



INTERNATIONAL
BUSINESS
COUNCIL

ANNUAL REPORT

**OF THE MANAGEMENT BOARD OF
THE INTERNATIONAL BUSINESS
COUNCIL (IBC)**

FOR 2014

LETTER OF SUBMISSION

OF THE MANAGEMENT BOARD OF THE INTERNATIONAL BUSINESS COUNCIL

Bishkek, May 27, 2015

Dear IBC members,

We have the honor to submit to you the 2014 Annual Report of the Management Board of the International Business Council.

Respectfully,

Bektur Aliev, Kyrgyz Investment and Credit Bank CJSC, Chairman of IBC Management Board

Dilyara Sharshembieva, Kazakhmys Gold Kyrgyzstan LLC, Deputy Chairman of IBC Management Board

Dalida Ibragimova, KPMG-Bishkek LLC, IBC Management Board Member

Melis Turgunbaev, Gazprom нефт Asia, LLC, IBC Management Board Member

Anvar Estemesov, Talas Copper Gold LLC, IBC Management Board Member

Beibut Kapyshev, Optima Bank OJSC, IBC Management Board Member

Ulan Tilenbaev, "Kalikova & Associates" Law Firm LLC, IBC Management Board Member

Ulan Kachkynbekov, Highland Exploration LLC, IBC Management Board Member

Azat Bazarkulov, Alpha Telecom CJSC, IBC Management Board Member

Yulia Abdumanapova, Baker Tilly Bishkek LLC, IBC Management Board Member

Larisa Manastirli, European Bank for Reconstruction and Development, IBC Management Board Observer

Anders Lundgren, German Embassy in the Kyrgyz Republic, IBC Management Board Observer

1. Introduction

The Board is pleased to report that in 2014 IBC maintained its position as the leading and most influential business association in the Kyrgyz Republic. This was a period of a continued growth in all aspects of the IBC's activities including membership, financial stability and advocacy.

IBC is a credible and respected partner of the Kyrgyz Government, Parliament, the President's Office and other state institutions in all matters affecting business. In 2014, IBC continued 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.

In 2014, IBC actively participated in the discussions of such important issues for the country as entry into the Eurasian Economic Union, the draft agreement with Centerra Gold Inc. on Kumtor, adoption of legislation on stabilization regime for investors, claims of foreign investors against Kyrgyzstan in international commercial arbitration courts, improvement of legislation to attract highly skilled foreign professionals to work in Kyrgyzstan, and many others.

There were also disputes and litigation between IBC members and government agencies on many issues, and IBC executive body directly participated in their resolution. The disputes were related to taxation, licensing system, property rights and state regulation of entrepreneurship.

IBC always stays committed to its mission of creating attractive investment climate and favorable business environment in the country.

The IBC Management Board reports each year on its activities during the past year.

This report covers the period from January 1, 2014 through December 31, 2014, and includes the following sections:

1. Introduction
2. Activities within the State Working Groups, Commissions and Councils
3. IBC Committees and Participation in Legislative Processes
4. Corporate Development
5. Participation in Donor-funded Activities
6. IBC Events
7. Annexes

2. Activities within the State Working Groups, Commissions and Councils

As a leading non-commercial organization affecting public policy in the sphere of development of the economy and entrepreneurship in the Kyrgyz Republic, in 2014 International Business Council was a member of the following platforms aimed at creating favorable conditions for doing business:

- National Council for Sustainable Development of the Kyrgyz Republic (Decree of the President of the Kyrgyz Republic No. 251 dated 24.11.2012);
- Business Development and Investment Council under the Government of the Kyrgyz Republic (Regulation of the Government of the Kyrgyz Republic No. 149 dated 05.08.2010);
- Interdepartmental Working Group on Preparation of Recommendations for the Improvement of Investment-related Legislation (Order of the Government No. 585-p dated 12.12.2012);
- Commission on Securing Evaluation of the State Property under the State Property Management Fund under the Government of the Kyrgyz Republic;
- Interdepartmental Commission on Preparation and Holding of an Auction with the Purpose of Sale of State Property under the State Property Management Fund under the Government of the Kyrgyz Republic (Regulation of the Government of the Kyrgyz Republic No. 169 dated 26.03.2003);
- Subsoil Use Licensing Commission under the State Agency for Geology and Mineral Resources under the Government of the Kyrgyz Republic;
- Interdepartmental Working Group on Studying the Background for Creation of an International Financial Centre (Regulation of the Government #336-p dated 20 August 2014);
- Consultative Council on Subsoil Use Policy under the Ministry of Economy of the Kyrgyz Republic;
- Working Group on Drafting the Construction Sector Development Strategy of the Kyrgyz Republic (Order of the State Agency for Architecture, Construction and Housing under the Government #128 dated 21 May 2014);
- Interdepartmental Working Group on Optimization of the Law on Normative Legal Acts of the Kyrgyz Republic and on Drafting Proposals on Unification of the Regulatory Impact Analysis System (Order of the Ministry of Economy #121 dated July 30, 2014);
- EBRD Small Business Support Programme Steering Committee;
- Methodological Council for Fiscal Policy Coordination under the Ministry of Economy of the Kyrgyz Republic (Order of the Ministry of Economy No. 156 dated September 26, 2014);
- Council for Awarding Prizes of the Kyrgyz Republic for Quality (Order of the Government of the Kyrgyz Republic No. 67-p dated 02.03.2012);
- Interdepartmental Commission on Conducting a Competition for Jerooy Gold Mine License (Order of the Government of the Kyrgyz Republic No. 3-p dated 12.01.2013), active until October 2014;
- Working Group on Changing the Frequency of Accounting and Tax and Social Security Contributions Reporting and Payment to the Social Fund and State Tax Service (Order of the Ministry of Economy of the Kyrgyz Republic No. 12 dated January 28, 2014);

- Working Group within the Interdepartmental Commission for Preparing Recommendations for Reformation of Pension System with regard to State Social Insurance of Agricultural Producers and Individual Entrepreneurs (Order of the Prime-Minister of the Kyrgyz Republic No. 535 dated November 27, 2013) – Order of the Social Fund No. 150-П dated July 24, 2014.
- Working Group for Removing Double Punitive Sanctions and Proportion of Their Amount for Late Reporting on Payroll Sheets (Order of the Social Fund No. 72-П dated April 21, 2014).
- Interdepartmental Working Group for Preparing Integrated Recommendations for Reforming State Property Management System (Order of the Government of the Kyrgyz Republic No. 390-p dated 11.09.2014);
- Interdepartmental Working Group for Negotiations on the Entry of the Kyrgyz Republic into the Customs Union and Common Economic Space with regard to Intellectual Property (Order of the State Service for Intellectual Property and Innovations under the Government of the Kyrgyz Republic No. 132 dated August 28, 2014);
- Public Council under the State Service for Intellectual Property and Innovations under the Government of the Kyrgyz Republic (Minutes of the Meeting of the Commission for Public Councils Members' Selection No. 9 dated December 24, 2014);
- Working Group for Improving the Mechanism of Work Permits Issuance in the Kyrgyz Republic for Foreign Nationals (Minutes of the Meeting with Vice-Prime Minister of the Kyrgyz Republic No. 20-85 dated November 15, 2014).

2.1 National Council for Sustainable Development of the Kyrgyz Republic

On April 25, 2014 the National Council for Sustainable Development held its meeting titled “Free elections – pre-requisite for national sustainable development”. The Government provided an update about ongoing creation of the Unified State Population Register containing citizens’ biometrical data. The Working Group for Enhancing the Electoral System was assigned to develop and submit the draft laws stipulating the formation of a voters list based on the Unified State Population Register and a statutory norm forbidding an access to vote for those who did not submit their biometrical data following the procedure provided by the law.

At the next meeting of the National Council on October 27, 2014 participants considered the progress the Government achieved so far in implementing the National Strategy for Sustainable Development for 2013-2017. Given the ongoing active participation of Kyrgyzstan in integration activities, the Government was instructed to secure a stable economic development in the context of changing foreign trade conditions and to minimize the risks related to economic integration process; to develop and submit a package of draft laws providing the country’s participation in the integration process for Parliamentary consideration; to launch the process of drafting a long-term national development strategy; to prepare a forecast of socio-economic development of Kyrgyzstan given the forthcoming accession to integration unions jointly with the National Bank; facilitate attracting international investments and spending them for implementing the projects provided in the National Strategy for Sustainable Development. At this meeting, IBC Executive Director explicitly pointed out the business community’s concern over international arbitrations Kyrgyzstan is currently involved in.

National Council for Sustainable Development, founded in 2012, is an advisory and coordinating body. Its main objectives include developing, discussing and adopting consolidated proposals aimed at implementation of strategic documents for the national development, as well as monitoring and evaluation of its results.

Almazbek Atambayev, President of the Kyrgyz Republic is the Council's Chairman, while its members include the Parliament Speaker, Prime Minister, Supreme Court Chairperson, Prosecutor General, National Bank Chairman, Vice Prime Ministers, Ministers, Leaders of Parliamentary factions, heads of business associations and NGOs.

IBC Executive Director Aktilek Tungatarov is a member of the National Council for Sustainable Development.

2.2 Business Development and Investment Council under the Government of the Kyrgyz Republic

IBC actively participates in discussions and contributes to the implementation of decisions taken at the meetings of the Business Development and Investment Council. Five meetings of the Council chaired by the Prime Minister were held in 2014. IBC raised the following issues that were further considered at the Council's meetings:

- Simplification of the procedure of foreign skilled labor engagement in the Kyrgyz Republic;
- Unjustified inspections of businesses by state agencies;
- Problems related with implementing the law with respect to good faith taxpayers derived from limitations in VAT credit for goods paid for in cash;
- Licensing and Permits System enhancement;
- Changing the method calculating license withholding payments for subsoil use;
- Creating an interdepartmental working group for reviewing the disputes between investors and the Kyrgyz Republic;
- Inadvisability of banning the outbound movement of ores and concentrates of precious metals (abroad).

Appropriate recommendations for resolving each of the issues above have been prepared and adopted by the Council. Most of them were later implemented by relevant state bodies which contributed to fulfilling IBC mission, its goals and objectives.

2.3 Interdepartmental Working Group for Preparation of Recommendations for Improvement of Investment-related Legislation

Executive Director is a member of the working group. In 2013 within the framework of this initiative an expert group (including Kalikova & Associates Law Firm) was created, its activity being funded by the IBC with support of its members. The Expert Group conducted a situational analysis of investment climate in the Kyrgyz Republic and an Action Plan was worked out that were adopted by the Interdepartmental Working Group.

In 2014 the following activities were carried out within the Action Plan implementation:

1) The Investment Promotion Agency under the Ministry of Economy of the Kyrgyz Republic was created (Regulation of the Government of the Kyrgyz Republic No. 158 dated March 18, 2014).

The Investment Promotion Agency is a subordinate division of the Ministry of Economy that provides investment attraction and promotion in the Kyrgyz economy.

2) On August 1, 2014 the draft Law of the Kyrgyz Republic “On Amendments and Additions to Certain Legislative Acts of the Kyrgyz Republic” (on simplification of business entities’ registration and simplification procedures) was submitted for public discussion. The draft law was prepared in order to simplify business entities’ registration and simplification procedures, decrease documents review duration by state agencies and reduce administrative pressure on business.

Now the draft law has passed the second reading at the Parliament.

3) On February 21, 2015 the President of the Kyrgyz Republic Almazbek Atambayev signed the Law of the Kyrgyz Republic “On Additions and Amendments to Certain Legislative Acts of the Kyrgyz Republic” that introduced the stabilization treatment for investors in Kyrgyzstan. The Law was adopted by the Parliament on December 31, 2014.

The Law was prepared in order to encourage flow of direct investment to the Kyrgyz Republic by applying stabilization treatment and providing guarantee while choosing the most favorable conditions for investors in case of amendments in the legislation regulating tax and non-tax payments.

2.4 Commission on Licensing the Subsoil Use under the State Agency for Geology and Mineral Resources under the Government of the Kyrgyz Republic

IBC Mineral Resources Committee Chairman has been representing IBC at this Commission.

In 2014 the Commission received 1,035 applications for obtaining licenses for subsoil use rights, held 73 meetings (87 during the previous year – 2013), where 2,506 items have been considered, which is 59% more than those considered for 2013, including:

- 1,230 applications for obtaining subsoil use rights;
- 1,276 applications concerning existing (issued) licenses.

Over the reporting period, the following decisions have been taken with respect to the applications submitted: 405 licenses issued, issuing of 150 licenses was postponed, while 675 applicants were denied in obtaining licenses. The licenses (405) were issued for the following natural resources: 19 for gold; 19 for metals, 231 for non-metallic mineral resources, 65 for coal, 9 for oil and 62 for water.

1,276 issues that were considered with regard to existing (issued) licenses included: 75 – on prolonging the licenses; 94 – on prolonging the license agreements, 156 – on issuing license agreements for doing certain works, 121 – on annulment of licenses, 830 – miscellaneous (company re-registration, changing the corner point coordinates, etc.).

As a Commission member, the IBC representative contributed to securing lawfulness and fair consideration of subsoil users’ (including IBC members) applications at the Commission meetings.

2.5 Interdepartmental Working Group on Studying the Background for Creation of an International Financial Centre

The Working Group was formed in order to implement the provisions of the National Strategy for Sustainable Development of the Kyrgyz Republic for 2013-2017, as well as in order to identify weaknesses and strengths of the Kyrgyz Republic, competitive advantages for creating an international financial centre. As a result of the group's activity its members pointed out the lack of appropriate conditions for creating such a centre. Namely, they emphasized such factors as the low share of total banking sector assets in proportion to the country's GDP, as well as insufficient depth of using financial instruments at the local finance market.

Furthermore the draft Law on Regional Financial Centre of Bishkek has been developed and in February 2015 endorsed by Ar-Namys Parliamentary faction.

2.6 Working Group on Drafting the Construction Sector Development Strategy of the Kyrgyz Republic

The working group has been formed in order to build plans and determine further actions for developing the construction sector of the Kyrgyz Republic to implement the instructions of the Government's Office and those adopted at the Business Development and Investment Council Secretariat meeting on April 17, 2014, as well as the Minutes of the State Construction Agency meeting dated June 9 and 25, 2014.

As a result of the Commission's and experts group's meetings, a draft Construction Sector Development Strategy of the Kyrgyz Republic for 2014-2017 has been developed. In order to take account of all stakeholders' views, IBC has sent the draft Strategy to all relevant IBC members and submitted the comments and proposals received to the Strategy developers.

The Strategy has later been put forward for public discussions and submitted for consideration to ministries and other state agencies of the Kyrgyz Republic.

2.7 Interdepartmental Working Group on Optimization of the Law on Normative Legal Acts of the Kyrgyz Republic and on Drafting Proposals on Unification of the Regulatory Impact Analysis System;

The Working Group in question was formed in order to implement the recommendations of the Business Development and Investment Council dated June 27, 2014, as well as to harmonize the system of Regulatory Impact Analysis (RIA) used in lawmaking by the Jogorku Kenesh (Parliament), National Bank, executive state agencies and local self-governance bodies.

During the Working Group's meetings its members have developed recommendations and proposals aimed at enhancing the mechanism of business community's views while considering draft laws and regulations, improving the system of public discussions, informational coverage for stakeholders and facilitating the prompt reaction to draft laws and regulations, as well as harmonizing the RIA system.

As a result, the WG developed draft amendments to the Laws on Optimization of Statutory Base Regulating Entrepreneurial Activity, on Normative Legal Acts of the Kyrgyz Republic, as well as on the Rules of the Jogorku Kenesh of the Kyrgyz Republic which were later submitted for the Business Development and Investment Council's consideration.

2.8 EBRD Small Business Support Programme (SBS)

IBC Executive Director is a Steering committee member of the EBRD Small Business Support Programme in the Kyrgyz Republic.

The purpose of the Kyrgyz Republic SBS Steering Committee is to provide guidance and support for the implementation of the Programme. It is an advisory body composed of members whose advice and mutual coordination can be useful in maximizing the effectiveness and impact of SBS in the Kyrgyz Republic and will also ensure that the project's outputs respond to the country's priorities throughout the entire project lifetime.

SBS helps companies work with qualified local consultants on a range of projects, covering concerns from market research to strategic planning, quality management and certification or energy efficiency and environmental management. These projects are undertaken on a cost-sharing basis. SBS also work with the local consultancy sector, supporting professional capacity building to develop the skills of local consultants to enable them to serve the SME sector on a sustainable basis, and to introduce more sophisticated advisory services in areas such as quality management and energy efficiency. As of end of 2014, SBS Kyrgyz Republic has undertaken 836 projects, engaging 200 consultants. More than 65 percent of the enterprises assisted are located outside the main cities. Despite the difficult business climate, turnover increased in nearly 66 percent of SBS beneficiary companies in the year following project completion, while 45 beneficiaries secured external investments, for a total investment of €25 million. SBS Kyrgyz Republic is funded by the Swiss and the U.S. Governments which have contributed €4.5 million and €230,000 consequently.

2.9 Methodological Council for Fiscal Policy Coordination under the Ministry of Economy of the Kyrgyz Republic

The Executive Director and the Chairperson of the IBC Tax, Customs and Social Fund Committee (Yulia Abdumanapova, Baker Tilly Bishkek Company) are members of the Methodological Council for Fiscal Policy Coordination under the Ministry of Economy of the Kyrgyz Republic.

In 2014 IBC took part in the following meetings of the Methodological Council:

1. Methodological Council Expert Group meeting dated October 8, 2014.

IBC proposed amendments to Part 8, Article 271 of the Tax Code with regard to VAT offset, and proposed to remove Paragraph 3, Part 3, Article 270 due to the contradiction with Part 1 of the aforesaid article.

The IBC recommendation on the first issue was rejected. The second issue was considered at the Parliament and the Law of the Kyrgyz Republic No. 185 "On Addition and Amendment to the Tax Code of the Kyrgyz Republic" was adopted on December 31, 2014 by which the above mentioned paragraph was invalidated.

2. Methodological Council Extended Meeting dated December 29, 2014. The agenda was to consider draft Law of the Kyrgyz Republic "On Debt Restructuring on Accrued Interests, Fines and Tax Sanctions" and draft Law "On Amendments and Additions to the Tax Code of the Kyrgyz Republic" with regard to security system for tax debt payment. Draft laws were prepared by a group of members of the Parliament (spokesperson was A.N. Izmalkova, member of the Parliament).

The IBC takes an active part in the Methodological Council activity providing its recommendations to the draft laws and regulations, including the draft Fiscal

Policy Concept of the Kyrgyz Republic for 2015 – 2020, draft Law of the Kyrgyz Republic “On Amendments and Additions to Certain Legislative Acts of the Kyrgyz Republic” on VAT, etc.

2.10 Council for Awarding Prizes of the Kyrgyz Republic for Quality

The Executive Director is a member of the Council for Awarding Prizes for Quality (hereinafter “Council”). The purpose of creation of prizes for quality is to increase products and services quality, contribute to modern technology adoption of producing competitive goods and quality management.

The Council’s Action Plan for 2014, composition of the Expert Commission for contestants’ evaluation and contest conditions for 2014 were approved by the Minutes of the Council meeting dated October 29, 2013. Works on organization of the contest for prizes for quality are performed by the Technical Secretariat of the Council in accordance with the Plan approved.

The Work Program on Organization of the Contest for Prizes for Quality in 2014 was approved by the Order of the Center for Standardization and Metrology under the Ministry of Economy No. 26 dated March 18, 2013.

In 2014 the contest for prizes for quality was held on four categories: healthcare, education, construction and retail services and public catering.

As a result of the expert evaluation of the contest participants’ reports rendered in the Construction category the expert group decided not to promote anybody in the above mentioned category. The inspection of applicants, contest’s finalists was conducted in the remaining categories.

The Council meeting is to be held in order to make a final decision on the contest’s prize and diploma winners in 2014.

2.11 Working Group on Changing the Frequency of Accounting and Tax and Social Security Contributions Payment Reporting and Payment to the Social Fund and State Tax Service

The Deputy Executive Director was a member of this working group. The working group’s task was to consider change of frequency of accounting and tax and social security contributions payment to the Social Fund and State Tax Service and then give recommendations on practicability of such a change.

The Working Group meeting was held on March 5, 2014. As a result of the meeting certain instructions were given to the working groups’ members to consider simplification and unification of tax and social security contributions accounting.

Later the Ministry of Economy continued working on the issue. The Government adopted the Regulation No. 602 “On the Draft Law of the Kyrgyz Republic “On Additions and Amendments to the Tax Code of the Kyrgyz Republic” dated October 16, 2014 on reduction of frequency of tax accounting and sent it to the Parliament. At the moment the draft law was adopted by the Parliament and sent for signing to the Office of the President.

The work on the Social Fund’s issues was continued within another working group (see below).

2.12 Working Group within the Interdepartmental Commission for Preparing Recommendations for Reformation of Pension System with regard to State Social Insurance of Agricultural Producers and Individual Entrepreneurs

This working group was created according to Paragraph 2, Minutes of the meeting of the Business Development and Investment Council under the Government dated June 27, 2014.

On August 29, 2014 the working group meeting was held, and the issues on transfer of social security contributions administration functions from the Social Fund to the State Tax Service, creation of single report on income tax and social security contributions for small and medium-sized businesses and other issues were considered at the meeting.

The Government adopted the Regulation No. 589 “On the Draft Law of the Kyrgyz Republic “On Additions and Amendments to Certain Legislative Acts of the Kyrgyz Republic” dated October 9, 2014 and sent the draft law to the Parliament. The draft law grants the right to the Government to determine state agency that shall have functions and powers on social security contributions collection and control of their calculation and payment. Parliament Committee for Social Policy considered the draft law and provided its comments, and the Committee sent it to the Ministry of Economy for improvement.

2.13 Working Group for Removing Double Punitive Sanctions and Proportion of Their Amount for Late Reporting on Payroll Sheets

The Working Group was created as a result of the IBC and Suppliers’ Association’s applications on doubling of punitive sanctions for late reporting on payroll sheets (in accordance with Article 82, Code of the Kyrgyz Republic on Administrative Responsibility and Paragraph 2, Article 26, Law of the Kyrgyz Republic “On State Social Insurance”).

The Working Group held two meetings, on May 6 and 29, 2014. The working group members decided to introduce the following amendments to Paragraph 2, Article 26 of the Law “On State Social Insurance”):

- The words “fines and penalties” are to be substituted for “financial sanctions”;
- To add the words “during 2 (two) and more months in a row” after the word “payroll sheets”.

These purposes were included in Paragraph 5 of the Action Plan for Implementation of the Pension Plan Development Concept of the Kyrgyz Republic. The Action Plan was approved by the Regulation of the Government No. 670 dated November 24, 2014.

2.14 Interdepartmental Working Group for Preparing Integrated Recommendations for Reforming State Property Management System

The Working Group was established in order to create effective system of state property management and to provide implementation of the purposes and tasks according to the National Strategy for Sustainable Development of the Kyrgyz Republic for 2013-2017.

As a result of the working group’s discussions the Ministry of Economy and corporate governance experts prepared the draft Concept for Reforming State Property Management System adjusted with the Foundation for State Property Management under the Government of the Kyrgyz Republic.

The draft Concept was submitted for public discussion on January 19, 2015 and was sent to ministries and agencies for harmonization.

2.15 Interdepartmental Working Group for Negotiations on the Entry of the Kyrgyz Republic into the Customs Union and Common Economic Space with regard to Intellectual Property

IBC Lawyer Sultan Khalilov is the member of the Working Group.

The Working Group was created in order to analyze paragraphs of Section XI of the Action Plan of the Government of the Kyrgyz Republic for Implementation of the Action Plan (Road Map) for the Entry of the Kyrgyz Republic into the Common Economic Space of the Republic of Belarus, Republic of Kazakhstan and the Russian Federation with regard to Formation of the Eurasian Economic Union approved by the Resolution of the Supreme Eurasian Economic Council No. 75 dated October 10, 2014.

The working group members analyzed accession to the Agreement on Customs Intellectual Property Registry of the Customs Union Member States dated May 21, 2010, and Articles 89-91 (Section XXIII – Intellectual Property) of the Treaty on the Eurasian Economic Union and its Annex No. 26.

As a result of the meetings the working group sent its recommendations to the Office of the Government of the Kyrgyz Republic. The working group also decided to send a request to the Eurasian Economic Commission to provide transition period for introducing regional principle of exhaustion of right to a trade mark instead of existing national principle.

2.16 Public Council under the State Service for Intellectual Property and Innovations under the Government of the Kyrgyz Republic (Kyrgyz Patent)

On December 24, 2014 the IBC lawyer Sultan Khalilov and a lawyer of the ARTE Law firm Liliya Kim were included into the Public Council of the Kyrgyz Patent (hereinafter “Council”).

The Council began its activity in 2015. The first meeting of the Council was held on January 23, 2015 at the Kyrgyz Patent. Sardarbek Jumaliyev was elected as the Council Chairman. He is a bandmaster of the Orozov State Academic Band named after Orozov K. of the Kyrgyz National Philharmonic Hall named after Satylganov T.

Representatives of the Commission for Social Councils Members’ Selection and the Kyrgyz Patent State Secretary Tashiyev J.A. participated in the meeting.

2.17 Working Group for Improving Mechanism of Work Permits Issuance in the Kyrgyz Republic for Foreign Nationals

The IBC took part in the working group created by the Department for Social Development of the Office of the Government in order to improve the draft Regulation of the Government “On Licensing of Certain Types of Activities” (with regard to Chapters 101 and 102 – “Features of Issuance of Work Permit for Foreign Citizens and Persons without Citizenship according to Employers’ Application pursuant to Overall Quota in the Kyrgyz Republic” and “Features of Issuance of Work Permits for the Kyrgyz Republic Citizens Abroad”).

As a result of the working group meetings certain draft amendments to the aforesaid draft regulation were prepared. Later this activity was continued within the working group for studying problems of enforcement of the Law “On Licensing and Permit System in the Kyrgyz Republic” created by the Order of the Ministry of Economy No. 5 dated January 13, 2015.

Requirements of work permits issuance for highly-qualified foreign specialists are being considered within the working group created under the Investment

Promotion Agency under the Ministry of Economy (Order of the Ministry of Economy No. 48 dated March 4, 2015).

3. IBC Sub-committees and Participation in the Legislative Process

3.1 IBC Mineral Resources Committee (MRC)

Six Committee meetings have been held during the reporting period where its participants discussed the following issues:

1. Forming a united view of IBC members and developing recommendations for the country's top officials on Kumtor-related issues;
2. Discussing the advisability of introducing export customs duties on ores and concentrates of precious metals;
3. Discussing the draft Law on Introducing Additions and Amendments to the Law on Subsoil;
4. Presentation of the proposed draft reporting forms of subsoil users for the State Agency for Geology and Mineral Resources and other state agencies developed by a consortium of experts from Experts of Central Asia, a consulting firm and Ken-Too Project and Research Centre;
5. Discussing the draft reporting forms of subsoil users drafted by the Committee members;
6. Discussing the draft Law on Glaciers;
7. Discussing the format and content of seminars on the successful experience of mining companies in areas put forward by the Government;
8. Discussing the initiative aimed at changing the method of calculating the mining license withholding payments;
9. Discussing whether it is worthwhile to introduce compulsory reports as a part of Extractive Industries Transparency Initiative (EITI).

Furthermore, the Committee Secretariat (IBC staff members) have been sending out the draft laws, regulations and other relevant information concerned to IBC members, as well as collecting, systematizing and sending the comments and proposals received to appropriate state agencies.

The most noteworthy results of the Committee's activity for the given period are briefly discussed below.

Suspending the introduction of customs duties on ores and concentrates

Since November 2012 IBC has been arguing against the idea of introducing export customs duties on ores and concentrates of precious metals. This activity has continued in 2014 as well.

On March 24, 2014, the Parliamentary Committee on Fuel, Energy and Subsoil Use, upon receiving the contrary opinions of the Ministry of Economy and the Ministry of Justice, as well as having considered the views of IBC members, decided to reject the draft Regulation in question and to instruct the Government to consider introducing such customs duties after completing the construction of a relevant gold processing plant.

However, on December 3, 2014, a similar draft Law put forward by a group of MPs was suggested for public discussions. The Committee has reacted to this

initiative in written form and expressed its contrary view on adopting the draft Law at a specially held press conference.

Rejecting the draft Law on Glaciers

Committee members have on multiple occasions pointed out that the possible adoption of this draft Law will negatively affect the investment climate and will deteriorate the position of mining companies. As a result of vigorous activity of Committee members (written comments and proposals sent to the Jogorku Kenesh and the President's Office; expressing the business community's views at Parliamentary Committees' hearings), the President returned the draft Law in question back to the Jogorku Kenesh with relevant comments.

Steps to changing the method of calculating the License Withholding Payments

In September 2014, a number of Committee members emphasized the need in changing the method of calculating the mining license withholding payments. As they explained, calculating the amount of such payments due on the basis of the most expensive metal often creates a heavy burden for numerous mining companies.

As a result of written comments and proposals sent by IBC to the Government and meetings with the Ministry of Economy, the issue in question was submitted for the Business Development and Investment Council's consideration. The Council meeting approved recommendations that IBC proposed and they are expected to be implemented in the first quarter of 2015.

IBC representation in the Consultative Council on Subsoil Use

As a result of the Committee's active work, two Committee members have been included into the Consultative Council on Subsoil Use Policy created in September 2014 under the Ministry of Economy. The Council is aimed at discussing the draft laws and regulations on subsoil use drafted by the Ministry of Economy and providing comments thereto on a permanent basis.

3.2 IBC Tax, Customs and Social Fund Committee

In 2014 the IBC Tax, Customs and Social Fund Committee held discussions on the following issues:

- Unification of Article 82 of the Code of the Kyrgyz Republic on Administrative Responsibility and Article 26 of the Law "On State Social Insurance" to remove doubling of punitive sanctions and proportion of their amount for late reporting on payroll sheets.
- Failure to comply with Article 81 of the Tax Code by tax bodies with regard to offset of overpayment of tax on account of other tax liabilities.
- VAT offset by geological prospecting companies.
- Introduction of excise tax on export of gold and silver alloys and refined gold and silver.
- Draft Fiscal Policy Concept of the Kyrgyz Republic for 2015-2020.
- Income tax for business entities that carry out mining and sale of gold ore, gold concentrate, gold alloy and refined gold (Article 221-1 of the Tax Code);
- Draft Law "On Amendments and Additions to Certain Legislative Acts of the Kyrgyz Republic" on VAT, etc.

In 2015 the Committee received state bodies' interpretations on important taxation issues. In particular, the Committee received approval of unlawfulness of fine while recalculating advance payments on profit tax and failure to comply with Article 81 of the Tax Code by tax bodies with regard to offset of overpayment of tax on account of other tax liabilities as well as approval of unlawfulness VAT write-off that was taken for offset by geological prospecting companies.

The IBC sent a letter with the recommendations against the draft Law "On Amendments and Additions to the Tax Code of the Kyrgyz Republic" with regard to introduction of excise tax on export of gold and silver alloys and refined gold and silver that was prepared at the Parliament. Later this draft law was removed from the Parliament agenda.

Since September 2014 the IBC Executive Director, Committee Chairperson (Yulia Abdumanapova, Baker Tilly Bishkek Company) and Deputy Chairperson (Gulnara Uskenbayeva, Suppliers' Association) are members of the Methodological Council for Fiscal Policy Coordination under the Ministry of Economy.

The IBC Committee sent its recommendations for the draft Fiscal Policy Concept of the Kyrgyz Republic for 2015-2020, draft Law "On Amendments and Additions to Certain Legislative Acts of the Kyrgyz Republic" on VAT. During discussions IBC recommendations were taken into account by state agencies. Furthermore, the IBC took part in the Round Table on Improvement of Tax Policy and Administration that was organized by the Business Development and Investment Council under the Government of the Kyrgyz Republic. As a result of the Round Table the Business Community Resolution was prepared and the IBC provided its recommendations for the aforesaid draft law on VAT and draft Fiscal Policy Concept that were included in the Resolution.

3.3 Committee on Sustainable Development and Corporate Social Responsibility

The Committee was created in 2011 for setting up of an equitable dialogue and cooperation of business community with large community segments and stakeholder groups with the purpose of settlement of business challenges on social, economic and ecological problems and strengthening the recognition of the role of the private sector of Kyrgyzstan in the country's development. The main purpose of the Committee is to strengthen the image of the commercial sector as an active participant of the sustainable development process in the country.

In November 2014 the Committee held a meeting where the structure of the Committee activities and the work plan for 2015 have been considered.

Since June 2013 the Committee has been discussing the possibility of creation of a water museum on the basis of melioration laboratory of the Kyrgyz National Agrarian University named after Skryabin. The goal of the initiative is to create a demonstration platform for studying unique features of water, problems of wasteful use of water resources and opportunities of using new "green" effective technologies at houses and at production. The experience of water museums of Moscow, Saint Petersburg etc. will be used in the progress of this work.

At the moment the museum has interactive stands about the role of water in our planet, agriculture of the Kyrgyz Republic, "green economy" and perspectives of sustainable water resources management in the country and other similar issues. The museum has already opened its doors for visitors. At the same time construction of new interactive stands is in progress.

3.4 Human Resources Committee

IBC Human Resources Committee's basic activity areas are:

- 1) Co-operation with educational sector;
- 2) Affecting the process of reforming the labor legislation;
- 3) Assisting the standardization and certification of HR specialists;
- 4) Establishing a platform for discussion of the important HR issues.

In April 2014 IBC together with EI Group Consulting conducted an HR-breakfast. The HR-breakfast presented the certification system Human Capital Growth, open seminars on HR from EI Group Consulting and results of the Interim research of the remuneration market.

3.5 IBC Committee on Intellectual Property

In 2013 the IBC Committee on Intellectual Property was established. It was initiated by an IBC member, "ARTE" Law Firm whose Director Saodat Shakirova was elected as the Chairperson of the Committee. The purpose of the Committee is to form and develop intellectual potential of domestic business and increase competitiveness of the Kyrgyz economy.

The tasks of the Committee are as follows: determining importance and role of intellectual property for business; preparation and expert study of drafts laws and regulations, additions, amendments to the legislation of the Kyrgyz Republic on intellectual property; interaction with authorized state bodies on intellectual property rights protection, etc. The Committee actively cooperates with the State Service for Intellectual Property and Innovations under the Government of the Kyrgyz Republic on improvement of the legislation of the Kyrgyz Republic on intellectual property.

In 2014 the Committee held two meetings with discussion of current intellectual property issues, including draft amendments to the Patent Law proposed by the members of the Parliament. The Committee considered the draft law on May 30, 2014 and prepared its recommendations that were taken into account while discussing it at the Parliament.

In 2014 the Committee members regularly gave interviews for mass media on different intellectual property issues.

3.6 IBC appeals to the top management of the country

In 2014 the IBC sent different letters to the top management of the country on the most important issues of the IBC member companies:

- Open letters to the President, Parliament and Government with the request to consider comprehensively the Kumtor project issue and calling to make a balanced decision taking into account risks and consequences of results for the state.

Now the Government goes on negotiating with the management of the Centerra Gold Inc. Company on the Kumtor.

- Letter to the President against signing the draft Law adopted by the Parliament "On Glaciers" as the draft law could have stopped the activity at the Kumtor mine field related to the impact on the glacier as well as activity of other mining companies whose activity is also related to impact on glaciers.

As a result the President did not sign the draft law and sent it to the Parliament for improvement.

- Letter to the Government and Parliament with the survey conducted on Nationalization of the Strategic Facilities with regard to Kumtor project, with description of certain legal consequences.
- Appeal of the business community to the top management of the country on the situation with the disputes in the international commercial arbitrations in which Kyrgyzstan takes part as a defendant on foreign investors' suits.

Moreover, the IBC requested the Asian Development Bank (ADB) to provide consulting services for the Government to resolve arbitration disputes and prevent such disputes in the future. Currently the Government interacts with the International Finance Corporation and ADB on the issue above.

- Appeal of the business community to the President on the issuance of work permits for foreign specialists in the Kyrgyz Republic with regard to refusals of permits, non-transparent and corruptive process.

As a result of appeal to the President the Deputy Chief of Staff of the President Office Isakov S.J. held a meeting on September 25, 2015. The Office of the President instructed the Ministry of Labour, Migration and Youth together with the business community to prepare an Action Plan on the Issues of Concern Arising while Attraction of Foreign Labour in the Kyrgyz Republic. The Action Plan was coordinated in February, 2015 and now the work for its implementation is being conducted.

- In October, 2014 the IBC sent a letter to the Ministry of Economy with a request to give interpretations on different questions of the IBC members with regard to the entry of the Kyrgyz Republic into the Customs Union and Common Economic Space. The IBC interviewed its members and made a list of the most urgent questions.

All the answers were received on February 2, 2015 and sent out to the IBC members.

3.7 IBC participation in the business community's appeals to the top management of the country

The IBC took part in the business community's appeals on the following issues:

- Appeal against the amendments into Article 271 of the Tax Code that repealed VAT offset for goods acquired in cash for more than 300 thousand soms in the VAT accounting period;
- Appeal against the draft law proposed by certain members of the Parliament and aimed to reduce periods of land use;
- Appeal with the request to remove the Fund for Workers' Health Improvement from the legislation on state social insurance;
- Appeal in support of the draft law according to which the Government itself shall determine an authorized state body for collection of state social security contributions, control of its calculation and payment, etc.

4. Corporate Development

4.1 IBC Members

By the end of 2014 IBC united 113 members, including 78 Corporate, 20 Associate and 15 Honorary Members. You can find the list of IBC members in the Annex 3.

In 2014 15 new organizations joined IBC:

1. Imperial Tobacco Kyrgyzstan LLC – Corporate category A;
2. Branch of British American Tobacco Kazakhstan Trading in the Kyrgyz Republic – Corporate category C;
3. Central Asian Free Economic Zone Development Corporation LLC – Corporate category C;
4. Premium Development LLC – Corporate category C;
5. Borsan Construction LLC – Corporate category C;
6. Megastroi LLC – Corporate category C;
7. Jubilee Kyrgyzstan Insurance Company CJSC – Corporate category D;
8. Sierra Group LLC – Corporate category D;
9. Fonta Firm LLC – Corporate category D;
10. Kant TSP LLC – Corporate category D;
11. Urasia in Kyrgyzstan LLC – Corporate category D;
12. Branch of Mazars CJSC – Corporate category D;
13. Walton Universal Office in Kyrgyzstan – Corporate category D;
14. DCA Central Asia – Associate;
15. European School in Central Asia – Associate.

Two IBC members upgraded their categories:

1. Kalikova and Associates Law Firm LLC – from Corporate category D to C;
2. KPMG-Bishkek LLC – from Corporate category D to C.

4.2 The IBC Investment Now Magazine

In 2014, the IBC published two Investment Now (IN) issues.

The first issue (72 pages) titled "Open skies policy in Kyrgyzstan" was published with the financial support of the German Agency for International Cooperation (GIZ).

The authors of publications were experts from international projects, independent experts, representatives of the public sector and private aviation companies, as well as the business community.

Experts of the Open Skies project, performed by the Ministry of Economy of the Kyrgyz Republic with the support of GIZ, presented the results of the economic analysis of the implementation of the open skies policy in Kyrgyzstan.

Interviews with Economy Minister Temir Sariyev, President of Kyrgyz Concept Emil Umetaliev, articles of President of the Air Transport Association of Kyrgyzstan Taalaybek Okenov, heads of the Manas International Airport and private airlines and the tourism sector were published in the magazine.

Comprehensive analysis, including the opinions of both supporters and opponents of the open skies policy, will help better understand the advantages and disadvantages of this initiative.

The articles were published in Russian and English.

The second issue of the magazine (72 pages), was dedicated to raising awareness of Kyrgyz-language media about the investment climate and business environment in Kyrgyzstan. The magazine was produced with the financial support of USAID REFORMA project.

Attracting investment is one of Kyrgyzstan's priorities but there were many conflicts between the local population and investors in recent years. The lack of information, especially in the Kyrgyz language, is among the main causes of conflict situations. The Kyrgyz language is the primary means of communication in the regions. To fill this gap, IBC issued the magazine in the Kyrgyz language about the investment climate in Kyrgyzstan and distributed it among Kyrgyz-language media and universities' journalism faculties in Bishkek and in the regions of the country.

IBC published a survey conducted by the Economy Ministry on Kyrgyzstan's entry into the Customs Union and the Eurasian Economic Union (EAEC). All were written in an accessible form and clearly, with graphs and diagrams. Vice Prime Minister of Kyrgyzstan Valery Dill informed about the government policy in attracting foreign investments, and IBC Executive Director Aktilek Tungatarov presented business opinion on the future development of the country. Heads of private businesses in sectors such as construction industry, mining, and information technology told about their problem and suggested ways of their solution.

For the first time in the IBC history, the magazine was published in Russian and Kyrgyz languages. IBC hopes that this publication will not only help journalists improve their skills, but also contribute to the development of the state language.

The first issue of Investment Now was published in 2004.

4.2.1 IBC publication in the media

During the year, all the activities carried out by IBC were widely covered by the media - radio and television, print and on-line media, including such authoritative newspapers as Vecherny Bishkek, Slovo Kyrgyzstana, Kyrgyz Tuusu, Rossiyskaya Gazeta, Chuiskiye Izvestiya (News of the Chu province), and news agencies - Kabar, 24.kg, AKIpress, The Times of Central Asia, KyrTAG, Knews, and many others.

IBC Executive Director and IBC committee members participated in discussions at the national Television and Radio Channel, EITV, in talk show at the Independent Bishkek TV Channel (NBT) and others, which hosted debates on current problems of business.

In 2014, more than 400 analytical articles and news were published both in the local media in foreign editions. Interviews with Aktilek Tungatarov were published by internationally renowned newspapers such as *The Times* and *The Economist*.

Articles of local news agencies about the IBC Open Meeting on the open skies policy were republished by many media sites and aviation associations in Russia, Kazakhstan and Belarus.

As part of the USAID REFORMA project, IBC held an information campaign to raise awareness of the Kyrgyz-language media about the investment climate and business environment in Kyrgyzstan, and through the media to raise awareness of the population. Articles about the press cafés, conducted in August and September in Bishkek and regions of the country, were published in the Kyrgyz-language media.

4.3 The IBC Investment Survey

In 2014, IBC continued improving its traditional investment survey (design of charts and graphs, and questions) which is an important tool for the analysis of the business environment in Kyrgyzstan. The IBC Board thanks everyone who participated in the surveys and calls for more active involvement in the following events of that kind. The results of surveys were published in the Investment Now magazine and posted on the IBC website.

4.4 Website

The IBC website (www.ibc.kg) contains information on legislation of the Kyrgyz Republic including draft laws, analytical articles and expert opinions. The IBC products posted on the site included quarterly investment survey, newsletters, such as IBC Law Review, Tax Alert, IBC Events and IBC Weekly News. The site also provided news on the latest developments in the business sector, as well as news about IBC members and partners. The website provides information about business conferences and events in Kyrgyzstan and neighboring countries. The IBC members actively participated in the “Analysis” and “Expert Opinion” sections. Publications are in Russian, English and Kyrgyz, updated on a regular basis and available for the general public. IBC updated and improved the website's design in 2014.

4.5 IBC Weekly News

In 2014, IBC continued to issue the Weekly News bulletin about IBC events and activity and announcement of the most important events of the upcoming week. The Weekly News is distributed via email to all IBC members. IBC members can request more detailed information on published news. IBC considers the Weekly News bulletin a good tool to cover IBC initiatives, achievements and upcoming events.

The first Weekly News bulletin was issued in October 2008.

4.6 IBC Law Review

IBC Law Review bulletin was released by the IBC since 2000 in order to inform entrepreneurs about the latest legislative initiatives in the Kyrgyz Republic.

The IBC makes all efforts to provide its members with relevant information about forthcoming changes in laws in advance.

In 2014 the IBC monthly issued the bulletin in which the most important changes of the legislation and draft laws and regulations were expressed:

- New Law on Free Economic Zones signed by the President of the Kyrgyz Republic on January 11, 2014.
- Regulation on Geological Information Resources that stipulates the order of geological information provision, order of payment for access to geological information resources and allocation of received funds;
- New forms and orders of filling single tax return;
- Draft Law “On Additions and Amendments to Certain Legislative Acts of the Kyrgyz Republic” with regard to stabilization treatment for investors that was signed by the President of the Kyrgyz Republic in February, 2015.
- Regulation of the Government of the Kyrgyz Republic “On Creation of the Investment Promotion Agency under the Ministry of Economy of the Kyrgyz Republic”;

- Law “On Amendments to the Tax Code of the Kyrgyz Republic” that stipulates lower threshold of the income tax rate for mining and smelting enterprises in case a price of gold is less than 1200 USD for one troy ounce;
- Amendments and additions to the Civil Code and the Law “On Business Partnerships and Companies” that proposed to provide the possibility for limited liability companies to create board of directors;
- Draft Law “On Amendments and Additions to Certain Legislative Acts of the Kyrgyz Republic” (on simplifying business entities’ registration and liquidation procedures);
- Regulation of the Government No. 559 “On Approval of the Methodology of Regulatory Impact Assessment of the Laws and Regulations with regard to Business Entities’ Activity” dated September 30, 2014;
- Draft Regulation of the Government “On the Kyrgyz Republic Construction Sector Development Strategy for 2014-2017”, etc.

4.7 Tax Alert

In 2014 the IBC together with the Baker Tilly Bishkek Company began to issue the monthly information bulletin Tax Alert in which the most important changes of the tax legislation and draft laws and regulations on taxation were expressed. The information bulletin contained such topics as the following:

- Ratification by the Parliament of the Kyrgyz Republic of the Agreement between the Government of the Kyrgyz Republic and the Government of the Republic of Korea on avoidance of double taxation and prevention of tax evasion signed on December 11, 2012;
- Adoption of the Law No. 13 dated January 18, 2014 “On Amendments and Additions to the Tax Code of the Kyrgyz Republic” that together with other provisions stipulates that VAT payers shall not have the right to offset the VAT input for transactions on acquisition of goods, works and services provided on the territory of the Kyrgyz Republic if their value exceeds 300 thousand KGS for the accounting period that have been paid in cash;
- Toughening of administrative and criminal responsibility for use of fictitious VAT invoices;
- Increase of excise tax rates on oil products;
- The initial value of a fixed asset for the tax purposes shall, among others, include interest expenses related to loans received for financing acquisition or production of the fixed asset for own use. Formerly, it included only interest expenses incurred for the purpose of acquisition of fixed asset;
- Signing of the Double Tax Treaty between the Kyrgyz Republic and the State of Qatar;
- Government proposed to reduce the frequency of tax accounting and tax payments for small and medium-sized businesses, etc.

4.8 Executive Team

In 2014 the IBC staff members were as follows:

1. IBC Executive Director – Aktilek Tungatarov;
2. Deputy Executive Director – Nurbek Maksutov (January-September 2014) and Askar Sydykov (September-December 2014);

3. Chief Editor of the "Investment Now" magazine, Media Relations Manager – Lidia Savina;
4. Corporate Affairs Manager – Asel Bogombaeva;
5. Initiatives Manager – Meerim Matkulova;
6. Financial Manager / Chief Accountant – Raida Mirzaeva;
7. Lawyer – Sultan Khalilov;
8. Information Technologies Manager – Nadejda Sekacheva.

4.9 Office

IBC is located in the offices 113-114 in “Hyatt Regency Bishkek” hotel (191 Abdrakhmanov Street, Bishkek).

5 IBC Project Activities

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. Below is an overview of projects that were/are fully or partially implemented by IBC.

5.1 IBC capacity building project (USAID Reforma Project)

In June 2014, IBC with the financial support of USAID Reforma launched a project titled “IBC capacity building”. IBC seeks to build its capacity in local content engagement in order to serve as a platform for creating and implementing solutions for socio-political and cultural evolution among the general population in the country. Funds allocated in the frame of USAID Reforma helped jump start IBC activities in this direction and to build capacity and the necessary network of the organization for the purposes of developing and implementing an effective and efficient content management strategy. The project consisted of (1) engaging the Kyrgyz language mass media representatives and hence the general population with the IBC content and (2) building journalists capacity on economic journalism.

Activities in the frame of the project were geared towards improving the quality of public discussions as it relates to economic policy making and investments through actively promoting socio-political and cultural evolution of the population.

Activity 1 - Developing a content statement and content strategy

The team has approached developing the content strategy first by strategizing about IBC development as a whole described above. Content strategy is something that stems out of the overall IBC strategic goals. The main problem that the content strategy aims to address is closing the gap between knowledge on investments in Kyrgyzstan among the Kyrgyz and Russian mass media representatives, as a result between the general population and intellectuals.

The content strategy is built around the notion that business priorities – the priority issues that are considered when planning new investment - are not extreme or unusual; they are priorities that are supported by all decent citizens of the country.

Priority Issues¹	Suggested Campaign Theme
Safety and Security	Safe Streets

Predictability of Legislation	Transparent Government
Consistency of Courts	Independent Courts
Availability of Qualified Personnel	Quality Education
Tax Rates and Tax Administration	Fair Taxation
Corruption of Public Officials	No Corruption
Bureaucracy and Regulations	Effective Regulation

¹ IBC Quarterly Investors Survey

There are certainly other issues that concern business when planning new investment, such as macro-economic stability, telecoms and transport, property rights and access to finance, but the issues listed above are the fundamentals that are always important for business. If these fundamentals are sorted out, the country has a bright future.

Thus the content strategy is not built around issues that are conflict sensitive, but on the topics that are of concern both for the general population and investors (Attachment 1). The content strategy is important for IBC, it guides the overall planning, development, and management of all content produced by IBC. Not only that it forces the organization to have a strategic approach in its content delivery, while in the past it has been on ad hoc basis. More planned content delivery will improve experience of receiving information from IBC and thus will help widen the audience, hence will support IBC activities in promoting better investment climate in the country.

Activity 2 - Establishing contacts and partnerships with Kyrgyz language mass media

Prior to the project Activities a little over 20 mass media representatives of which 80% were Russian mass media representatives were included in the IBC mass media list serve. In the frame of the project the IBC project assistant built a database of contacts of Kyrgyz language mass media representatives in order to further inform them of all IBC events. The given data base was used to inform them of the five press cafes and one open meeting carried out in the frame of the project. The given database has already been utilized for 3 press cafes and one open meeting in Bishkek and the average number of Kyrgyz mass media representatives at the time is a little over 10 where as in the past the IBC events were attended by only one sometimes two Kyrgyz publications. Of the given 10 about 5 are returning participants and 5 have been visitors from new Kyrgyz mass media outlets. However, overall the database includes over 60 Kyrgyz mass media representatives.

Activity 3 - Update and translation of the handbook on economic journalism

In 2008, IBC implemented a project on providing training on economic journalism. The main goal of this project was to improve journalists' professional qualifications and expertise in the sphere of economics. The main deliverables of the project included:

- Complete training course for journalists in the field of economics in the form of trainings;
- Complete training course for students of journalism faculties in the field of economics in the form of lectures and practical assignments;

Both of these products were prepared by prominent experts in the field and are rare works of this kind. However, they were prepared in Russian. Thus, in the frame of this project the Russian version of the training manuals was revised to be translated into Kyrgyz and distributed to all Kyrgyz Mass Media outlets and relevant universities.

Activity 4 - Press cafes in Kyrgyz on important economic development issues in the country

Press cafés are informal meetings with journalists and representatives from private sector and government, to inform media about (1) current developments on the issues of attracting investment, economic development and population engagement on policy discussions, (2) the different opinions and perspectives on the issue with the goal to increase public debate, and stimulate more articles about the issue at hand in local news.

IBC finds press cafés to be a good platform for disseminating information on matters that are poorly or inaccurately covered in the media by providing an opportunity for journalists to gain more knowledge and information on the matter by meeting a number of experts on the matter in one place. All the press cafes carried out in the frame of the given project were in Kyrgyz to inform the Kyrgyz mass media about the investment climate and the impact of the business community on the economic development of the country and the wellbeing of the population as a whole. Total of 5 press cafes were conducted in the frame of the project.

Activity 5 - Series of events in the regions

As part of the project IBC conducted a series of events in close cooperation with the Association of Legal Entities “JIA” as it has a wide network across the country. Based on their experience three regions were identified as potentially more active. These are Osh, Jalalabad and Talas. The events consisted of business lunches, trainings on economic journalism, press cafes and public lectures.

Activity 6 - Publishing of a special issue of the Investment Now magazine

The magazine included analytical and descriptive information on the issues mentioned before and was distributed among the main stakeholders to be used as a reference and resource. The stakeholders included Aiyl Okmotus, representatives of Local and Jogorku Keneshes and representatives of the Kyrgyz Mass Media. This was the first issue published in Kyrgyz.

Activity 7 - IBC website improvement

IBC website is in two languages, Russian and English, with 12000 and 15000 visitors (on average) per month each respectively. The website is promoted through Facebook and twitter. The given website was translated into Kyrgyz as well in order to provide the Kyrgyz mass media representatives with an additional source of information such as analysis and articles on economy and investment. In addition to that, an IT firm was hired to make it more user-friendly.

Activity 8 – Final event

A high level open meeting was held serving as a platform for open discussions and enabling a greater national public awareness on the nature of information spreading in the rural areas and the effects of that on the investment climate.

Capacity Improvements

In general, the given project was directly supportive of IBC capacity development, the areas of improvement included:

- IBC content strategy development and buy-in from the management
- The website improvements
- IBC branding
- New alliances in the regions (Talas, Osh and Jalalabad)
- Enhancement of IBC network by engaging the Kyrgyz mass media representatives in the IBC content, etc.

6 IBC events

6.1 Open meeting

As the closing event of the project on IBC capacity building financed by the USAID Reforma project, IBC held an Open Meeting, the main aim of which was to provide a platform for open discussions and enable greater national public awareness on the issues of investment climate and better business regulatory framework. The event was held on September 17 and was attended by Parliament Members Ulukbek Kochkorov, Rosa Aknazarova, Alla Izmalkova and Mirlan Bakirov, Economy Minister Temir Sariev, representatives of the President's Office, Government, USAID REFORMA Project, international organizations, business associations, and NGOs.

Representatives of the Jogorku Kenesh and the USAID office made an opening speech and Minister of Economy Temir Sariev, Entrepreneur Emil Umetaliev and a representative the President's Office delivered a presentation about the economic development as a whole and implementation of the National Strategy for Sustainable Development of the Kyrgyz Republic for 2013-2017.

The participants discussed the conditions (political, economic, legal, and social) that should be created to improve the investment climate in Kyrgyzstan and attract foreign investment in the country. According to Charles Specht, Economic Development Office Director, USAID, IBC clearly recognizes that the sustainability of economic reforms requires significant improvement in public education for all citizens' understanding of the policy decisions on economic future. This is particularly critical because Kyrgyzstan is involved in the reforms of democratic governance.

IBC Deputy Executive Director Askar Sydykov presented the IBC vision for the economic development of the country. In 2009, IBC had already developed such a vision. Now, taking into account the changed economic situation over the past five years, the IBC has developed a new draft concept, which includes eight major areas: good governance, freedom from corruption, fair taxation, quality education, honest courts, law and order, and free elections.

6.2 Golf Tournament

On May 24, 2014 the 6th IBC Annual Golf Tournament was held at the Maple Leaf Golf Club. About 180 representatives of companies – IBC members and partners, representatives of government agencies and international organizations took part in the event.

The tournament is more than a pleasing encounter, it serves as a linking bridge reinforcing good friendship among colleagues and participants from the private and public sectors. Such informal events give participants a chance to get to know each other better and enlarge their business connections.

6.3 Press cafes

To raise local journalists' awareness on economic issues, IBC used such an important media tool as press café. Journalists were given a unique opportunity to meet leading experts, corporate executives and representatives of the government and business associations at once and at one place.

As part of the USAID REFORMA project, the International Business Council held five press cafés for Kyrgyz-language media to raise awareness on the investment climate and business environment in Kyrgyzstan. Press cafes were held in Bishkek, Naryn, Talas, Osh and Jalal-Abad.

Well-known experts told reporters about the benefits and possible difficulties related to Kyrgyzstan's entry into the Eurasian Economic Union (EEU), the problems of private business including the construction and mining industries. The expert explained how to write business news and analytical articles. Press cafes received high reviews from the journalists. Following the press cafes, the Kyrgyz-language media published news and analytical articles.

6.3.1 Press Cafe on information security in Kyrgyzstan

On the 6th of August IBC in cooperation with JIA carried out a press café on the subject of information security in Kyrgyzstan. While IBC has been carrying out a number of press cafes for the Russian language mass media representatives, this was the first Kyrgyz language press café. The aim of the event was to provide journalists with a platform where they can obtain first-hand information from the respective experts and entrepreneurs in an informal setting. Experts that answered to the journalists questions consisted of: Emil Umetaliev, Ernist Mamyrganov and Kaarmanbek Kuluev. Emil Umetaliev, the only entrepreneur at the event, addressed the issues of informational security and the investment climate in the country. Ernist Mamyrganov talked about transition to digital broadcasting of the national TV station. Kaarmanbek Kuluev talked about the informational security in the south of the country. In inviting the mass media representatives the IBC mass media data base will be used. While according to the project proposal on average we expected was 15 a total of only 6 journalists participated. The fewer number of participants came to the event due to the summer vacations and the low level of IBC's engagement with the Kyrgyz mass media representatives. Nonetheless the number exceeded previous average number of participants of Kyrgyz mass media representatives at IBC events, which consisted of 2-3 journalists.

6.3.2 Press café on investment climate in the country

On September 4, 2014 a press café was held also in Kyrgyz on the subject of investment climate and the role of investments in general for the country. While the speakers talked about the investment climate in general, due to their more in-

depth knowledge in two sectors mining and construction more questions were directed about those sectors. Experts consisted of Aktilek Tungatarov, IBC Executive Director and Farkhad Pakyroov, JIA Investments Department Expert. At the given press café 18 journalists attended. Among other things Aktilek Tungatarov shed a light on the issues raised in the IBC Business Agenda, special attention was made on law enforcement and education. Due to increased interest on mining and construction it was decided that the following press café would be devoted to the sectors indicated above.

6.3.3 Press café on mining and construction

On September 23, 2014 a press cafe devoted to mining and construction sectors was conducted in Bishkek. The following experts participated at the press café: Maksat Kobonbaev, the IBC Mineral Resources Committee chairman, Temirbek Ajykulov, head of a construction company and Aktilek Tungatarov, IBC Executive Director. The event was attended by 11 journalists who raised a lot of questions concerning the market and the government regulation of the given sector. The journalists were concerned about Kyrgyzstan joining the Customs Union and the real estate prices. Mr. Ajykulov talked about the prices being driven by the demand from the Kyrgyz citizens working abroad and buying houses due to the lack of other investment opportunities in the country. It was also pointed out that due to Kyrgyzstan joining the Customs Union construction materials may raise in price, which may factor in the house prices.

6.3.4 Press cafés on the investment climate in Kyrgyzstan

Moreover, the IBC together with JIA carried out press cafes in Osh (September 10, 2014) and Talas (September 16, 2014). The press café guest speaker Emil Umetaliev participated in all regional events at which he conducted a presentation addressing the investment climate in Kyrgyzstan. The presentation also addressed the issues of economic integration and its prospects for Kyrgyzstan. Journalists asked questions about the country's economic development prospects and overall competitiveness globally.

6.4 Press conferences

In 2014, IBC took part in 11 press conferences, and three of them were held on the IBC initiative. Press conferences were devoted to the protection of property rights of private companies, issues related to the initiation of legislation on subsoil use, changes in the Tax Code, as well as the situation around Kumtor and Jerooy.

7. Attachments

1. IBC Revision Commission Report for 2014
2. 2014 Balance Sheet and Cash flow
3. Membership list as of the 31st of December 2014

**Revision Committee Report
of the International Business Council
based on the results of operations for 2014**

May 12, 2015

Bishkek

The Revision Committee of the Public Association of legal entities "International Business Council" consisted of:

- Chairman of the Revision Committee - Rostokina G.;
- Members of the Revision Committee:
 - Sadyrbekova K.;
 - Adenova M.

acting within the powers defined by the Charter of the Public Association of legal entities "International Business Council" (hereinafter "the Association"), approved by the General Meeting of the founders dated 22 January 2010, has performed a verification of the annual financial statements of the Association for the year ended December 31, 2014.

In the course of the verification, the annual financial statements of the Association for 2014, accounting data, as well as source accounting documents, which are the basis of the financial information preparation, have been considered.

The annual financial statements of the Association as of December 31, 2014 and for the year then ended, consist of the following statements:

- Statement of financial position;
- Statement of Profit and loss;
- Statement of cash flows.

The objective of the verification performed by the Revision Committee was to assess the financial statements in terms of reliability of the data presented in the statements, as well as to inform the members of the Association about the facts of accounting maintenance and financial reporting established by the Association in compliance with the legislation of the Kyrgyz Republic and the internal regulations.

Executive Director of the Association is responsible for the organisation, maintainance and reliability of the accounting process of the Association, as well as timely preparation and fair presentation of the financial statements in accordance with the internally accepted accounting policy and for the internal control system necessary to enable the preparation of the financial statements.

The verification was performed in accordance with the regulations of the Kyrgyz Republic which stipulate the procedure of accounting maintenance and financial reporting, including the Law "On Accounting" No. 76, dated April 29, 2002.

The verification was performed on a sample basis and included a study of the figures of the financial statements, disclosure of the financial and operational activities, assessment of the compliance with the accounting principles and rules used for the preparation of the financial statements.

Based on the results of the verification it was noted that:

1. There is no approved accounting policy, which defines the specific principles and accounting rules that should be applied in the preparation of the financial statements in the Association. At the same time, the Association has declared the order of the accounting maintenance and financial reporting process in accordance with the International Financial Reporting Standards (IFRS).
2. Not effective enough internal control system, as well as lack of approved accounting policy has led to numerous errors in the accounting of advances received and income of the Association from membership fees.

3. Errors made in the recognition of income from membership fees received in prior periods, were adjusted in the current reporting period and as a result, the information related to the income of the current and previous reporting periods is non comparable.
4. The Association is a non-for-profit organisation and for IFRS purposes uses terminology which is more applicable for commercial entities.
5. The financial statements of the Association do not include a complete set of the financial statements prepared in accordance with IFRS; especially the notes to the financial statements are also absent.

Recommendations:

- To approve the accounting policy of the Association, which defines the specific principles, basis, conditions, rules and practice that must be applied during the preparation of the financial statements.
- To develop an internal control system so as to ensure the consistent application of the accounting policy of the Association, including accounting of the advances received and income from membership fees.
- To correct errors attributable to prior years in accordance with the provisions of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and in accordance with the approved accounting policy of the Association.
- To ensure preparation of the complete set of annual financial statements, including all disclosures and notes required under the generally accepted accounting principles and accounting policy approved by the Association.

The general conclusion:

Based on the results of the verification the Revision Committee concluded that the results of the financial and operational activity of the Association for 2014, presented in the annual financial statements, are fairly stated, and are recommended for approval by the General Meeting of the founders and to be considered along with the recommendations provided above.

Chairman of
Revision Committee

Member of
Revision Committee

Member of
Revision Committee



Rostokina G.
Director of "W. Jacobs – Audit" CJSC
Kanyshai Sadyrbekova,
Managing Director, "Deloitte & Touche"
in Kyrgyzstan
Maria Adenova,
General Director
"Insurance Company Kyrgyzstan" CJSC

Attachment 2. 2014 Balance Sheet and Cash flow

INTERNATIONAL BUSINESS COUNCIL

BALANCE SHEET in KGS 31-Dec-2014 31-Dec-2013

ASSETS

1. Current Assets

Cash (1100)	62 247	16 477
Cash in bank accounts (1200)	1 857 421	2 095 312
Bank deposit (1300)	1 766 595	0
Operating supplies inventory (1700)	132 713	18 330
Pre-paid expenses (1800)	13 391	19 851
Total 1. "Current Assets"	3 832 367	2 149 970

2. Fixed Assets

Equipment (2100)	1 137 486	1 143 128
Deferred tax payments	9 394	0
Total 2. "Fixed Assets"	1 146 880	1 143 128
TOTAL ASSETS (1 + 2)	4 979 247	3 293 098

LIABILITIES

3. Current Liabilities

Accounts payable (3100)	12 659	9 480
Prepayments, Debentures (3300)	2 389 065	3 030 696
Liabilities for current tax (3400)	31 873	69 838
Short-term accrued liabilities (3500)	97 928	169 408
Total 3. "Current Liabilities"	2 531 525	3 279 422

4. Long-term Liabilities

Deferred tax liabilities (4300)	0	13 676
Total 4. "Long-term Liabilities"	0	13 676
TOTAL LIABILITIES (3 + 4)	2 531 525	3 293 098

5. Owner's equity

Retained earnings (5300)	2 447 722	0
Total 5. "Owner's equity"	2 447 722	0
TOTAL LIABILITIES AND OWNER'S EQUITY (3 + 4 + 5)	4 979 247	3 293 098

Note:

1 919 668 som (1100+1200) is the amount of petty cash and cash in bank accounts at the end of 2014. This amount will be used by IBC to fulfill its obligations to its members and partners in 2015.

INTERNATIONAL BUSINESS COUNCIL

CASH FLOW in KGS	2014	2013
Operating activities		
Cash receipts from operating activities		
Membership fees	7 170 047	6 145 204
Grants from IBC members	656 041	4 054 859
Grants from development partners	7 052 020	6 822 330
Total cash receipts from operating activities	14 878 108	17 022 393
Cash paid for operating activities		
Administrative costs	-6 208 781	-9 730 953
Project costs (grants)	-7 052 020	-5 384 440
Total cash paid for operating activities	-13 260 801	-15 115 393
Net cash flow from operating activities	1 617 307	1 907 000
Investing activities		
Bank deposit	-1 599 000	0
Cash paid to purchase property asset	-324 936	-1 171 980
Total cash paid for investing activities	-1 923 936	-1 171 980
Net cash flow from investing activities	-1 923 936	-1 171 980
Effect of exchange rate changes	114 508	19 875
Net increase (decrease) in cash and cash equivalents	-192 121	754 895
Cash and cash equivalent, beginning of year	2 111 789	1 356 894
Cash and cash equivalent, end of year	1 919 668	2 111 789

Note:

In 2014 IBC received 7 170 047 som as membership fees and 7 708 061 som as grants from its members and development partners to implement projects.

PROFIT AND LOSS STATEMENT in KGS	2014	2013
Membership Fees and Grants		
Revenue	14 475 251	15 312 927
Total Revenue	14 475 251	15 312 927
Total expenditures	11 510 147	14 388 288
Profit (loss) due to the change in foreign currency rates	-517 382	-924 639
Profit (loss)	2 447 722	0

Attachment 3. Membership list as of the 31st of December 2014

Corporate Members

Corporate A

1	Alpha Telecom CJSC (MegaCom)	www.megacom.kg	Azat Bazarkulov, General Director
2	Andash Mining Company LLC	www.andashmining.kg	Malik Malabaev, General Director
3	Gazprom Neft Asia LLC	www.gazprom-neft.kg	Bolot Abildaev, General Director
4	Gazpromneft-Aero Kyrgyzstan LLC	www.gazpromneft-aero.kg	Tilektesh Isaev, General Director
5	Highland Exploration LLC	www.highlandgold.com	Ulan Kachkynbekov, General Director
6	Imperial Tobacco Kyrgyzstan LLC	www.imperial-tobacco.com	Ainisa Berkutova, General Director
7	ItalKyr CJSC JV (Hyatt Regency Bishkek)	www.bishkek.regency.hyatt.com	Paul J.Murphy, General Manager
8	Kazakhmys Gold Kyrgyzstan LLC	www.kazakhmys.com	Ilyas Tulekeyev, General Director
9	Kumtor Gold Company CJSC	www.kumtor.kg	Michael Fischer, President
10	Kyrgyz Investment and Credit Bank CJSC	www.kicb.net	Kwang Young Choi, Chief Executive Officer
11	Kyrgyzstan Insurance Company CJSC	www.insurance.kg	Maria Adenova, General Director
12	Optima Bank OJSC	www.optimabank.kg	Beibut Kapyshev, Board Chairman
13	Sky Mobile LLC	www.beeline.com	Oleg Klochko, General Director

Corporate B

14	Bishkek Sut OJSC		Margarita Rumyantseva, General Director
15	Chaarat Zaav CJSC	www.chaarat.com	Dekel Golan, General Director
16	Coca-Cola Bishkek Bottlers CJSC	www.cccb.kg	Erdinc Guzel, General Manager
17	Demir Kyrgyz International Bank CJSC	www.demirbank.kg	Sevki Sarilar, General Manager
18	Kompanion Financial Group CJSC	www.kompanion.kg	Ulanbek Termechikov, Chief Executive Officer
19	Muza LLC (DHL)	www.dhl.kg	Mirtalib Mukhamedziev, Director
20	Talas Copper Gold LLC	www.tcg.kg	Viktor Adyrkhaev, Interim General Director
21	Talas Gold Mining Company CJSC	www.polyusgold.com	Nurlan Aralbaev, General Director

Corporate C

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	Borsan Construction LLC	www.borsan.kg	Suran uulu Melis, General Director
26	Branch of "British American Tobacco Kazakhstan Trading" LLP in Kyrgyz Republic	www.bat.com	Anvar Orozbekov, Director
27	Bristol LLC	www.bristol.kg	Yassin Lakhsassi Hassan, General Director
28	Celestial Mountains LLC	www.celestial.com.kg	Ian Claytor, Director
29	Central Asian FEZ Development Corporation LLC		Lee Jong Baek, President
30	Commercial Bank Kyrgyzstan OJSC	www.bankkg.kg	Nurdin Ilebaev, Chairman
31	FINCA Micro-crediting Company CJSC	www.finca.org	Mahmud Saidahmatov, General Manager
32	Fonta LLC		Shukhrat Boltabaev, General Director
33	Frontiers LLC	www.frontiers.kg	Urmat Sarpekov, General Director
34	Kalikova & Associates LLC	www.k-a.kg	Ulan Tilenbaev, Director
35	Kazkommertsbank OJSC	www.kg.kkb.kz	Kanat Mamakeev, Chairman
36	KPMG – Bishkek LLC	www.kpmg.ru	Eliza Djumasheva, Executive Director
37	Kyrgyz Investment Group	www.kig.kg	Taalaibek Aidaraliev, Chairman
38	Manas Holdings (Kyrgyzstan) LLC	www.manasresources.com	Stephen Ross, Managing Director
39	Manas Management Company CJSC	www.mmc.kg	Asan Toktosunov, President
40	Mega Stroy LLC	www.mega-stroy.kg	Almazbek Tilenbaev, General Director, Narbek Abdulaev, Coordinator
41	Preimum Development LLC	www.premium.kg	Sanjarbek Davletov, General Director
42	Stans Energy Kg LLC		Gennadiy Savchenko, General Director
43	Sunel Tobacco CJSC	www.sunel.com	Chagdas Saylak, General Director
44	TOKTOM Information Center LLC	www.toktom.kg	Kubat Kartanbaev, Director
45	Vertex Gold Company LLC		Denis Ermoshkin, General Director

Corporate D

46	ARTE Law Firm LLC	www.arte-ip.kg	Saodat Shakirova, Director
47	Bai Tushum Bank CJSC	www.baitushum.kg	Gulnara Shamshieva, General Manager
48	Baker Tilly Bishkek LLC	www.bakertilly.kg	Yulia Abdumanapova, Director
49	BNC Finance Company LLC	www.bnc.kg	Arslanbek Kenenbaev, Managing Director
50	Branch of Mazar CJSC	www.mazars.ru	Ludmila Dyakonova, Director
51	CAIConsulting CJSC	www.caiconsulting.org	Baktybek Shamkeev, Managing Director

52	Celestial Mountains Guesthouse Naryn LLC	www.celestial.com.kg	Ian Claytor, Director
53	Central Asia Machinery	www.turkuazmachinery.com	Talant Tuloberdiev, General Director
54	Colibri Law Firm LLC	www.colibrilaw.com	Azim Usmanov, General Director
55	Community International Consulting LLC	www.energysave.kg	Asel Shatemirova, General Director
56	Deloitte & Touche LLC	www.deloitte.kg	Kanyshai Sadyrbekova, Managing Director
57	El Group Consulting LLC	www.el-group.com	Jamilya Imankulova, Executive Director
58	Elsyst LLC	www.elsyst.kg	Daniar Attokurov, General Director
59	Eurasia Group KGZ LLC	www.eurasia-group.kg	Urmat Akmatov, General Director
60	Expert English Editing LLC		Harvey Wagar, General Director
61	FNT Consultants LLC	www.fntconsultants.org	Gulnara Arymkulova, Managing Director
62	Globalink Logistics Group LLC	www.globalinkllc.com	Anastasiya Shloeva, Director
63	GRATA Law Firm LLC	www.gratanet.com	Kanat Seidaliev, General Director
64	Jannat Hotel chain	www.jannat.kg	Bekjan Kaipov, General Director
65	Jubilee Kyrgyzstan Insurance Company CJSC	www.jubileeinsurance.kg	Valeria Khegai, CEO
66	KAB Group International LTD	www.kabgr.com	Ruslan Tagaev, General Director
67	Kant TSP LLC	www.kantslate.kg	Sanjar Kaparov, General Director
68	Lex Law Firm LLC	www.lex.kg	Yen Vitaliy, General Director
69	Lorenz LLC	www.lorenz-law.com	Niyazbek Aldashev, General Director
70	Maple Leaf Golf Club LLC		Edward Miles, Director
71	Mortimer Blake LLC	http://mortimerblakelaw.com	Stephan Wagner, Senior Partner
72	Olympic Star LLC		Rustan Tashiev, President
73	RAM Engineering Associates LLC	www.ramengas.com	Iskender Ishenaliev, General Director
74	Representation of Walton Universal in the KR	www.waltonuniversal.com	Dmitriy Kim, Regional Development Director
75	Sierra Group LLC	www.sierra.kg	Bradley Brenneman, General Director
76	Siut Bulak JSC	www.dairyspring.kg	Elena Isaeva, Director
77	Ur Asia in Kyrgyzstan LLC		Eldar Moldobek uulu, General Director
78	W. Jacobs-Audit CJSC	www.jacobs-audit.kg	Galina Rostokina, Director

Associate members

79	Aga Khan Development Network	www.akdn.org	Shamsh Kassim-Lakha, Resident Representative
80	American University of Central Asia	www.auca.kg	Andrew Wachtel, President
81	Asian Development Bank	www.adb.org	Rie Hiraoka, Country Director
82	Association of Custom brokers		Ivan Geletuk, President
83	DCA Central Asia	www.danchurchaid.org	Thomas Skov-Hansen, Regional Representative
84	EBRD – Kyrgyzstan	www.ebrd.com	Larisa Manastirli, Head of Bishkek Office
85	Eurasia Foundation of Central Asia	www.ef-ca.org	Dinara Musabekova, Executive Director
86	European School in Central Asia	www.esca.kg	
87	Golf Federation	www.golf.kg	Konstantin Surikov, Vice President
88	Helvetas – Kyrgyzstan	www.helvetas.kg	Markus Ischer, Program Officer
89	ICCO Cooperation, Central Asia office	www.icco.nl	Pepijn Trapmen, Regional Manager
90	International Finance Corporation	www.ifc.org	Martin Naegele, Country Officer
91	KfW Development Bank	www.kfw.de	Thomas Edgar Lehmann, Director of KfW Office Central Asia
92	OSCE Center	www.osce.org	Sergey Kapinos, Head of Center
93	Red Crescent Society of Kyrgyzstan	www.redcrescent.kg	Rustam Aleyev, General Director
94	Representation of Grundfos Kazakhstan in Kyrgyzstan	www.grundfos.com	Adilet Abdybekov, Head of Representation
95	Soros Foundation - Kyrgyzstan	www.soros.kg	Shamil Ibragimov, Executive director
96	Embassy of Switzerland in the Kyrgyz Republic	www.swisscoop.kg	René Hostenstein, Ambassador Extraordinary and Plenipotentiary of Switzerland
97	UNDP	www.undp.kg	Aleksandr Avanesov, Resident Representative
98	University of Central Asia	www.ucentralasia.org	Bohdan Krawchenko, Director General

Honorary members

99	Andrey Krutko, Ambassador Extraordinary and Plenipotentiary of Russian Federation
100	Beibit Isabaev, Ambassador Extraordinary and Plenipotentiary of Republic of Kazakhstan
101	Gudrun Sräga, Ambassador Extraordinary and Plenipotentiary of the Federal Republic of Germany
102	Hidayat Khudush oglu Orujov, Ambassador Extraordinary and Plenipotentiary of Azerbaijan Republic
103	Judith Margaret Farnworth, Ambassador Extraordinary and Plenipotentiary of the United Kingdom
104	Kim Chang Gyu, Ambassador Extraordinary and Plenipotentiary of the Republic of Korea
105	Koike Takauki, Ambassador Extraordinary and Plenipotentiary of the State of Japan in the Kyrgyz Republic
106	Metin Kılıç, Ambassador Extraordinary and Plenipotentiary of Turkey

- 107 Pamela L. Spratlen, Ambassador Extraordinary and Plenipotentiary of the United States of America
- 109 Qi Gayu, Ambassador Extraordinary and Plenipotentiary of People's Republic of China
- 109 René Holenstein, Ambassador Extraordinary and Plenipotentiary of Switzerland
- 110 Stéphane Catta, Ambassador Extraordinary and Plenipotentiary of France
- 111 Talaipek Koichumanov, Secretary of Business Development and Investment Council under the Government of the Kyrgyz Republic
- 112 Tanveer Akhtar Khaskheli, Ambassador Extraordinary and Plenipotentiary of the Islamic Republic of Pakistan
- 113 Vladimir Nekrasov, Trade Representative of Russian Federation in the KR