



WEEKLY DIGEST  
INTERNATIONAL BUSINESS COUNCIL  
SEPTEMBER 1 - 5, 2014

IBC DISCUSSES ISSUES ON FOREIGN LABOR WITH DIRECTOR OF THE INVESTMENT PROMOTION AGENCY



IBC Executive Director Aktilek Tungatarov together with Head of Kalikova&Associates

Law Company Gulnara Kalikova met with the Director of the Investment Promotion Agency Almaz Saibakov. Tungatarov told about problems related with work permits for foreign citizens. The Ministry of Labor, Youth and Migration has developed a draft provision on labor and entrepreneurial activity by foreign citizens and non-citizens. Currently, public discussions of the document are undergoing. According to IBC, the draft regulation

has several inconsistencies with the current legislation of the Kyrgyz Republic including the Law "On licensing system" and the Tax Code. IBC also proposes to reduce the time of authorization or refusal (30 days) due to the fact that the proposed period is too long for making prompt personnel decisions in companies.

IBC DISCUSSED ISSUES OF INTELLECTUAL PROPERTY IN CONNECTION WITH KYRGYZSTAN'S ENTRY INTO THE CUSTOMS UNION



On September 3, the International Business Council attended a meeting of the Interdepartmental Working Group on negotiations on the accession of the Kyrgyz Republic to the Customs Union and the Eurasian Economic Space (EES) in the field of intellectual property. The participants

discussed Section XI (on intellectual property) of the Roadmap for accession of the Kyrgyz Republic to the EES with the formation of the Eurasian Economic Union.

The WG members focused on introduction of the regional principle of exhaustion of the exclusive right to the trademark in Kyrgyzstan when joining the EEA, instead of existing national principle. The changes will affect the economic entities operating in Kyrgyzstan, especially small and medium businesses.

The State Service for Intellectual Property and Innovation under the Government of the Kyrgyz Republic (Kyrgyzpatent) intends to appeal to the Eurasian Economic Commission to pro-

vide for a transitional period for a few years (about 5 years) for the introduction of the principle of regional exhaustion of the exclusive right, but this requires reasonable arguments from the businesses. In this regard, IBC began to survey its members on negative consequences for their business that may arise in case of the introduction of the above mentioned principle.

IBC for the reported week has also met with:

1. Jeff Erlich, Non-profit consulting company, CSR, IBC responded to the questionnaire on Business Integrity Study by OECD.
2. Pepijn Trapman, regional manager, South and Central Asia Regional Office, ICCO. IBC Executive director was invited to act as a Supervisory Board member of a newly created Fair and Sustainable Development Fund.

## IBC GAVE AN INTERVIEW ON THE COMPLETION OF THE USAID REFORMA PROJECT



### USAID РЕФОРМА Долбоору

#### Проект USAID РЕФОРМА

#### USAID REFORMA Project

On September 3, CEO of International Business Council, Aktilek Tungatarov, gave an interview on the final outcomes of the USAID REFORMA project. IBC has been actively in-

involved in the realization of the project and implemented two following projects: "Work-plan for subsoil use", prepared for USAID REFORMA project, and the project on IBC capacity building aimed at building understanding of IBC's activity among the public and also strengthening the potential of Kyrgyz-speaking media to cover economic issues. Currently, the following projects are being implement-

ed:

Formation of a database of Kyrgyz-speaking mass media

Interviews for "Investment Nowmagazine  
Completion of a renewed version of an Economic Journalism Guide-book in both Kyrgyz and Russian languages

Drafting of IBC's 2020 development strategy  
Completion of the Business Agenda which will serve as a strategic concept for IBC.

## IBC HAS CONDUCTED A PRESS-CAFÉ ON FOREIGN DIRECT INVESTMENT AND ENTREPRENEURSHIP IN KYRGYZSTAN



On September 4, International Business Council with the support of USAID REFORMA project conducted a press-café on attracting foreign direct investment to Kyrgyzstan and analyzing the

role of entrepreneurship in this process.

Unfortunately, local community, especially in the peripheral regions has a vague understanding of the nature of FDI and its advantages. Consequently, this is one of the reasons of conflict between the public and investors. The majority of local community fails to realize the level of material damage that the protests cause to foreign investors, local businesses, not to mention the government as a whole. Consequently, the budget receives fewer funds, the lion's share of which comes from the large-scale investment projects.

The goal of conducting the press-café is to fill in the informational vacuum that facilitates the accumulation of rumors and groundless fears among the public about the foreign investors. IBC implements this informational campaign to raise awareness among the Kyrgyz-speaking media and the general population of the country. Within the framework of USAID REFORMA project IBC conducts a number of press-cafés in Bishkek and regions, aimed at raising awareness of investment climate and business environment in Kyrgyzstan.

## IBC HAS HELD A MEETING WITH THE BUSINESS COMMUNITY TO DISCUSS THE ISSUES OF COMPULSORY INSURANCE OF CIVIL LIABILITY.



IBC has met the representatives of "Kyrgyztelecom" OJSC, Telecom Operators Association, and National Alliance of busi-

ness-associations. The participants of the meeting discussed draft amendments to the following 4 laws: "On compulsory insurance of civil liability of transporters of dangerous goods", "On compulsory insurance of civil liability of organizations that utilize hazardous production facilities", "On compulsory insurance of civil liability of transporters towards passengers", and "On compulsory insurance of civil liability of employers for life and health damage of employees in the performance of functional duties".

If to return to previous events, the business community has opposed the aforementioned

four laws. However, the issue has not been resolved. The participants of the meeting decided to write an appeal to the Office of the Government and the State Financial Police on behalf of several business associations, demanding the revision of proposed amendments. IBC did not get involved in the appeal due to the necessity of examining IBC members' comments on the mentioned laws. The organization has sent corresponding questions to its members.