intellectual Property Rights

In Kyrgyzstan, the Law on Intellectual Property Rights is relatively young, and the mechanism of protection of intellectual property rights operates very ineffectively. To this end, IBC conducted a press café on February 11, 2011, at which journalists and experts discussed such issues as the role and importance of intellectual property in economic development, legal aspects of intellectual property rights: an analysis of the legislation, guidelines and recommendations, anti-counterfeiting and interaction with customs and law enforcement, amnesty and punishment for violators.

Press café on Development of Organic Agriculture”

The growing popularity of organic food in Europe opens up new opportunities for food farmers of Central Asia. Based on FAO estimates over the next three years the market for organic products will increase by approximately 5-10% per year. In view of the fact that many companies in Central Asia are already producing organic products, IBC organized a press café on the matter on June 03, 2011. During the press café journalists and experts discussed the development of organic agriculture and the value of the industry in Kyrgyzstan, the prospects of export of organic products abroad and obtaining certification for organic products. The discussion also covered issues of government planning and involvement of donor agencies in the development of organic production in the country, the challenges of increasing awareness of farmers and producers about the prospect for organic products.

Press café on Cross-Border Trade

The instability that also led to the closure of borders with neighboring countries has negatively impacted both trade relations and welfare of the region and the state budget. To this end, on April 29, 2011 IBC organized a press café during which journalists could obtain information from experts as to why cross-border trade is important for the economy of southern Kyrgyzstan, how trade in southern Kyrgyzstan benefits the country, and measures that can be taken by the Kyrgyz Government to improve the trade situation in southern Kyrgyzstan. Moreover, experts discussed how joining the Customs Union will affect trade relations between Kyrgyzstan, Tajikistan, Uzbekistan and China.

Kyrgyz-Russian Economic Forum

On March 23, 2011 IBC participated in the Kyrgyz-Russian Economic Forum on the topic: "Enhancing Regional Cooperation of Kyrgyzstan and Russia as a Factor for Sustainable Economic Development". The forum was attended by a large Russian delegation including the heads of federal departments and agencies, a number of territories and regions of the Russian Federation, representatives of Russian business and academia. On the Russian side, the forum was attended by Deputy Secretary General of EurAsEC Sergey Glazyev, Head of the Russian President's Department for Relations with Foreign Countries, Sergey

Vinokurov, State Secretary / Deputy Foreign Minister Grigory Karasin, and others. The forum discussed prospects of cooperation between the Russian Federation and the Kyrgyz Republic. In addition, the meeting considered the role of small and medium businesses in economic development following an example of the Russian experience.

IV Astana Economic Forum

IBC Executive Director took part in the 4th Astana Economic Forum titled “New Decade: Challenges and Perspectives” that took place on the 3-4 of May 2011 in Astana, Kazakhstan. More than 3,000 people from nearly 70 countries took part in the forum. Among the main speakers of the forum there were seven Nobel laureates, former and current heads of state, as well as academicians, central bank governors, representatives of business elite, and international donor organizations and finance institutions. Main topics of the forum included:

- Reforms of the international monetary system;
- Divergent paths of the global economy;
- Future of the US dollar as a main currency;
- Global and regional integration – new opportunities for economic growth;
- Economic peculiarities of tourism in the modern world;
- Ensuring food security in Central Asia;
- Regional development: centers – regions.

Press café on tourism

On May 26, 2012 IBC held a press café to discuss Central Asia Investment Program. The event was a part of the Strengthening Tourism Business Intermediary Organizations for Sustainable Economic Development of Central Asia project funded by the European Union. Sanjar Mukanbetov, Deputy Minister of Economic Regulation of the Kyrgyz Republic, Tom Massie, First Counselor and Head of the EU Delegation in Kyrgyzstan, as well as tourism experts shared with their opinion on the future prospects of tourism in Kyrgyzstan.

Japan-Kyrgyz Symposium

On June 30, 2011 IBC Executive Director took part in the second Japan-Kyrgyz Symposium on Economic Development and Investment in Kyrgyzstan. The event was aimed at promoting development of trade relations between Japan and Kyrgyzstan, as well as to attract investment in Kyrgyzstan. The Japanese Ambassador Sin Maruo believes that the symposium should help not just to increase the flow of Japanese tourists to the country, but also to enhance economic relations between the two countries. Participants discussed potential areas of cooperation including sectors of rare metals, herbs, and drinking water.

Business forum in Astana titled “Customs Union: Experience, Problems and Ways of Their Solution”

On July 12, 2011 the IBC Government Relations Officer participated in the forum on the Customs Union. The event was held by USAID Regional Trade Liberalization and Customs Project (RTL) in Astana with the participation of the Kazakhstan Union of Customs Declarants. The roundtable participants familiarized with the results of a study conducted in connection with Kazakhstan’s entry into the Customs Union. The meeting discussed the influence of the Customs Union on the economy of Kazakhstan and business activities of the participants of international trade. The roundtable was attended by representatives of businesses, freight forwarders, brokers, traders, owners of warehouses, logistics companies, trucking companies, business associations, government representatives, and the media.

Central Asian Trade Forum

On August 11- 12, 2011 IBC members took part in the forum that was held by USAID RTL Project. It was the first-ever event of its kind that aimed to unite representatives of small, medium and large businesses in order to develop their business relations and to find new

export opportunities. The forum brought together 350 participants and 250 companies from 13 countries, including Kyrgyzstan, Kazakhstan, Tajikistan, Russia, Turkey, China, USA, and South Korea. President of the Kyrgyz Republic Roza Otunbaeva and US Ambassador Pamela Spratlen took part in the event.

The forum participants discussed issues of international practices on trade and export, export marketing, and others. The participants also had the opportunity to receive consultations from international experts, and seek practical advice from business counterparts and consumers.

Kyrgyz Agricultural Investment Forum

On September 28th and 29th, 2011, IBC members attended the Kyrgyz Agricultural Investment Forum organized by the Government of the Kyrgyz Republic, the Business Development and Investment Council under the Government of the KR, Food and Agriculture Organization (FAO), and the European Bank for Reconstruction and Development. The forum brought together representatives of ministries and departments, local administrations, the Jogorku Kenesh, business community, foreign investors and international organizations. The main purpose of the forum was a broad discussion of the issues of attracting investments to the agricultural sector including an analysis of the current situation, investment opportunities, government policies in agriculture, the main problems of the private sector and priority areas for the interaction of state bodies and international organizations. Forum participants adopted a resolution which, inter alia, called to increase public investment in agricultural education and development of agricultural services, to develop rural infrastructure using the mechanisms of public-private partnerships, to support projects to preserve and improve soil fertility, and to create regional platforms for cooperation between the government and business.

IBC Executive Director Aktilek Tungatarov made a presentation on interaction of business and government on the example of the International Business Council.

GIZ Vocational Education and Promoting Employment Project Trip to Germany

In 2009 IBC and GIZ signed an agreement on pilot introduction of the working model of accreditation and ensuring quality of programs and institutions of professional education oriented at international standards. In October 2011, the IBC Government Relations Officer took part in the introductory trip to Germany as the member of the vocational education accreditation and certification council of the GIZ subject project. The trip included visits to vocational education centers and colleges with the purpose of studying good practices and quality management of German institutions.

Survey on CSR in Mining

In September IBC conducted a survey on corporate social responsibility in mining. The main aim of the project was to further delve into the issues that the mining companies are facing in their work with the local communities, local keneshes (councils), the local administration, the central government and Jokorku Kenesh. The survey was structured in a way that would help IBC develop recommendations based on the feedback from the participants of the survey, which consisted of senior management representatives of 20 mining companies in Kyrgyzstan. The results of the survey will be presented in the upcoming open meeting devoted to the topic of "CSR in mining."

Kyrgyz-Kazakh Investment Forum

On the October 25, 2011 the IBC Executive Director Aktilek Tungatarov made a presentation at the Kyrgyz-Kazakh forum on the theme: "Investment climate in the Kyrgyz Republic." The forum was attended by Acting Prime Minister of Kyrgyzstan Omurbek Babanov, Samruk-Kazyna Board Vice-Chairman Aidan Karibzhanov, representatives of the business community of both countries. The reports were presented by the Minister of Economic

Regulation Uchkunbek Tashbaev, Board Chairman of the Kazyna Capital Management Abai Alpamysov, representatives of private equity funds, the leaders of business associations and entrepreneurs. At the forum, plans to establish the Kyrgyz-Kazakh Investment Fund (KKIF) were discussed.

Workshop on Prioritization of Economic Reforms

On December 14, 2011 IBC and the AmCham, in the Kyrgyz Republic together with the USAID REFORMA Project held workshop titled “Prioritization of Economic Reforms to Foster Business Development in Kyrgyzstan.

Using the Deep Dive method, the participants suggested their own ideas and action plans on how to grow the Kyrgyz economy by 380% by 2025. Proposed reforms also aimed to reduce the unemployment from 18% to 7%, and inflation – from 17.3% to 5% and to increase Kyrgyzstan’s Doing Business ranking from 79th to 34th.

Based on the workshop results, an action plan for future activities of the USAID REFORMA Project in cooperation with Kyrgyz business associations was developed.

Activities on ensuring compliance with investment agreements

In 2011 IBC contributed to the solution of the problem related to the violation of the investment agreement concluded between the Government of the Kyrgyz Republic and Kyrgyz Petroleum Company (KPC) CJSC. The violation occurred when based on the results of the inspection of KPC activities for 2010-2011, tax inspectors demanded that company should pay excise tax despite the fact the investment agreement did not provide for such an obligation. A number of letters were sent by KPC and IBC to the Tax Service, Ministry of Economy and the Prime Minister. On February 9, 2012 negotiations with the Prime Minister were held. The Kyrgyz Petroleum Company agreed to pay excise tax starting from January 1, 2012. An Interagency Committee was created to draft amendments to the investment agreement. Drafted amendments are currently being considered by the ministries.

Press conferences and other media events

During the reporting year IBC participated in press-conferences and TV broadcasts. The main topics of the media events were the key priority problems faced by the Kyrgyz economy after the 2010 events. Amongst the issues covered were: cross-border trade, challenges in the mining sector, property rights protection, judicial reforms, fighting corruption, role of the parliament, development of the tourism sector, presidential elections and investment climate.

Board and Committee Meetings

IBC Board meetings have been held monthly and minutes of all Board meetings are available upon request. IBC Committee meetings were also held on a regular basis. Some of the committees were more proactive, while some not. Minutes and other information are available on the IBC website and/or upon request.

Social Events

In September 2011 the IBC conducted its third IBC golf tournament. The IBC golf tournaments became a good traditional event where the members of IBC as well as partners and friends may enjoy playing golf and building networks to strengthen business ties.

This year IBC plans to conduct its first mini-football tournament “The IBC Cup 2011”. The main objective is to strengthen relationships among IBC members.

5. IBC Committee Activities

IBC Committees continued to work during the year to focus on the key sector issues. All were active in preparing recommendations to the government in the beginning of the year and

continued to be active in promoting their sector, lobbying for improvements in legislation and drafting legislation.

The most active IBC sub-committee was the Mineral Resources Committee (MRC). Along with the monthly committee meeting, MRC initiated and conducted several meetings with participation of the representatives of the Government and Parliament of the Kyrgyz Republic. On a continuing basis the MRC have given its recommendations to the government regarding mining legislation, mining licensing, mining taxation and many other issues.

MRC is also very actively participating and contributing to the work of the Business Development and Investments Council under the Government. As a result of the latest meeting of the Council in September 2011, the Acting Prime Minister created a working group that will prepare recommendations aimed at creating a favorable investment climate in the mining sector. Several IBC members are taking part in the work of this group. The working group is being financially supported by the IBC MRC as well.

In 2011 a Corporate Social Responsibility (CSR) committee was created in IBC. The committee was very active since its creation and held several CSR events. It should be noted that the IBC CSR committee was among the organizers of the Corporate Social Responsibility Week in Kyrgyzstan 2011, which was held in Bishkek for the first time. The event aimed at creating a platform for effective dialogue on corporate social responsibility among government, business and society, as well as the development and implementation of programs in the area of social responsibility and enhancing the role and effectiveness of social investment in Kyrgyzstan.

The list of IBC committees:

- Industry, Export & Deregulation Committee
- Tourism Sector Committee
- Financial Sector Committee
- Tax, Customs & Social Fund Committee
- Mineral Resources Committee
- Investment Committee
- Information Communication and Technology Committee
- Corporate Social Responsibility Committee

6. List of Annexes

- Report of the Revision Committee
- 2011 Balance Sheet and Cash Flow
- Membership List as of the end of 2011

INTERNATIONAL BUSINESS COUNCIL

BALANCE SHEET in KGS		31-Dec-10	31-Dec-11
ASSETS			
1.Current Assets			
Cash (1100)		226 550	316 927
Cash in bank accounts (1200)		1 053 401	1 931 514
Pre-paid expenses (1500, 1800)		10 061	135 128
Total 1. "Current Assets"		1 290 012	2 383 569
2.Fixed Assets			
Total 2. "Fixed Assets"		0	108 348
TOTAL ASSETS (1 + 2)		1 290 012	2 491 917
LIABILITIES			
3.Current Liabilities			
Accounts payable (3100,3190)		10 138	19 603
Prepayments, Debentures (3200, 3300)		1 114 088	2 470 737
Liabilities for current tax (3400)		25 275	0
Current accrued liabilities (3500)		74 892	0
Total 3. "Current Liabilities"		1 224 393	2 490 340
4.Long-term Liabilities			
Deferred revenues (4200)		65 619	1 577
Total 4. "Long-term Liabilities"		65 619	1 577
TOTAL LIABILITIES (3 + 4)		1 290 012	2 491 917
5.Owner's equity			
Retained earnings (5300)		0	0
Total 5. "Owner's equity"		0	0
TOTAL LIABILITIES AND OWNER'S EQUITY (3 + 4 + 5)		1 290 012	2 491 917

Note:

2,5m som is the amount of petty cash and cash in bank accounts at the end of 2011. This amount will be used by IBC in 2012 to fulfill its obligations to its members and partners.

CASH FLOW in KGS		2011
Membership Fees		
inflow		4 885 111
Grants		
inflow		7 200 341
Total inflow		12 085 452
Total outflow (expenditures)		10 698 983
Change in foreign currency effect		-417 979
Net Cash Flow		968 490
Bank and Cash at the beginning		1 279 951
Bank and Cash at the end		2 248 441

Note:

In 2011 IBC received almost 4,9m som as membership fees and 7,2m som as grants from its members and donor organizations to implement projects.

PROFIT AND LOSS STATEMENT in KGS		2011
Membership Fees and Grants		
Revenue		8 997 531
Total Revenue		8 997 531
Total expenditures		8 579 552
Profit (loss) due to the change in foreign currency rates		-417 979
Profit (loss)		0

		Website	Representatives
Corporate Members			
Category A			
1	Alpha Telecom CJSC (Megacom)	www.megacom.kg	Azamat Murzaliev, General Director
2	Andash Mining Company LLC	www.andashmining.net	Kuban Ashyrkulov, General Director
3	Gazprom Neft Asia LLC	www.gazprom-neft.kg	Bolot Abildaev, General Director
4	Interglass – Steinert Industries LLC	www.interglass.kg	Jenishbek Janybekov, General Director
5	ItalKyr CJSC JV (Hyatt Regency Bishkek)	www.bishkek.regency.hyatt.com	Hom Parviz, General Manager
6	Kumtor Operating Company CJSC	www.centerragold.com	Michael Fischer, President
7	Kyrgyz Petroleum Company CJSC	www.kpc.kg	Robert Brown, President
8	UniCredit Bank	www.unicredit.kg	Beibut Kapyshev, Board Chairman
9	Reemtsma – Kyrgyzstan OJSC	www.imperialtobacco.com	Ruslan Chynybaev, General Manager
10	Zalkar Bank OJSC	www.zalkar.kg	Maksatbek Ishenbaev, Chairman of the Executive Board
11	Kyrgyzstan Insurance Company OJSC	www.insurance.kg	Maria Adenova, General Director
12	Kyrgyz Investment and Credit Bank CJSC	www.kicb.kg	Kwang Young Choi, Chief Executive Officer
Category B			
13	Bishkek sut OJSC	www.wbd.ru	Margarita Rumyantseva, General Director
14	Chaarat Zaav CJSC	www.chaarat.com	Alexander Novak, Director
15	Coca-Cola Bishkek Bottlers CJSC	www.coca-cola.com.kg	Ezel Agaoglu, General Manager
16	Kentor Gold LTD	www.kentorgold.com	Hugh McKinnon, Director
17	Kompanion Financial Group CJSC	www.kompanion.kg	Ulanbek Termehikov, Chief Executive Officer
18	Muza LLC (DHL)	www.dhl.kg	Mirtalib Mukhamedziev, Director
19	Talas Gold Mining Company CJSC	www.polyusgold.com	Eduard Kubatov, General Director
20	Talas Copper Gold LLC	www.tcg.kg	David Grant, Chairman of Board
Category C			
21	Abdysh-Ata LLC	www.abdysh-ata.kg	Nikolay Vlasov, Vice-president
22	Asiamotors LLC	www.asiamotors.kg	Yuri Lim, General Director
23	Bank of Asia CJSC	www.bankasia.kg	Taalaibek Djumataev, Chairman
24	Bishkek branch of National Bank of Pakistan	www.nbp.transfer.kg	Davar Khan, General Manager
25	Bristol LLC	www.bristol.kg	Yassin Lakhassani Hassan, General Director
26	BTA bank CJSC	www.btbank.kg	Murat Kunakunov, Chairman
27	Celestial Mountains LLC	www.celestial.com.kg	Ian Claytor, Director
28	Chanach LLC		Dmitriy Zabolotniy, General Director
29	Commercial Bank Kyrgyzstan OJSC	www.bankkg.kg	Muras Kachkeev, Chairman
30	Demir Kyrgyz International Bank CJSC	www.demirbank.kg	Sevki Sarilar, General Manager
31	FINCA Micro-crediting Company CJSC	www.finca.org	Mahmud Saidahmatov, General Manager
32	Frontiers LLC	www.frontiers.kg	Ulugbek Khusanov, General Director
33	Highland Exploration LLC	www.highlandgold.com	Ulan Kachkynbekov, General Director
34	Kazkommertsbank OJSC	www.kkb.kz	Kanat Mamakeev, Chairman
35	Kyrgyz Credit Bank OJSC	www.kcredit.kg	Kubanychbek Shapakov, Conservator
36	Kyrgyz Investment Group	www.kig.kg	Emilbek Omurakunov, President
37	Lina LLC	www.lina.kg	Giyas Halilov, Chairman
38	Manas Management Company CJSC	www.mmc.kg	Asan Toktosunov, President
39	Mol Bulak Finance Microcrediting Company LLC	www.mbf.kg	Babur Tolbaev, General Director
40	Palladex - Geotechservice LLC	www.palladex.com	Rashid Zhaboev, Director
41	Santos International LLC	www.santos.kg	Julian Evanochko, General Manager
42	South Petroleum Company CJSC	www.spc.kg	Temirbek Azhykulov, Director
43	Sunel Tobacco CJSC	www.sunel.com	B. Jay Elkin Jr., General Director
44	Textonic CJSC		Emil Gareev, Executive Managing Director
45	Stans Energy Kg LLC		Gennadii Savchenko, General Director
46	Arktur Company		Andrey Burenko, Director
Category D			
47	24.kg LLC	www.24.kg	Aseil Otorbaeva, Director
48	Aiten Group LLC	www.aitengroup.com	Umet Daletbaev, Executive Director
49	AKI Kyrgyzstan LLC (Akipress)	www.akipress.kg	Tagay Tazabekov, Advisor
50	Alpha Sheersfield Audit LLC	www.audit.alpha.kg	Aida Maatkabylova, Director
51	Bai Tushum Financial Fund	www.baitushum.kg	Gulnara Shamshieva, General Manager
52	BNC Finance Company LLC	www.bnc.kg	Arslanbek Kenenbaev, Managing Director
53	CAIConsulting CJSC	www.caiconsulting.org	Talantbek Sakishev, Managing Director
54	Celestial Mountains Guesthouse Naryn LLC	www.celestial.com.kg	Ian Claytor, Director
55	Center for Development of Economy	www.b2b-center.ru	Ruslan Karimov, General Director
56	Connectpro LTD		David Grant, Director
57	Adver Group	www.adver.kg	Malika Karakeeva, Commercial Director
58	Deloitte & Touche LLC	www.deloitte.kg	Zarylbek Abduvaliev, Managing Director
59	El Group Consulting	www.el-group.com	Jamilya Imankulova, Executive Director
60	Eurasian Minerals LLC	www.eurasianminerals.com	Pavel Reichl, Exploration Manager - Central Asia
61	FNT Consultants LLC	www.fntconsultants.org	Gulnara Arymkulova, Managing Director
62	Globalink Logistics Group LLC	www.globalinkllc.com	Anastasija Shloeva, Director
63	GRATA Law Firm	www.gratanet.com	Kanat Seidaliev, General Director
64	Jacobs-Audit CJSC	www.jacobs.eekat.kg	Elena Morozova, Director, CAP
65	Kalikova & Associates LLC	www.k-a.kg	Ulan Tilenbaev, Director
66	KPMG – Bishkek LLC	www.kpmg.ru	Eliza Djumasheva, Executive Director
67	Lex Law Firm LLC	www.lex.kg	Yen Vitaliy, General Director
68	Lorenz LLC	www.lorenz-law.com	Niyazbek Aldashev, General Director
69	MACH Logistics Ltd	www.mach-aircargo.com	Kanat Kuttubekov, Operation Manager
70	Manas Holdings (Kyrgyzstan) LLC	www.manasresources.com	Stephen Ross, Managing Director
71	Maple Leaf Golf Club LLC		Ed Miles, Director
72	MarFed Consulting LTD	www.marfedconsulting.com	Marina Ignatova, General Director
73	NeoMed LLC	www.neomed.kg	Natalya Berillo, Director
74	RAM Engineering Associates LLC	www.ramengas.com	Iskender Ishenaliyev, General Director
75	Representation of BPN – Central Asia	www.bpnca.kg	Yana Kemibaeva, Executive Director
76	SHG Golden and Silver LTD		Esenjan Musurmankulov, Director
77	Shoro CJSC	www.shoro.kg	Jumadil Egemberdiev, General Director
78	Siut Bulak JSC	www.dairyspring.kg	Elena Isaeva, Director

79	TK Geo Resource		Ratsko Andrey, General Director
80	TOKTOM Information Center LLC	www.toktom.kg	Kubat Kartanbaev, Director
81	Svetofor Trade LLC	www.svetofor.kg	Emil Medetov, General Director
82	Baker Tilly Bishkek LLC	www.bakertilly.kg	Kubat Alymkulov, Director
83	Olympic Star LLC		Rustan Tashiev, President
84	Colibri Law Firm LLC	www.colibrilaw.com	Azim Usmanov, General Director
Associate members			
85	Aga Khan Development Network	www.akdn.org	Nurjehan Mawani, Resident Representative
86	American Chamber of Commerce	www.amcham.kg	Almaz Dushembiev, Executive Director
87	American University – Central Asia	www.auca.kg	Andrew Wachtel, President, PhD
88	Asian Development Bank	www.adb.org	Ms. Rie Hiraoka, Country Director
89	Association of Managers	www.top-manager.kg	Bolot Diushaliev, Executive Director
90	Association of Microfinance Institutions	www.amfi.kg	Nargiza Joldosnova, Executive Director
91	Behre Dolbear Company	www.dolbear.com	Kenneth Arne, Senior Associate
92	Chamber of Tax Consultants	www.nalogi.kg	Tatiana Kim, Chairman
93	Communication Operators Association	www.connect.kg	Aibek Bakanov, Executive Director
94	CSR Business Network	www.csr.kg	Asel Arstanbekova, Director
95	DFID	www.dfid.gov.uk	Kate English, Head of the DFID Office
96	EBRD – Kyrgyzstan	www.ebrd.com	Larisa Manastirli, Head of Bishkek Office
97	Embassy of Canada	www.tradecommissioner.gc.ca/kz	Stephen Millar, Ambassador
98	Eurasia Foundation of Central Asia	www.ef-ca.org	Shamil Ibragimov, Executive Director
99	Representation of Grundfos Kazakhstan in Kyrgyzstan	www.grundfos.com	Adilet Abyzbekov, Head of Representation
100	GIZ	www.giz.de	Dr. Kurt Wagner, Regional GTZ Representative in CA
101	Guild of Directors	www.gdk.kg	Manasbek Sultanov, Executive Director
102	Helvetas – Kyrgyzstan	www.helvetas.kg	Christian Steiner, Program Officer
103	HT LAB AG	www.htlab.ch	Christophe E. Lachat, Business Development Director
104	International Finance Corporation	www.ifc.org	Gulnura Djuzenova, IFC Country Officer
105	Jer Azygy Association	www.aak.org.kg	Aziza Yuldasheva, Executive Director
106	KfW Development Bank	www.kfw.de	Stefan Lutz, Director of KfW Office Central Asia
107	Kyrgyz Association of Tour Operators	www.kat.kg	Anvar Usupov, Executive Director
108	Kyrgyz-Turk Association of Entrepreneurs	www.kitjad.org	Metin Paksoyhi, Chairman of Board
109	Legal and Business Development Foundation	www.lbd.kg	Almaz Musabaev, Director
110	Mercy Corps	www.mercycorps.org	Catherine Brown, Representative
111	OSCE	www.osce.org	Andrew Tesoriere, Resident Representative
112	Swiss Cooperation Office	www.sdc.admin.ch	Laurent Guye, Head of Office
113	UNDP	www.undp.kg	Aleksandr Avanesov, Resident Representative
114	Union of Banks	www.ub.kg	Anvar Abdraev, President
115	University of Central Asia	www.ucentralasia.org	Bohdan Krawchenko, Director General
116	ZTE Corporation	www.zte.com.cn	Yin Gefeng, Head of the Representation
117	Company El-Pikir	www.elpikir.kg	Elvira Ilbezova, Director
118	Humans Resources	www.resource.kg	Eliza Nishanbaeva, Managing Director
119	Association of Custom brokers		Azizbek Mamytbekov, President
120	Soros Foundation - Kyrgyzstan	www.soros.kg	Kumar Bekbolotov, Executive director
121	Interchurch Organization for Development Cooperation	www.icco.nl	Pepijn Trapmen, Regional Manager
122	USAID Local Development Program	www.kdp.kg	Chynara Arapova, Acting Chief of Party
123	Association of Young Entrepreneurs	www.jia.kg	Semetye Omurgazy uulu, Chairman
124	Guild Association of Compatriots	www.ags.kg	Evgeniy Antonenko, Executive Director
125	Soyuztextile Association	www.souztextil.kg	Mariya Kapustina, Executive Director
126	Chamber of Commerce and Industry of the KR	www.cci.kg	Marat Sharshakeev, President
Honorary members			
127	Ambassador of the Russian Federation Valentin Vlasov		
128	Ambassador of the People's Republic of China Wang Kaiweng		
129	Ambassador of Turkey Nejat Akchal		
130	Ambassador of Germany Gudrun Sraega		
131	Ambassador of the USA Pamela L. Spratlen		
132	Ambassador of the Republic of Kazakhstan Beibit Isabaev		
133	Ambassador of the Republic of Korea Kim Chang Gyu		
134	Ambassador of the Islamic Republic of Pakistan Tanveer Akhtar Khaskheli		
135	Ambassador Extraordinary and Plenipotentiary of France Thibaut Fourriere		
136	Secretary of the Business and Investment Development Council Talaybek Koichumanov		
137	Trade Representative of the Russian Federation in the KR, Vladimir Nekrasov		
138	Ambassador of Japan Sin Maruo		