



USAID | **KYRGYZ REPUBLIC**
FROM THE AMERICAN PEOPLE

USAID REFORMA Project Year Three, Third Quarterly Report

Second Quarter 2014

July 10, 2014

This publication was produced for review by the United States Agency for International Development. It was prepared for the USAID REFORMA Project, task order number AID-176-TO-11-00004 implemented by Deloitte Consulting, LLP

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USAID REFORMA PROJECT
CONTRACT NUMBER: AID-176-I-11-00008
TASK ORDER NUMBER: AID-176-TO-11-00004

DELOITTE CONSULTING, LLP

July 10, 2014

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Table of Contents

1. SUMMARY OF ACTIVITIES AND CHALLENGES	4
NEW PROJECTS LAUNCHED IN THE SECOND QUARTER OF 2014.....	4
ONGOING PROJECTS THROUGHOUT THE SECOND QUARTER OF 2014	6
PROJECTS COMPLETED OR NEAR-COMPLETED IN THE SECOND QUARTER OF 2014	8
PROJECTS TO BE LAUNCHED IN THE THIRD QUARTER OF 2014.....	9
2. MEDIUM- AND LONG-TERM DEVELOPMENT STRATEGY FOR THE MINERAL RESOURCES SECTOR.....	9
3. HUMAN AND INSTITUTIONAL CAPACITY DEVELOPMENT (HICD) AT THE STATE AGENCY FOR GEOLOGY AND MINERAL RESOURCES.....	10
AGENCY WEBSITE DEVELOPMENT	10
GEOLOGICAL DATA BASE SYSTEM DEVELOPMENT	10
OPTIMIZATION OF THE REPORTING PROCESS FOR PRIVATE SECTOR MINING EXPLORATION AND DEVELOPMENT	11
PARTICIPATION IN MINEX INTERNATIONAL MINING INDUSTRIAL FORUM IN ASTANA	11
GEOLOGY AGENCY STUDY TOUR TO TURKEY	12
COMMODITY PROCUREMENTS FOR THE STATE AGENCY FOR GEOLOGY	12
4. IMPROVING THE LEGAL AND REGULATORY ENVIRONMENT FOR BUSINESS AND INVESTMENT	12
OPTIMIZING AND STREAMLINING BUSINESS LICENSES AND PERMITS	13
REVIEWING THE LEGAL AND REGULATORY FRAMEWORK AND ITS IMPLEMENTATION FOR CONDUCTING ECOLOGICAL AND TECHNICAL SAFETY INSPECTIONS.....	14
BUILDING HUMAN AND INSTITUTIONAL CAPACITY DEVELOPMENT (HICD) IN THE MINISTRY OF ECONOMY (MoE).....	14
5. IMPROVING THE BUSINESS ENVIRONMENT FOR TOURISM	15
BUILDING CAPACITY OF THE TOURISM DEPARTMENT OF THE MINISTRY OF CULTURE, INFORMATION AND TOURISM THROUGH HICD	15
6. IMPLEMENTING VAT ADMINISTRATION REFORM	16
7. INTRODUCING THE UNIVERSAL TAX DECLARATION REGIME AND TAX AMNESTY PROGRAM.....	17
8. BUILDING HUMAN AND INSTITUTIONAL CAPACITY DEVELOPMENT (HICD) IN THE CHAMBER OF COMMERCE AND INDUSTRY OF THE KYRGYZ REPUBLIC (CCI)	18
9. REFORMA GRANTS ACTIVITIES	20
SECRETARIAT OF THE BUSINESS DEVELOPMENT AND INVESTMENT COUNCIL.....	20
ASSOCIATION OF CIVIL AVIATION ENTERPRISES.....	21
INTERNATIONAL BUSINESS COUNCIL	24
SMALLER GRANTS	25

10. SUBCONTRACTING AND GRANT PIPELINE, PERFORMANCE AND RESULTS.....28

11. PRIMARY EVENTS CONDUCTED DURING THE SECOND QUARTER OF 201434

12. DELIVERABLES AND REPORTS PRODUCED DURING THE SECOND QUARTER OF 2014 ..36

1. Summary of Activities and Challenges

The following table lists REFORMA's major activities and their status as of the end of the First Quarter:

Second Quarter 2014 Status Summary of REFORMA's Project Activities	
New Projects Launched in the Second Quarter of 2014	<ol style="list-style-type: none"> 1. Implementation Phase for Improving the Legal, Regulatory and Administrative Processes in Technical Inspections 2. Informational Campaign for Introducing the Mining Development Strategy 3. Data Entry for the Geology Agency Licensing Data Base 4. Phase 2 of the Tax Declaration Awareness Survey for M&E Reporting 5. Small Grants Issued in Q2 6. IBC Grant to Build Capacity in Public Economic Education in the Kyrgyz Language
Ongoing Projects throughout the Second Quarter of 2014	<ol style="list-style-type: none"> 7. Implementation Phase for Improving VAT Administrative Processes 8. HICD Assistance to the Ministry of Economy – Institutionalization of the Strategic Planning Process 9. HICD Assistance to the State Geology Agency – Licensing Data Base Development 10. HICD Assistance to the State Agency for Geology – Optimization of the Reporting Process for Private Sector Mining Exploration and Development 11. Commodity Procurements for the MoE and the State Agency for Geology 12. Civil Aviation Grant 13. Investment Council Grant
Projects Completed or Near-Completed in the Second Quarter of 2014	<ol style="list-style-type: none"> 14. Drafting of Supporting Regulations for the Licensing Law 15. HICD Assistance to the Tourism Department in Optimizing Core Processes, Generating Annual Reports and Creating a Three-Year Action Plan 16. Public Outreach and Awareness for Introducing the Universal Tax Declaration Regime 17. HICD Assessment at the Chamber of Commerce and Industry 18. Study Tour for the State Geology Agency
Projects to be Launched in the Third Quarter of 2014	<ol style="list-style-type: none"> 19. Finalized the Fifth Issue of REFORMA's Project Newsletter

New Projects Launched in the Second Quarter of 2014

1. **Implementation Phase for Improving the Legal, Regulatory and Administrative Processes in Technical Inspections.** During the second quarter, REFORMA awarded a follow-on contract to EcoPartner to assist the Ministry of Economy (MoE) to support passage of proposed amendments to legislation and regulations identified in the first part of the project, drafting implementing regulations, and drafting checklists employed in the inspections process to reflect the law. To address the absence of a prescribed methodology for conducting environmental and technical safety inspections, EcoPartner is drafting a standardized methodology and a methodology for taking samples for compliance testing. REFORMA will sponsor a presentation of these methodologies and checklists to businesses and Government entities in September, prior to the end of the project.
2. **Informational Campaign for Introducing the Mining Development Strategy.** In June, REFORMA contracted with Kalikova & Associates to conduct public awareness seminars on recommendations for mining policy reforms reflected in the draft Mining Development Strategy. The law firm will engage members of the Strategy development consortium to participate in the seminars that will take place in July in each of the Kyrgyz Republic oblasts. With participation from MoE and other government officials, Kalikova and the Mining Strategy team will conduct a series of 6 seminars in each oblast to include participants from local self-governments, deputies of

local councils, mining companies, community representatives, and journalists on mining issues. The team will also design and print an informational brochure on the Strategy and posters for regional distribution, develop a video clip with animated infographics (diagrams, charts), and engage key members to publish articles that inform the public about the Strategy.

3. **Data Entry for the Geology Agency Licensing Data Base.** To finalize the data base management system that REFORMA subcontractor, TimelySoft, has been developing for the Geology Agency, REFORMA has subcontracted the Education and Career Development Fund to provide assistance to the Licensing Department in scanning and data entry for licensing files (1,117 files, or 128,280 pages in total) and uploading documents to the database in pdf format. This project will ensure REFORMA's delivery of a fully functional licensing module to the Agency by the end of the project. The system will enable storage of licensing data and documents and generate reports on licensees according to parameters for reporting purposes, such as reports on existing licenses, annulled licenses, applications for licenses, licenses by oblasts, licenses by type of minerals, and other functionalities.
4. **Phase 2 of the Tax Declaration Awareness Survey for M&E Reporting.** In May, REFORMA awarded the second phase of the tax declaration awareness survey to Rich Research, which had previously conducted the baseline survey in the summer of 2013 under the name, TATConsulting. During June and July, Rich Research will conduct nationwide polling and focus groups to measure the change in the level of public awareness about tax declaration issues. Rich Research is expected to complete its field research of 1,200 individuals and 10 focus groups across the country by the end of July. REFORMA will report the results of the tax declaration public awareness campaign to USAID prior to the end of the Project as part of the monitoring and evaluation plan.
5. **Small Grants Issued in the Second Quarter of 2014.** Since REFORMA's Grants Program launch, REFORMA has received 30 applications for the smaller grants program. In the second quarter, USAID approved 6 small grants to the following grantees: (1) Union of Kyrgyz Banks, to conduct the Bishkek International Financial Forum (BIFF) on May 15; (2) Promotank, to broadcast a news analysis show aired twice weekly in Russian and Kyrgyz over an 8-week period; (3) Chamber of Tax Consultants, to offer training to State Tax Service (STS) officials on the Tax Code, legal issues and financial accounting; (4) Bishkek Business Club, to undertake a study on the legal and operational framework of Free Economic Zones (FEZs); (5) CSR Central Asia, to determine the level of awareness of business associations on corporate social responsibility and training them to promote CSR to members; and (6) Kalikova & Associates, to develop a legal framework for the rapid liquidation of registered businesses.
6. **Issuance of a Large Grant to the International Business Council (IBC).** The Kyrgyz population needs to better understand how to separate fact from fiction, as do the media that supports the dissemination of economic news. The lack of analytical capacity has made the Kyrgyz-language media susceptible to manipulation by various interests who disseminate misleading information. In order to address this issue, USAID approved the issuance of a large grant to the IBC to convey a more balanced and constructive view of economic development to the Kyrgyz-speaking population. With this grant, the project seeks to build a more constructive dialogue with the Kyrgyz-speaking population, primarily in rural areas and remote regions, and with the Kyrgyz-language media. It will do so by holding a series of events, including: (1) press cafes; (2) business lunches; (3) public lectures; and (4) training on economic journalism for Kyrgyz-language mass media. To promote greater lasting impact, IBC also seeks to translate its website into the Kyrgyz language, produce its Investment Now magazine in Kyrgyz, update and publish an economic journalism handbook in Kyrgyz, and issue press releases translated into Kyrgyz to better communicate with the Kyrgyz-speaking media and the population.

Ongoing Projects throughout the Second Quarter of 2014

7. **Implementation Phase to Improve VAT Administrative Processes.** MF Consulting has completed drafting of amendments to the Tax Code to support implementation of key reforms in VAT administration, including: (1) eliminating the use of high-security invoice forms and replacing them with a system for generating unique electronic serial numbers; (2) simplifying VAT crediting and refunding procedures for conscientious taxpayers who meet established criteria; (3) tightening voluntary VAT registration procedures by conducting thorough due diligence prior to registration; and (4) reducing the period for which distributed invoice numbers are valid following the failure of taxpayers to file monthly VAT reports. MF Consulting has also drafted a VAT Administration Procedures Manual to standardize administrative practices. MF Consulting will present final recommendations and amendments to the business community and to government officials in July. In the meantime, REFORMA has hired two IT specialists to build the capacity of the STS's IT system to generate the unique invoice numbers essential to eliminate the burden on business of submitting high-security invoice forms.
8. **HICD Assistance to the Ministry of Economy (MoE) – Institutionalization of the Strategic Planning Process.** During the quarter, the Institute of Humanitarian Design held five (5) workshops for MoE middle management and MoE staff on strategic planning, program-based budgeting, monitoring and evaluation and HR management. The training and consultations resulted in preparation of the Ministry's Work Plan for 2014, which was approved and came into force as the main document guiding the MoE activities in 2014. Following this, the Institute continued training and consulting the staff on writing the Midterm 2014-2017 Strategy, aligned with the country's Sustainable Development Strategy. The strategy was presented to the State Secretary for review and will be discussed with the Minister in early July. The Institute also drafted a Monitoring and Evaluation Guide for the MoE Departments, and its HR consultant developed and delivered a training program on HR Management, assessed the current HR management processes and helped the MoE's Internal Development Unit to create a Human Resource Development Strategy and Action Plan. IT experts assessed the IT infrastructure and HR related-processes and developed a scope of work for creating an automated HR management system. In the third quarter, the Institute will finalize outstanding work at the Ministry in strategic planning, program-based budgeting, the HR strategy, and monitoring and evaluation.
9. **HICD Assistance to the State Geology Agency – Licensing Data Base Development.** During the past quarter, TimelySoft has been working with Agency staff to finalize the development of the comprehensive data base management system and test all functional modules that will ultimately assist the Agency in managing the development of the mineral resources sector. On May 29 and 30, Timelysoft organized separate working meetings with all staff of the Licensing Department and Information Resource Department, which helped Timelysoft to make modifications to the Licensing Module and the State Reserves Balance Module. Timelysoft programmers have automatized the 5GR reporting template for ore and non-ore reserve balances and have been closely working with Agency staff to ensure all necessary improvements. Agency staff became more involved in system development and finalization by reporting corrections to the data base on a daily basis through a help desk application developed by Timelysoft. The data base system will be transferred to the new server provided by REFORMA, and the Education and Career Development Fund will help the Licensing Department finalize scanning and entering data for licensing files to enable the system to be functional by the end of the REFORMA Project.
10. **HICD Assistance to the State Agency for Geology – Optimization of the Reporting Process for Private Sector Mining Exploration and Development.** During the quarter, REFORMA's local subcontractor consortium, Experts of Central Asia (ECA) and Ken-Too, reviewed all reporting requirements currently in use at the Agency and the existing annual reporting standards. Following this, the ECA team: (1) Developed and revised a total of 15 instructions and 15 forms for reporting; (2) Drafted instructions on the type of reporting requirements that are mandatory for different groups of mining companies, based on the above instructions and forms; (3) Drafted a

Government Resolution on optimization of the reporting process for subsoil users and adoption of forms and instructions; and (4) Drafted a list of suggested changes and recommendations to all existing legal acts on subsoil use to reflect the necessary reporting requirements. In order to ensure greater involvement, feedback and input by larger mining companies, ECA presented the draft reporting forms and instructions to a meeting of the IBC Mineral Resources Committee (MRC) as well as to seven smaller mining companies involved in non-ore extractions at the Agency. In the next quarter, ECA will finalize the full package of reporting forms and instructions and organize a round table with business representatives to present changes to the reporting process for mining companies.

11. **Commodity Procurements for the Ministry of Economy (MoE), the State Agency for Geology and the Tourism Department.** By the end of the quarter, REFORMA had taken delivery of nearly all computer equipment and will present the equipment to counterparts at transfer act signing ceremonies in July. Deloitte is currently preparing documentation for the Contracting Officer to formalize the final transfer of all equipment to counterparts.
12. **Launch of the Grant to Improve Air Safety and Support Implementation of the Civil Aviation Agency's Corrective Action Plan.** The grant supporting work with the Civil Aviation Agency (CAA) got well underway during the second quarter. Integra consultants undertook two missions to the Kyrgyz Republic, in April and June, and worked with Kalikova & Associates to determine how best to proceed with adapting Kyrgyz legislation to ICAO requirements. Initially, they planned to draft amendments to the existing Air Code, but upon further review, it was determined that drafting a new Code would be more expedient in ensuring that all international practices in civil aviation safety and management be reflected in Kyrgyz law. USAID subsequently approved this change in scope. Integra consultants made several presentations to Kyrgyz stakeholders on the structure and key provisions of the draft of the new Air Code and proposed a new CAA organizational structure, and a quasi self-financing mechanism. Also during this period, the project undertook the two planned study tours to Jordan and Latvia and presented the state of civil aviation in Kyrgyzstan to US FAA official Elie Nasr. In July, the proposed training of more than 100 CAA inspectors and other stakeholders will take place, and Kalikova & Associates will adapt recommendations to national legislation with the participation of a recently named Working Group of eight civil aviation stakeholders. In the meantime, the CAA is attempting to postpone the ICAO Validation Mission scheduled in August for one year to enable the CAA to implement a far larger portion of the Corrective Action Plan. Currently, it is unknown whether ICAO will agree to this postponement.
13. **Launch of the Grant to Implement a Strategy and Action Plan for Sustainability of the Secretariat of the Business Development and Investment Council.** During the second quarter, the Business Development and Investment Council introduced its first official public-private dialogue (PPD) meetings in Osh and Naryn to enable regional enterprises to voice their constraints in doing business to oblast administration officials, led in both cities by the oblast Governor. The first Regional Investment Council in Osh took place on June 3, at which representatives from the private sector expressed concerns related to land taxes in Osh City, producer sales taxes, pension insurance for farmers and individual entrepreneurs, and access to finance for regional SMEs to Osh Deputy Governor Ahmadjan Mahammadov and other officials. Similarly, the Regional Investment Council meeting in Naryn took place on June 17, at which 15 representatives of business community collectively presented issues relating to the free economic zone (FEZ) in Naryn, plans to develop a logistics center supporting the FEZ, and tourism development issues, to Naryn Oblast Governor Amanbai Kaiypov and other representatives from local and national government. The Secretariat also offered its first training courses to business and industry associations on advocacy and regulatory impact assessments.

Projects Completed or Near-Completed in the Second Quarter of 2014

- 14. Drafting of Supporting Regulations for the Licensing Law.** In January, REFORMA awarded a contract to the Union of Entrepreneurs to implement the Law on Inspections by supporting the drafting of four subordinate regulations. During the first quarter, the Union conducted 104 focus groups with more than 700 members of the business community and interviews with 111 officials from the 23 Government organizations responsible for issuing licenses and permits that are subject to the new law. By the end of the first quarter, the Union drafted the primary of the required regulations, "On Licensing Certain Types of Activities." During the second quarter, the team defined the terms and the sequence of actions and procedures in the implementation of regulatory control functions by licensing bodies. They created the rules that regulators must follow in creating and maintaining registrations of license-holders. Finally, they described the risk assessment methodology that warrants why these business activities must be licensed to protect the health and welfare of citizens, the environment, and competitive markets. On May 13, the Union had submitted all draft regulations to the MoE for its review and circulation throughout the ministries, and a regulatory impact assessment covering the regulations. Currently, the Union is working with the MoE in conducting discussions of the content of the regulations with the Government. The need to have these regulations put in place leads the MoE to expect that the Government will approve the drafts for implementation in September.
- 15. HICD Assistance to the Tourism Department in Optimizing Core Processes, Generating Annual Reports, and Creating a Three-Year Action Plan.** Most of the HICD implementation activities identified to build capacity of the Tourism Department had been completed during the first quarter. The exception was the Action Plan, for which REFORMA hired a short-term tourism specialist to compile a work plan for the Department from the several existing development strategies. During the second quarter, the REFORMA team completed the plan, which identified implementation activities, responsible parties, the implementation period, and measurable indicators for achieving the goals outlined in national development strategies. In addition, REFORMA sponsored a presentation of the 2013 Tourism Report on May 27, at which Deputy Minister of Culture, Information and Tourism Maksat Chakiev presented 2013 performance results to members of the private sector and the Government. Mr. Chakiev also presented the first promotional video for tourism and demonstrated his vision for the tourism portal that the Department is trying to create in conjunction with other Ministries. USAID was represented by Acting Deputy Mission Director Kevin Dean at the meeting. REFORMA has completed its technical assistance in tourism.
- 16. Public Outreach and Awareness for Introducing the Universal Tax Declaration Regime.** Although the tax declaration campaign was expected to end on March 31, it was subsequently extended until June 30 since the Government also extended the deadline for both tax amnesty and individual tax filing. The primary reason for the extension was that the Government had not yet approved the new tax declaration forms by March 31. Consequently, REFORMA continued to fund the Chamber of Tax Consultants (CTC) to undertake a media campaign through June 30 using allocated but unused funds for media and print purchases. On May 16, the CTC conducted a public presentation of the electronic tax declaration forms to the business community, developed by Devvx.Pro. REFORMA also sponsored the CTC to deliver a one-day course for 200 STS staff throughout all regions of the Kyrgyz Republic on how to complete the new tax declaration forms. REFORMA will receive the final report from the CTC following the completion of the STS training courses in July.
- 17. HICD Assessment at the Chamber of Commerce and Industry (CCI).** REFORMA presented its Final Report on Findings and Recommendations to CCI management on April 9 and to USAID on April 15. The presentation communicated primary findings and numerous short-term, mid-term and long-term recommendations. REFORMA then worked with the CCI to determine which activities to recommend for support during the implementation phase of the project. This support was to take place from June through the end of the project under a grant that REFORMA had

planned to award to the CCI. USAID, however, declined to support proposed activities because it viewed the remaining period of REFORMA performance as insufficient to address shortcomings in CCI governance, transparency and member engagement. Nevertheless, REFORMA and the CCI jointly sponsored a two-day training course on June 5-6 to 10 business associations to build their capacity to undertake client satisfaction surveys. To practice the application of survey techniques, the associations collectively selected an actual issue for which each surveyed its own member base. The results were presented at the Business Development and Investment Council meeting on June 27. The instructor of the training also provided a follow-on one-day course to CCI staff on June 25 that focused on membership recruitment and retention, effective communication with members and client orientation.

18. Geology Agency Study Tour to Institutional Counterparts in Turkey. Under the Agency's HICD program, REFORMA conducted a study tour from May 4-11, 2014, to Ankara, Turkey, for Kyrgyz mining officials. The study tour exposed Geology Agency staff to the structure of key institutional players in regulating Turkey's mineral resources sector and introduced participants to the following topics: functions and communications processes of Turkish institutions within the mineral resources sector, communications with stakeholders including investors and local communities, mining management and regulation, issuing exploration and mining licenses, the role of IT in mining regulation, the obligations of license holders and their business activities, procurement operations in mining licensing, and questions related to environmental management, among other objectives. The State Geology staff met with counterparts at the Ministry of Energy and Natural Resources, the General Directorate of Mining Affairs, and other relevant institutional players. The study tour also provided practical observation of the work of the departments within key Turkish institutions. In addition to government meetings, participants visited the Kyshladag gold deposit, an open pit excavation of marble, and several gypsum and marble production plants.

Projects to be Launched in the Third Quarter of 2014

19. Launch of the Fifth and Sixth Issues of REFORMA's Newsletter. In July, REFORMA will release its fifth newsletter issue for electronic and hard copy distribution to nearly 500 Government counterparts, private sector and NGO partners, and international donor organizations throughout the Kyrgyz Republic. REFORMA will issue a sixth edition at the end of the project.

2. Medium- and Long-Term Development Strategy for the Mineral Resources Sector

REFORMA Activities in Q2 2014

On March 31, the REFORMA team submitted to the MoE the final version of the Development Strategy with a comprehensive Action Plan for implementation. Since then, the Ministry reviewed the documentation and has been circulating the draft to relevant ministries and agencies for comment. During the quarter, the MoE also asked REFORMA to provide assistance in creating and implementing a Public Outreach Action Plan to disseminate information about the Strategy, including the conduct of media training courses and press cafes. At the end of the quarter, REFORMA issued a subcontract to Kalikova & Associates, one of the key members of the Mining Strategy team, to undertake a series of public information activities to promote awareness of the Mining Strategy.

Planned REFORMA Activities for Q3 2014

During the third quarter, Kalikova & Associates will implement elements of the Action Plan supported by REFORMA. From July 10-24, Kalikova and the Mining Strategy team, with participation of the government, will conduct a series of 6 seminars in every oblast across the country to include participants from local self-governments, deputies of local councils, mining companies, community representatives, and journalists on mining issues. The team will also design and print an informational brochure on the Strategy and posters for regional distribution. The team will also develop a video clip with animated infographics (diagrams, charts) and engage key members to publish articles that inform the public about the Strategy.

3. Human and Institutional Capacity Development (HICD) at the State Agency for Geology and Mineral Resources

Following the completion of REFORMA's HICD Performance Assessment of the State Geology Agency in the first quarter of 2013, REFORMA selected the following three key solutions for the implementation phase of the project: (1) Development of a modern web site, available in three languages, that communicates development policies, promotes public transparency, and serves as a repository for critical documents to be used in auctions and competitive tenders of mining exploration rights; (2) Development of a comprehensive data base, as a central and definitive repository for information on mining licenses and geological information, to be expanded in the future to include a mining cadaster; and (3) Development of a system of standard report templates and reporting processes for the required periodic reports of private sector exploration and mining activities. REFORMA has continued to support these activities during the second quarter.

Agency Website Development

REFORMA Activities in Q2 2014

REFORMA's IT consultant, Valentina Gaidamako, finalized the Interactive Map, which illustrates the location of all explored mineral deposits and other information of interest to investors and other stakeholders. This map may be viewed at:

http://www.geology.kg/index.php?option=com_xmap&view=html&id=1&Itemid=117&lang=ru.

The map provides information on the year of mineral discovery, estimated volume of ore, the status of mineral exploration rights, and other information. The final version of the map was presented to the Agency top and middle management on June 9.

Yaros continued to provide maintenance to the Agency website during the quarter. In addition, Yaros developed a separate functionality on the website that will enable electronic submission of the reports by subsoil users. This project was supported by Data Base Project Manager, Feliks Shapiro,

Planned REFORMA Activities for Q3 2014

In the upcoming quarter, Ms. Gaidamako will install the Interactive map of deposits on the Agency's new server, recently purchased by REFORMA, and provide the source code to Agency staff. Parallel to this, Ms. Gaidamako will provide training to three representatives of the Geology Agency from the Licensing Department, Information Resource Department and Geology Department on how to administer and update the Interactive Map and prepare instructions for usage. Yaros will continue to provide technical support to Agency staff, including correcting any potential problems that may arise, monitoring the technical quality of the uploaded information, and ensuring the interaction and synchronization of data between the website and the geological data base developed by TimelySoft.

Geological Data Base System Development

REFORMA Activities in Q2 2014

During the past quarter, TimelySoft has been working with Agency staff to finalize the development of the comprehensive data base management system and test all functional modules that will assist the Agency in managing the development of the mineral resources sector. On May 29 and 30, TimelySoft organized separate working meetings with all staff of the Licensing Department and Information Resource Department, which helped TimelySoft to make additional modifications to the Licensing Module and the State Reserves Balance Module. TimelySoft programmers have automatized the 5GR reporting template for ore and non-ore reserve balances and have been closely working with Agency staff to ensure all necessary improvements. Agency staff became more involved in system development and finalization by reporting corrections to the data base on a daily basis through a help desk application developed by TimelySoft.

Planned REFORMA Activities for Q3 2014

TimelySoft will support the Geology Agency in installing the data base on the Agency's new server, and will continue maintenance and testing of the data base throughout the end of REFORMA project. TimelySoft will make a presentation of the data base to all staff at Geology Agency and will submit the interactive manual that will serve as data base training material for all current staff and new hires. TimelySoft will also provide data base source codes to the Agency designated staff in charge of further administration of the data base.

To finalize the data base management system, REFORMA has subcontracted Education and Career Development Fund to provide assistance to the Licensing Department in scanning and data entry for licensing files (1,117 files, or 128,280 pages in total) and uploading documents to the database in pdf format. This project will ensure REFORMA's delivery of a fully functional licensing module to the Agency by the end of the project. It will enable storage of licensing data and documents and generate reports on licensees according to parameters for reporting purposes, such as reports on existing licenses, annulled licenses, applications for licenses, licenses by oblasts, licenses by type of minerals, and other functionalities.

Optimization of the Reporting Process for Private Sector Mining Exploration and Development

REFORMA Activities in Q2 2014

During this quarter, REFORMA's local subcontractor consortium, Experts of Central Asia (ECA) and Ken-Too, reviewed all reporting requirements currently in use at the Agency and the existing annual reporting standards. Following this, the ECA team: (1) Developed and revised a total of 15 instructions and 15 forms for reporting; (2) Drafted instructions on the type of reporting requirements that are mandatory for different groups of mining companies, based on the above instructions and forms; (3) Drafted a Government Resolution on optimization of the reporting process for subsoil users and adoption of forms and instructions; and (4) Drafted a list of suggested changes to all existing legal acts on subsoil use to reflect the necessary reporting requirements. In order to ensure greater involvement, feedback and input by larger mining companies, ECA presented the draft reporting forms and instructions during the May 7 meeting of the IBC Mineral Resources Committee (MRC). On May 8, ECA also presented draft reporting forms and instructions to seven smaller mining companies involved in non-ore extractions at the Agency.

ECA experts, along with Agency website developers, also enabled the submission of electronic reports through the Agency's website. Companies will be able to submit reports in electronic format once the Agency accepts and introduces all necessary changes on reporting to its legal provisions and regulations, which were developed under the project. On June 9, ECA presented the draft instructions and forms to Agency top management and Department Heads, during which the Agency accepted the instructions and requested additional improvement to the forms.

Planned REFORMA Activities for Q3 2014

In the upcoming quarter, ECA will finalize the full package of reporting forms and instructions, including legal analysis and resolutions for changes of the reporting process. Once approved, the templates will be uploaded on the Agency website and synchronized with the data base that is currently being finalized by REFORMA. Also, ECA will organize a round table with business representatives to presents changes to the reporting process for mining companies that are required by law to submit annual, semiannual and geological reports to the Agency.

Participation in MINEX International Mining Industrial Forum in Astana

REFORMA Activities in Q2 2014

REFORMA supported participation of the Deputy Director of the State Geology Agency, Ulanbek Ryskulov, at the Fifth MINEX International Mining Industrial Forum in Astana, Kazakhstan, from March 31-April 3. The purpose of the forum was to stimulate multilateral discussion of regional

perspectives for development of the mineral resources sector. During the Forum, Mr. Ryskulov, presented recent reforms in mining regulation to conference participants, as well as the Agency's view of a long term outlook for mining development of the Kyrgyz Republic.

Geology Agency Study Tour to Turkey

REFORMA Activities for Q2 2014

REFORMA conducted a study tour from May 4-11, 2014, to Ankara, Turkey, for Kyrgyz officials under REFORMA's HICD Program with the State Geology Agency. The study tour exposed Geology Agency staff to the structure of the key institutional players in managing Turkey's mineral resources sector and introduced participants to the following topics: functions and communications processes of the Turkish institutions within the mineral resources sector, communications with stakeholders including investors and local communities, mining management and regulation (issuance of exploration and mining licenses, program software, the obligations of the license holders and their business activities, procurement operations in mining licensing, and questions related to environmental management, among other objectives. The study tour also provided practical observation of the work of the departments within key Turkish institutions.

In addition to government meetings, participants visited the Kyshladag gold deposit, an open pit excavation of marble, and several gypsum and marble production plants. They also learned about how the Turkish government recruits and trains graduates from the Middle East Technical University for careers in government regulation and oversight of the mining industry.

The study tour provided an opportunity to promote future cooperation, exchange of knowledge and mutual support between the Turkish and Kyrgyz mining sectors. Following the study tour, Geology Agency participants delivered a presentation on their impressions of the study tour to senior and middle management and prepared a list of recommendations (such as granting licenses according to "first come first served" principles, procedures for extending licenses, application fees and others) that can be adopted in Kyrgyzstan. All participants positively evaluated what they learned from the study tour, prompting one staff member to conclude, "This is the first time that a delegation of the Geology Agency attended such a structured training that was tailored to the Agency needs."

Commodity Procurements for the State Agency for Geology

Planned REFORMA Activities for Q3 2014

By the end of the quarter, REFORMA received all the equipment ordered on behalf of the State Geology Agency, in the amount of \$41,426. The equipment includes servers, high-speed scanners, A3 printers, supporting software for the data base and antivirus program. During the third quarter, REFORMA will conduct an equipment transfer ceremony with the Agency, perhaps in conjunction with the final demonstration of the data base system, and formally transfer equipment to the Agency.

4. Improving the Legal and Regulatory Environment for Business and Investment

In 2008, the Kyrgyz Republic enacted the Law 'On Optimizing the Normative Legal Base for Regulating Business Activity' to reduce Government regulatory and supervisory interference in the activities of private market functions. Focusing on eliminating unnecessary licensing and permitting requirements, REFORMA provided support to the Government to reduce the number of required licenses and permits and drafted a framework Law 'On the Licensing and Permitting System in the Kyrgyz Republic' to establish overarching principles for government regulation through licensing and permitting. This Law was passed by Parliament and signed by President Atambaev in October 2013. REFORMA then initiated a project for drafting the implementing regulations to the law, which was completed in the second quarter. With the completion of the Law on licensing and permitting, the MoE also wanted to extend the optimization of the legal framework to include those that control the conduct of regulatory inspections. REFORMA agreed to tackle a portion of this task by reviewing

legal loopholes in the conduct of ecology and technical safety inspections, which was completed in the first quarter of 2014. During the quarter, REFORMA designed a scope of work for the implementing phase of this project, which was awarded to EcoPartner.

Optimizing and Streamlining Business Licenses and Permits

REFORMA Activities in Q2 2014

In January, REFORMA awarded a contract to the Union of Entrepreneurs to implement the Law on Inspections by supporting the drafting of four subordinate regulations: (1) the regulation on licensing; (2) the regulation on the methodology for risk assessment; (3) the regulation on the procedures for licensing control; and (4) the regulation on the procedure for maintaining a register of licenses and permits. In the first quarter of 2014, the Union conducted interviews with state regulatory agencies and focus groups of businesses. The Union also began analyzing normative legal acts within the framework of the licensing and permitting system to optimize and rationalize the management of limited public resources and simplify the procedures for issuing licenses and permits.

Based on feedback from conducting 104 focus groups with more than 700 members of the business and interviews with 111 officials from the 23 Government organizations responsible for issuing licenses and permits that are subject to the new law, the Union began to draft all four regulations in order to meet the legal deadline for drafting implementing regulations within 6 months of the adoption of legislation. During the first quarter, the Union drafted the primary of the required regulations, "On Licensing Certain Types of Activities." The Union found, however, inconsistencies, both within the Law and with other legislative acts, and some previously unconsidered issues that required further discussion with the Ministry of Economy. Within the regulation, the Union of Entrepreneurs strived to employ logical, process-oriented methods for modeling administrative procedures.

During the second quarter, the Union analyzed international practices and created a comparative table of existing risk analysis methodologies for introducing regulation or deregulation in other countries. Work related to the regulation on licensing control included evaluation of the current practice of inspections of businesses through the above-referenced interviews and focus groups, a study of international practices, initiation of a Regulatory Impact Analysis, and initial drafting of the regulation. To prepare the fourth regulation on the formation and maintenance of license and permit registers, the Union of Entrepreneurs studied the current practice of maintaining registers by licensors in the Eurasian Customs Union countries, specifically, the licensing legislation of the Russian Federation and the Republic of Kazakhstan, as well as relevant by-laws. The legislation of these countries does not have a framework procedure for the formation of registries; rather, each state body maintains its own registers according to their own internal regulations. However, all registers are maintained in electronic format only. On May 13, the Union had submitted all draft regulations to the MoE for its review and circulation throughout the ministries. The Union of Entrepreneurs also submitted a draft RIA for the regulations.

Planned REFORMA Activities for Q3 2014

The Union is working with the MoE in conducting discussions of the content of the regulations with the Government, and has provided some consultation to state bodies and business organizations on the content of the proposed draft regulations. Should REFORMA determine that it is able to provide additional funding, the Union will continue to provide consultation expertise in the final discussion stage in September. The need for this support is to ensure that potential modifications to the drafts are not subject to substantial changes by Government officials or Parliamentary committees, which REFORMA experienced during the circulation of the draft framework Law on the Licensing and Permitting System. While drafting the four regulations under this project component, it has become clear that modifications made during the discussion phase of the Law has already rendered the need to amend this Law to better ensure the effective implementation of these draft regulations. Unfortunately, REFORMA will likely be unable to draft amendments to the Law to ensure its compatibility to the recommended regulations resulting from this phase of the project.

Reviewing the Legal and Regulatory Framework and its Implementation for Conducting Ecological and Technical Safety Inspections

REFORMA Activities in Q2 2014

In May REFORMA issued a follow-on subcontract to EcoPartner to help the MoE support passage of proposed amendments submitted during the first phase of the project, draft implementing regulations supporting these amendments, and draft regulations to amend checklists employed in the inspections process to reflect the law. EcoPartner is currently undertaking these activities.

Planned REFORMA Activities for Q3 2014

In the third quarter, EcoPartner will implement the scope of work to revise inspection checklists. To address the absence of a prescribed methodology for inspections, EcoPartner will develop a methodology for conducting environmental and technical safety inspections, as well as a methodology for taking samples for compliance testing. Prior to the end of the project, these methodologies will be thoroughly documented into operations manuals. If remaining time permits, REFORMA will sponsor training courses for inspectors on the introduction of changes in the legal and regulatory regime and to businesses to ensure they are aware of their rights throughout the inspections process.

Building Human and Institutional Capacity Development (HICD) in the Ministry of Economy (MoE)

REFORMA Activities in Q2 2014

The MoE has been one of REFORMA's key HICD partners. The two areas of focus for capacity development have been Strategic Planning and Public Relations/Communications. In February, REFORMA launched a new project to provide support in strategic planning to the newly created Internal Development Unit, reporting to the State Secretary, which is responsible for internal strategic planning documents, analyzing the efficiency of all departments and developing recommendations for further improvement, and optimizing business processes in the MoE. In addition, the unit was assigned responsibility for implementing a program-based budgeting process, creating an effective HR management system, and performing monitoring and evaluation of the Ministry's performance relative to strategic targets identified in the Strategic Plan. REFORMA is also supporting the Strategic Planning Department, responsible for monitoring the implementation of Government-wide strategic initiatives, including the National Sustainable Development Strategy for 2013-2017. REFORMA selected the Institute of Humanitarian Design (Capacity Development) to develop and deliver strategic planning and budgeting training programs for the relevant departments, provide consulting services in drafting MoE strategic documents, plans and program-based budgets, and develop an HR management strategy.

During the quarter, the Institute of Humanitarian Design held five (5) workshops for MoE middle management and MoE staff on strategic planning, program-based budgeting, monitoring and evaluation and HR management. Individual meetings and consultations were held with every department to guide them in writing their parts of the strategy, strategic plan and preparation of the program-based budgets. The training and consultations resulted in preparation of the Ministry's Work Plan for 2014, which was presented at the MoE Extended Board Meeting held in April with the participation of the PM's Office, management of the line ministries and agencies and the MoE senior and middle management. The proposed Work Plan was approved at the Board meeting and came into force as the main document guiding the Ministry's activities in 2014.

Following the adoption of the Work Plan and further developing the MoE staff's skills, the Institute continued with training and assisting the staff on writing the Midterm 2014-2017 Strategy, aligned with the country's Sustainable Development Strategy. On April 25, the Institute had a round table discussion with the Heads of Departments to develop a conceptual vision of the MoE's Strategy. Once completed, all departments proceeded with drafting their sections of the MoE Strategy. The MoE staff underwent another training course on monitoring and evaluation and was trained on correct formulation of the objectives, tasks and setting performance indicators to monitor and evaluate the

results of their work. The strategy was presented to the State Secretary for review and will be discussed with the Minister in July. The Institute also drafted a Monitoring and Evaluation Guide for the MoE Departments, and it was determined that the Ministry needs an automated M&E process.

In addition, the Institute's HR consultant developed a training program on HR Management in the Public Sector, delivered the training for the MoE middle management, assessed the current HR management processes at the Ministry, and reviewed HR-related legal acts currently in force. Based on results of the assessment, she helped the MoE's Internal Development Unit to create a Human Resource Development Strategy and Action Plan. In addition, IT experts assessed the current IT infrastructure and HR related-processes and developed a scope of work for creating an automated HR management system. Using this scope of work, the MoE will approach donor organizations to find funding for the development of an automated HR management system.

In addition, the MoE's PR Unit developed the second edition of its newsletter, dedicated to issues in attracting investment to Kyrgyzstan. The newsletter was released in April in both Russian and Kyrgyz and was sent electronically and in paper version throughout the republic. REFORMA procured computer equipment and software for key counterpart departments in the MoE, particularly the Entrepreneurship Policy Department, the Internal Development Unit, and the PR Unit and is planning to deliver the \$48,166 equipment in early July.

Planned REFORMA Activities for Q3 2014

In July, the MoE Department Heads will present the Midterm 2014-2017 Strategy of the MoE to the Minister and also at the MoE Board Meeting, scheduled for July. The team will finalize the Manual on Program-Based Budget Preparation, conduct a series of discussions on the Manual with the staff of relevant departments, and deliver training on Program-Based Budgeting. It will also finalize the HR development strategy and present it to the MoE State Secretary. A Monitoring and Evaluation (M&E) Guide will be finalized and the decision was made to help the MoE to develop an automated M&E systems to monitor the performance of MoE departments and report to leadership on implementation of the Work Plan and the Strategy. The Institute will divert some funding previously designated to conduct an offsite meeting to develop the automated M&E system.

5. Improving the Business Environment for Tourism

Building Capacity of the Tourism Department of the Ministry of Culture, Information and Tourism through HICD

As a result of the REFORMA Project's HICD Performance Assessment of the Tourism Department, REFORMA selected to support the following three activities: (1) Developing a methodology for generating the Annual Report of the Tourism Department to the Kyrgyz Government; (2) Reengineering core working processes to improve the efficiency of the Department; and (3) Preparing a detailed Three-Year Action Plan for the Tourism Department that is linked to existing development strategies of the Government. Based on Signum Consulting's performance in undertaking the Assessment, in December 2013, REFORMA awarded a sole-source contract to Signum for two key members of the assessment team to undertake these relatively small activities.

REFORMA Activities in Q2 2014

REFORMA and its implementing partner Signum.kg continued the implementation phase of the HICD Project at the Tourism Department. The Signum.kg experts guided and supported department staff in developing its Annual Report for 2013. The report was prepared in a more structured format than before with a substantial analytical section comparing performance to prior years. The report preparation process has been institutionalized at the department through development of a relevant internal regulation that includes a process map for reference.

All other core processes to be optimized during this phase of the project has been completed, supported by process models indicating clear phases for each process, process results and performance indicators. The four processes are: (1) planning; (2) reporting; (3) activity and program implementation; and (4) document flow and archiving. Signum.kg has also developed all necessary instruments (formats and templates) for process implementation and supported the creation of internal regulations, taking into consideration other cross-cutting regulations and procedures. Throughout this activity, Signum.kg continued coaching department staff on process-based management.

To complete the third activity, REFORMA recruited a short-term specialist in the tourism sector to help the Department to draft the Three-Year Tourism Department Action Plan listing implementation activities, responsible parties, implementation period, and measurable indicators for achieving the goals outlined in: (1) the National Sustainable Development Strategy of the Kyrgyz Republic for 2013-2017; (2) the Government Program on Transition to Sustainable Development; (3) and the National Export Promotion Program. The consultant has provided on-the-job training to department staff on Action Plan preparation in line with the relevant Government regulations. The consultant began work in April and finalized the Action Plan based on the consultations with both private and public sector stakeholders. Currently, the Action Plan is under review of Deputy Minister Chakiev, following which it will be sent to the relevant ministries/agencies and submitted to the Government.

REFORMA recently completed the procurement processes of computer hardware and software to improve the Department's daily operations. The equipment will be transferred to the Tourism Department in a transfer ceremony scheduled for July 9. The estimated cost of this equipment is \$13,890.

At the request of the Tourism Department, REFORMA agreed to re-print 3,000 copies of a Kyrgyz tourism booklet, with information and photo updates, in English and Russian so that staff and other Government officials have something to distribute when they attend international conferences and events. 2000 copies in English and 1000 copies in Russian will be presented over to the Tourism Department in early July.

Planned REFORMA Activities for Q3 2014

REFORMA's work with the Tourism Department is essentially completed. Remaining activities include the equipment transfer ceremony, which will include the award of certificates to staff and other participants for training completion and for those identified as HICD 'champions', delivery of the tourism booklets, and final follow-up on the progress in adopting the Action Plan;

6. Implementing VAT Administration Reform

As part of REFORMA's assistance to improve the environment for tax reform, REFORMA hired MF Consulting in September to conduct a study to document all VAT business processes within the STS, create a manual of all required processes for tax inspectors (which has never been previously compiled), quantify compliance burdens placed on businesses, and make recommendations for strengthening existing business processes specifically to reduce identified compliance burdens. The study revealed several administrative processes that affect the ability of the STS to efficiently and effectively manage implementation of the VAT regime. Some of the specific problems identified were: (1) the mandatory use of paper-based, security invoices in the STS's attempt to curtail fraud; (2) excessive documentation required for the submission of monthly VAT reports; (3) widespread rejection of legitimate VAT credits; and (4) failure to remit VAT refunds to exporters.

REFORMA Activities in Q2 2014

The State Tax Service, the MoE and the MoF, have been very open to changing VAT registration procedures, simplifying VAT crediting and refunding procedures and phasing out the requirements for paper-based, high security invoices. The key changes to VAT administration agreed with Government stakeholders are the following:

1. Eliminate the use of high-security invoice forms and replace them with a system for generating unique electronic invoice numbers;
2. Simplify the VAT crediting and refunding procedure for conscientious taxpayers who meet fast track criteria;
3. Tighten voluntary VAT registration procedures by conducting thorough due diligence prior to registration;
4. Reducing the period for which distributed invoice numbers are valid following the failure of any taxpayer to file a monthly VAT report.

MF Consulting drafted amendments to the Tax Code to enable implementation of these administrative changes. These amendments will decrease the number of required reports and simplify the procedure for obtaining VAT credits. At the same time, they will significantly reduce the incidence of fraud in the VAT system. These amendments have been reviewed by the Methodological Council for Fiscal Policy, an interagency council of government authorities and are expected to be introduced to Parliament in June to ensure consideration and public discussion of proposed changes. MF Consulting also drafted amendments to the Administrative Offenses Code and the Criminal Code to strengthen criminal liability for phantom businesses that carry out VAT fraud, and drafted the VAT Administration Procedures Manual to standardize all VAT administration practices. Although initially the procedures manual reflect VAT administration practices under current law, MF Consulting also drafted chapters to be inserted when recommended procedural changes set forth in the proposed Tax Code amendments have been accepted into law.

In the second quarter, REFORMA hired two IT specialists to work with the STS's IT team to enable its information system to generate the unique serial numbers designed to replace high security invoices.

Planned REFORMA Activities for Q3 2014

In early July, MF Consulting will conduct two final round tables presenting all recommended changes to VAT administration, one to the accountants of primary VAT payers and the other to key officials from the STS, the Ministries of Economy and Finance, the Financial Police, the Anticorruption Agency, and representatives from the Prime Minister's office. Following this, the Draft Law on Amendments to the Tax Code will go through the process of agreement with Ministries in accordance with established protocol prior to submission to the Government. Once approved, MF Consulting will track the draft law until its adoption by the Parliament. Although MF Consulting's contract included training of tax inspectors on the new administrative procedures, the law may not be passed with sufficient time for REFORMA to conduct this training prior to the end of the REFORMA task order. If this occurs, REFORMA will reallocate these funds to cover other final activities. Nevertheless, the VAT Administrative Manual, currently pending STS review, will be finalized prior to task order-end. In addition, it is expected that the IT consultants hired by REFORMA to adapt the STS's IT system to generate unique electronic invoice numbers will complete this work prior to the end of the project. It is also expected that they will transfer system management capacity to STS IT staff before the REFORMA project is completed.

7. Introducing the Universal Tax Declaration Regime and Tax Amnesty Program

Since early 2013, REFORMA has sponsored a public education campaign on the introduction of a system of universal tax reporting for all Kyrgyz citizens, conducted by REFORMA's implementing partner, the Chamber of Tax Consultants (CTC). For the first half of 2013, the CTC executed a public relations and advertising program through internet and print media across the country. Due to the timing of the tax year, REFORMA began the broadcast media campaign in the fall, focusing on promoting the benefits of tax amnesty since the Law on Tax Amnesty was passed in July. REFORMA selected 5Palstev Animation Studio to produce four animated video commercials and two audio

announcements on tax amnesty, in both Russian and Kyrgyz. These commercials aired throughout November and December 2013. In January, REFORMA's public awareness campaign refocused its message on the uniform declaration requirements for certain categories of taxpayers that was due on March 31, 2014 and the requirements for universal reporting in 2016. As previously contracted, 5Paltsev produced the final four video commercials and three audio announcements on the uniform and universal declaration requirements employing the same animated characters that were introduced in the tax amnesty videos. As part of the public awareness campaign, REFORMA placed four billboards in prominent locations in Bishkek and one in Kara-Suu, Osh Oblast, from February 14 – March 31, 2014.

REFORMA Activities in Q2 2014

Although the tax declaration campaign was expected to end on March 31, it was subsequently extended until June 30 since the Government also extended the deadline for both tax amnesty and individual tax filing. The primary reason for the extension was that the Government had not yet approved the new tax declaration forms by March 31. Consequently, REFORMA continued its media campaign through June 30 using allocated but unused funds for media and print purchases.

After approval of new uniform tax declaration forms, REFORMA executed a follow on contract with iCAP Systems (renamed Devvx.Pro) to develop an electronic tax declaration form for legal entities (prior work was forms for individuals). On May 16, the CTC and Devvx.Pro conducted a public presentation of the electronic tax declaration forms to the business community. Devvx.Pro also assisted the STS IT team with technical maintenance of the developed web page and electronic uniform tax declaration forms, and trained STS IT staff on how the web page operates and how electronic forms were designed. Subsequently, REFORMA also sponsored the CTC to deliver a one-day training course to 200 STS staff throughout all regions of the Kyrgyz Republic to train tax officials on how to complete the new tax declaration forms. The "Questions and Answers on the Uniform Tax Declaration" booklet was also distributed through these training courses

In May, REFORMA also awarded the second phase of the tax declaration awareness survey to Rich Research, which had previously conducted the baseline survey in the summer of 2013 under the name, TATConsulting. During June and July, Rich Research will conduct nationwide polling and focus groups to measure the change in the level of public awareness about the uniform tax declaration.

Planned REFORMA Activities for Q3 2014

Nearly all tax declaration activities will be completed in July. REFORMA will receive the final report from the CTC following the completion of the STS training courses. Rich Research is expected to complete its field research of 1,200 individuals and 10 focus groups across the country by the end of July and, following analysis of the results, report on the increase in public awareness of tax amnesty, uniform tax declaration requirements and universal tax reporting by the end of August. Results of the tax declaration public awareness campaign will then be reported to USAID prior to the end of the REFORMA Project.

8. Building Human and Institutional Capacity Development (HICD) in the Chamber of Commerce and Industry of the Kyrgyz Republic (CCI)

REFORMA launched its HICD Performance Assessment of the CCI in January, with the selection of Smart Business Solutions (SBS) as our implementing partner. REFORMA also elected to strengthen the assessment team with the mobilization of an international business association expert, Ms. Joan Perrin, for three weeks in February. The team began its internal performance assessment of the Chamber by meeting with top management, middle management and operational staff of each department, and reviewing all available corporate documents and processes. During the assessment phase, Ms. Perrin provided short coaching sessions for membership department staff.

To undertake the external environment assessment, the team conducted two extensive surveys: a Target Audience Survey and a Peripheral Stakeholder Survey. Under the Target Audience Survey, the team interviewed 119 companies, out of which 62 were CCI members, 50 non-members, and 7 former CCI members. The team selected the companies based on the following criteria: location, industry, membership/non-membership of CCI, and size of the company. Parallel to these in-depth interviews, the team conducted four focus groups with members and non-members of the Chamber, two in Bishkek and two in Osh.

The Peripheral Stakeholder Survey targeted 33 institutions that closely cooperate with the Chamber, but which are not direct beneficiaries of Chamber services. These included international donors, business associations, media companies, trade representative offices within embassies, and government institutions.

REFORMA Activities in Q2 2014

Based on the analysis of interviews, surveys, documents, and statistics gathered during the assessment period, the REFORMA team prepared the Final Report on Findings and Recommendations, which was presented to Chamber management on April 9 and to USAID on April 15. The presentation focused on main findings identified during the internal and external assessment, and short-term, mid-term and long-term recommendations that targeted the Chamber's key competencies such as:

- Improving corporate governance and implementing key principles of financial transparency and strong auditing procedures
- Identifying clear, specific and long term strategic goals to achieve better and more distinct positioning in the marketplace
- Restructuring of the CCI Board to be able to better and more efficiently respond to the needs of members
- Strengthening the organizational framework and optimizing the existing organizational structure
- Improving the current quality of services to members and, possibly, diversifying the service portfolio based on member needs
- Increasing capacities of the CCI staff across all departments and branch offices
- Improving the CCI's image and communication with all relevant players in society

REFORMA then worked with the CCI to determine which activities to recommend for support during the implementation phase of the project, which was to take place from June through the end of the project under a grant that REFORMA had planned to award to the CCI. USAID, however, did not support the proposed activities because it viewed the remaining period performance under REFORMA as being insufficient to address shortcomings in CCI governance, transparency and member engagement.

REFORMA and the CCI jointly sponsored a two-day training course on June 5-6 to business associations to build their capacity to undertake client satisfaction surveys as the basis for future program planning. With the participation of 10 business associations, the training covered market research techniques using a combination of theory and practice. It conveyed ways to respond efficiently to members' needs using modern tools and instruments for conducting surveys and analyzing survey results. To practice the application of these techniques, the associations collectively selected an actual issue for which each surveyed its own member base. The results of the survey on administration and rates of payment to the Social Fund were presented collectively to members and other stakeholders at the Business Development and Investment Council meeting on June 27.

REFORMA provided a follow-on one-day course to CCI staff on June 25 that focused on membership recruitment and retention, effective communication with members and client orientation. The training was based on the recent CCI client satisfaction survey results and gave CCI staff ideas and practical tools for further improving the Chamber's work with its members and clients. The training targeted 16 staff from the Membership Department, Department for Strategic Development, Department for External Economic Affairs, and Department for Exhibits and Expert Appraisal Department.

9. REFORMA Grants Activities

Since the Grants Program launch in February, REFORMA has awarded 9 grants, 6 of which fall into the smaller grants category. In all, REFORMA has received 30 applications for the smaller grants program and 3 applications for large grants. REFORMA will continue to review incoming grant applications and has a number of smaller grant applications in the pipeline for approval. REFORMA does not envision issuing any additional larger grants during the final quarter of the project. The following is a description of grants activities during the second quarter of 2014:

Secretariat of the Business Development and Investment Council

Among larger grants, REFORMA's first grant award was signed on March 25 with the Support for Public Private Partnership Association (the Secretariat of the Business Development and Investment Council) for strengthening Public Private Dialogue (PPD). The grant will help the Secretariat for the Investment Council to expand its PPD operations to the regions and increase its overall capacity, by carrying out two research studies on Private Property Protection and Analysis of Tax Inspections, conducting several training courses on pressing topics, and improving its communication through website development.

Expansion of PPD

During the second quarter, the Business Development and Investment Council introduced its first official PPD meetings in Osh and Naryn to enable regional enterprises to voice their constraints in doing business to oblast administration officials, led in both cities by the oblast Governor. The grant was designed to expand the reach of the Investment Council to regional centers, where the business environment may be less favorable than in the capital and where businesses face problems unique to their regions. Regional Councils are intended to meet quarterly to discuss and attempt to resolve the key obstacles that limit business growth and investment identified by local business communities. If constraints cannot be overcome locally, issues will be brought to the national Government for action. The initiative was supported by Prime Minister Otorbaev at the meeting of the Business Development and Investment Council in Bishkek held in March.

The first Regional Investment Council in Osh took place on June 3, at which representatives from the private sector expressed concerns related to land taxes in Osh City, producer sales taxes, pension insurance for farmers and individual entrepreneurs, and access to finance for regional SMEs. The Council, presided by Osh Deputy Governor Ahmadjan Mahammadov, with the participation of 14 business representatives, six members from the donor community and seven governmental officials, passed a resolution outlining these concerns, which was presented at the Business Development and Investment Council meeting to be held in Bishkek on June 27.

Similarly, the Regional Investment Council meeting in Naryn took place on June 17, at which 15 representatives of business community collectively presented issues relating to the free economic zone (FEZ) in Naryn, plans to develop a logistics center supporting the FEZ, and tourism development issues, to Naryn Oblast Governor Amanbai Kaiypov and seven representatives from local and national government.

Conducting research on two policy issues

The Secretariat is undertaking two studies of widespread concern to the business community. In doing so, the agenda of the Council will have the opportunity to expand beyond the often narrow, reactive discussions of immediate legislative and regulatory threats that currently characterize quarterly Council meetings.

The Secretariat's first study on the protection of private property will generate recommended reforms of the legislative and institutional framework for the protection of private property rights. The Secretariat subcontracted the Institute of Constitutional Policy to undertake this research. During May-June, the Institute conducted a survey among business-associations, interviewing 167 business

associations throughout the country representing different economic sectors, including: mining, tourism, trade, securities market, legal services and other sectors. In parallel, the Institute analyzed the underlying legal framework. The results of this research and recommendations designed to strengthen the protection of the legitimate rights and interests of businesses and entrepreneurs will be presented in August. Recommendations may become the basis for Government initiatives to systematically combat illegal seizures of private property.

The second study, begun in June, is to conduct an evaluation of the impact of reforms that have already been undertaken for tax inspection. The Secretariat hired two short term consultants to undertake this study, which includes: (1) analysis of legislation of the Kyrgyz Republic; (2) analysis of international practices; (3) analysis of tax administration practices within the STS (including the procedures by which the STS selects enterprises for inspection; and (4) development of recommendations to improve tax inspection practices within the STS. The research will be completed by the end of August and its findings and recommendations will be presented to the business community and government representatives in September.

Developing analytical capacity and providing training to business and industry associations

The Secretariat of the Business Development and Investment Council will also employ the REFORMA grant to develop its ability to provide training to business and industry associations on advocacy, regulatory impact assessments, tax reporting, business inspections and Customs Union issues.

On June 17-18, the Secretariat conducted a two-day training in Bishkek for the representatives of 20 business associations on the recently revised methodology for generating regulatory impact assessments, private sector rights when undertaking inspections, advocacy tools and techniques, ways to achieve sustainability for business associations, and best practices of business associations development.

Association of Civil Aviation Enterprises

On April 10, REFORMA issued a grant to the Association of Civil Aviation Enterprises (ACAE) to implement a Corrective Action Plan to improve air safety prior to an International Civil Aviation Organization (ICAO) Validation Mission in August. ICAO is the global body that oversees aviation safety. Grant activities will be implemented by August 31, 2014. The need for this project arose from a 2006 audit by the Air Safety Committee of the European Commission, which found that “The Kyrgyz Civil Aviation Authority has an insufficient ability to implement and enforce the relevant safety standards in accordance with their obligations under the Chicago convention.” As a result, all airlines, as well as the Civil Aviation Authority were placed on the EU’s Safety List, which banned them from flying to, from or over the territory of the countries of the European Union. Prior to 2006, Kyrgyzstan-based airlines regularly conducted flights to Europe 5 times a week, transporting between 25,000 – 30,000 passengers per year and generating revenue of \$18 – 21 million per year.

After failing this audit, preliminary discussions with the European Commission conveyed that successful passage of an audit by ICAO would be an initial step for Kyrgyz airlines to be removed from the Safety List and allowed to fly to the EU. As a member of ICAO, the Kyrgyz CAA undergoes a mandatory audit every five years.

From 2006 to 2009, the CAA made significant improvements to comply with international safety standards: a number of new aviation rules were developed; use of deteriorated air vessels was outlawed; airlines’ operating certificates that did not comply with aviation rules were terminated; and ICAO trained a large number of officers of the CAA in various international standards. Within the available budget, the CAA conducted numerous activities to prepare for the next scheduled ICAO audit, which was held in 2009.

The 2009 ICAO audit did not find any Significant Safety Concerns, but it did list 67 recommendations for corrective action and highlighted a number of areas in which the Kyrgyz regulatory framework for civil aviation did not comply with international standards for aviation safety. In response, the CAA proposed a Corrective Action Plan to address areas of non-compliance, which was accepted by ICAO and attached as an addendum to its final audit report in February 2010. The CAA was supposed to implement the Corrective Action Plan from 2009-2014, but due to a number of reasons, chiefly the political events of 2010, the Action Plan was accomplished only in part.

The grant will support the following activities:

- Activity 1: Implementation of the Corrective Action Plan in preparation for the ICAO audit
- Activity 2: Provide training for aviation specialists of the CAA
- Activity 3: Support study tours to understand how to be released from the European Union Safety List
- Activity 4: Conduct negotiations with the Air Safety Committee of the European Union

Activity 1: Implementation of Components of the Corrective Action Plan

The ICAO Report of 2009 identified eight areas of focus with 67 recommendations for implementation. From 2010 to 2013, two areas of focus were addressed in full and six areas were either not addressed or addressed only in part, according to CAA specialists. They asserted that of the 67 recommendations, 28 were implemented in full, 11 were implemented in part, and 28 were not implemented. Thirty nine (39) recommendations required finalization and approval of relevant rules and regulations.

Under Activity 1, the Association engaged Integra Consulting Company from Denmark to provide aviation consultants certified by ICAO to assist a local legal firm, Kalikova & Associates, to draft rules and regulations related to 40 recommendations and 6 areas of focus identified in the Corrective Action Plan. The international consultants were engaged to ensure that proposed national legislation and regulations are in compliance with international standards. The grant provided for the international consulting team to make three trips to the Kyrgyz Republic during the grant period. Consequently, from April 14-17, Integra representative Mr. Karsten Theil, former Chairman of the French Bureau of ICAO in Paris, and Mojca Melananta, an aviation legal advisor, made their first visit to Bishkek on April 14-17, 2014. .

During this mission, Integra consultants worked with Kalikova & Associates lawyers to review civil aviation legislation of the Kyrgyz Republic. Upon this review, it was realized that some Work Plan tasks proposed for completion in Activity 1 were premature and that the entire foundation of the legislative framework for regulating the civil aviation industry does not comply with generally accepted international standards. To efficiently comply with ICAO directives, approval of updated safety instructions, orders, and regulations must be delegated to the appropriate national civil aviation authorities, either the Ministry or the CAA, depending on the nature of the directive. It was also found that the organizational structure of the Agency and its activities were not designed to meet the standards established by ICAO, which were reflected in the ICAO-approved Corrective Action Plan under the Civil Aviation Organization (ORG) section.

Integra consultants recommended that the required first step in establishing an appropriate legal framework for civil aviation safety regulation should be to amend the Air Code of the Kyrgyz Republic, which would delegate authority for drafting and approving normative legal acts to implement all directives. However, in reviewing the Air Code, the Integra team realized that the structure of the Code itself was failed to include significant ICAO requirements. Therefore, Integra recommended drafting a new Air Code reflecting all international practices in civil aviation safety and management. With this framework in place, the process for adopting all previously contemplated changes to normative legal acts identified in the original grant work plan would become significantly smoother. This would considerably simplify the adoption of all required ICAO practices, and strengthen the Capacity of the Agency. The proposal to draft a new Air Code was presented to the

Minister of Transportation and Communication, as well as to Vice Prime Minister Valery Dil and to the Head of the Parliamentary Committee for Transport, Communications, Architecture and Construction, all of whom supported the change in scope of Activity 1. USAID also agreed, and on June 12, 2014 Modification of the Grant agreement was signed between Deloitte and ACAE.

The second visit from Integra consultants took place from June 16-18, during which Integra made several presentations on the structure and key provisions of the draft of the new Air Code, a proposed new CAA organizational structure, and a proposed quasi self-financing mechanism at meeting with the participation of Government officials, members of Parliament, USAID, and the US Embassy. Throughout the next month, Kalikova & Associates will adapt these documents to national legislation with the participation of a recently named Working Group of eight civil aviation stakeholders. The Group will present a complete initial draft by July 31, and a draft fully approved by the CAA to the Government on September 20, according to an instruction issued by Vice Prime Minister Dil.

In the meantime, on June 19, the Kyrgyz Parliament approved amendments to the existing Air Code in the second and third readings. These amendments were designed as stop-gap measures to demonstrate to the ICAO Validation Mission that the Kyrgyz Republic has adopted components of the first set of Corrective Action Plan recommendations under the Primary Aviation Legislation (LEG) subsection. Although drafted by the CAA, the set of amendments represents key analysis undertaken by Kalikova & Associates upon grant launch. The legislation represents 17 amendments that require that operators and owners of airports develop and implement a maintenance program for all aerodromes within the specified period, that the CAA take measures to ensure the safety, efficiency and regularity of aircraft operations in the Kyrgyz Republic, and other recommendations. On June 27, 2014 the bill was submitted to the President for signing into law.

Activity 2: Provide training for aviation specialists of the CAA

The second grant activity provides for training of aviation inspectors of the CAA and other stakeholders, to include the following: (1) training on Aircraft Accident/Incident Investigation Techniques; and (2) trainings on Aerodrome Operations, comprised of modern airport technologies, quality management and production quality systems, risk assessment, and air search and rescue activities. This training is to be conducted in two sessions, the first from July 1-12, the second from July 12-26. Currently, the training is planned to be delivered to 87 persons.

A third training was ICAO's Pre-Audit Training provided to aviation authorities on how to undergo its periodic audits. Among other conditions, successful passage of an ICAO Audit or Validation Mission depends upon on the CAA staff's ability to present achievements in the appropriate light – basically, to acquire skills and techniques in passing audits. Results of the 2009 audit revealed that, even though the CAA did possess certain rules and regulations required for passage, lack of skills in how to present these rules and regulations led to unsatisfactory results.

The Pre-Audit Training took place from April 16-18, delivered by inspectors from the ICAO Regional Office in Paris: (1) Mr. Nicolas Rallo, Regional Safety Officer; and (2) Ms. Leyla Suleimanova, Technical Safety Assistant. The first day was dedicated to presentations made by Mr. Rallo for CAA and its staff members, which was also attended by representatives from the ACAE, Kalikova & Associates, the USAID REFORMA Project, and IATA. They presented the eight critical elements of an effective safety oversight system, provided preliminary inspection checklists, and shared techniques that can be used to pass the safety oversight audits.

The next two days were dedicated to providing training for the CAA's Department Heads regarding ICVM, its mission and what is expected from CAA to pass the ICVM. Mr. Rollo pointed out that the ICVM will cover only those 67 recommendations that were received in 2009. He also reviewed, step by step, the LEG and ORG recommendations made in 2009. On April 17, Mr. Rollo also met with USAID Economic Growth Head, Mr. Charles Specht. He proposed to sign a Tailored Plan of Action between the US Government, ICAO, IATA and the Ministry of Transport and Communications in order to coordinate actions and activities, which can give rise to submission of documents to

European Commission. Also, he suggested contacting Mr. Elie Nasr, a representative of the US Federal Aviation Administration (FAA) based in Moscow, about possible involvement of FAA in this process.

Subsequently, Mr. Nasr conducted a two-day familiarization mission in the Kyrgyz Republic, on June 23-25. He met with stakeholders within the Kyrgyz civil aviation system to better understand the level of performance of these organizations, including the Ministry of Transportation and Communication, the CAA, Manas International Airport, a Kyrgyz air company, air navigation, training centers and the maintenance base. It is expected that the FAA will not be involved further with the REFORMA grant, but future engagement may be possible.

Activity 3: Support Study Tours to Understand Process of Being Released from the European Union Safety List

The grant also provided for the conduct of two study tours for CAA officials to develop sound strategies to become released from the EU Safety List.

Study tour to Jordan. The European Commission has specific rules and regulations for placing countries on its Safety List, but currently does not have specific rules or requirements for releasing entities from the List. In the past two years, only two countries have been released from the Safety List, Jordan and Mauritania. The purpose of this study tour was to understand what actions Jordan took to be removed from the List. Consequently, from April 28-May 2, a Kyrgyz delegation visited Jordan to study its experience in getting its airlines from the EU operating ban. The ACAE submitted a report outlining its findings.

Study tour to Latvia. Two areas of legal and regulatory requirements that the Kyrgyz Republic must adapt to international standards are those that regulate flight safety: (1) the Safety Management System (SMS); and (2) the State Safety Program (SSP). The CAA has determined that it could base changes to its own requirements on the experience of the Republic of Latvia, being both a current member of the EU as well as a former Soviet Republic. The grant application proposed that representatives from the Kyrgyz Republic meet with Latvian aviation authorities in order to learn their successful practices in developing SMS and SSP. From June 8-10, a Kyrgyz delegation visited Latvia and subsequently submitted a report outlining its findings.

Activity 4: Conduct negotiations with the Air Safety Committee of the European Union

In accordance with Regulation #2111/2005 of the European Parliament, the Air Safety Committee approved the criteria against which airlines or aviation authorities get placed on the Safety List. However, this Committee has not yet developed procedures for releasing previously listed parties. To better understand what will be required specifically for Kyrgyz authorities and airlines to meet undetermined criteria for removal, as well as to understand the EU's specific requirement for ensuring air safety, the grant provided for an official meeting to take place between Kyrgyz aviation representatives and the European Air Safety Committee in Brussels. It is proposed that the meeting will result in signing an agreed-upon document that stipulates the actions to be undertaken by the Kyrgyz Republic to be removed from the Safety List.

The Kyrgyz Delegation is planning to visit Brussels from August 25-29 following the completion of the ICAO Validation Mission.

International Business Council

The International Business Council (IBC) is a self-sustainable business association, with more than 140 members, has been working since 2000. IBC's major goals are: improving the investment climate of the Kyrgyz Republic and promoting business-friendly legislation and a supportive enabling environment.

The project will address the very important need to convey a more balanced and constructive view on economic development to the Kyrgyz-speaking population. The lack of analytical capacity makes the Kyrgyz-language media susceptible to manipulation by various interests who disseminate destructive information, such as that foreign investment in mining is bad or that banks purposely gouge borrowers. While some of this may occur, the Kyrgyz population needs to better understand how to separate fact from fiction, as do the media that supports the dissemination of economic news. In this regard, the project seeks to build a more constructive dialogue with the Kyrgyz-speaking population, primarily in rural areas and remote regions, and with the Kyrgyz-language media. It will do so by holding a series of events, including: (1) press cafes; (2) business lunches; (3) public lectures; and (4) training on economic journalism for Kyrgyz-language mass media.

To promote greater lasting impact, IBC also seeks to translate its website into the Kyrgyz language, produce its Investment Now magazine in Kyrgyz, update and publish an economic journalism handbook in Kyrgyz, and issue press releases translated into Kyrgyz to better communicate with the Kyrgyz-speaking media and the population. This Project will:

- Build capacity of IBC by expanding its outreach through the Kyrgyz media
- Train journalists and students on how to analyze economic information and transform it into “people’s language”
- Shorten the gap in the quality of economic content of the Russian language and the Kyrgyz language media
- Spread a more constructive and balanced view on different social, political and economic issues of the Kyrgyz Republic
- IBC Grant will run through the end of the REFORMA Project.

The project was recently awarded and is now finalizing its work plan and monitoring and evaluation plan.

Smaller Grants

Union of Kyrgyz Banks – International Financial Forum 2014

The Union of Kyrgyz Banks received a REFORMA grant to organize the Bishkek International Finance Forum (BIFF 2014), which was held on May 15. More than 250 participants attended the event, representing different industries in the Kyrgyz Republic, including financial institutions, software developers, manufacturers and suppliers of machinery and equipment, and other commercial organizations attended the one-day conference that highlighted development opportunities for the Kyrgyz Republic in leasing, mobile banking and promoting financial literacy. In all, representatives from 11 countries participated, including those from the Central Asian Republics, China, Russia, Poland, Hungary, Saudi Arabia, Netherlands and Turkey

The forum featured many speakers from the Kyrgyz Government, donor organizations, private sector-sponsors, and international guest speakers, including members of the International Banking Council, an association of bank associations in Central and Eastern Europe and the CIS. Kevin Dean, Acting Deputy Mission Director of USAID in the Kyrgyz Republic, also spoke on the benefits financial institutions receive when they promote financial literacy.

The second half of the forum featured presentations in the three areas of focus. Participants gained insight on the latest developments in these functions both in Kyrgyzstan and abroad. The Islamic Corporation for Private Sector Development also signed an agreement with several foreign and local companies to establish the first full-fledged leasing company in the Kyrgyz Republic, with initial capital of \$20 million. The meeting was a successful expansion of the Union of Kyrgyz Banks’ popular Leasing Forum, which has taken place in tandem with the Agricultural Equipment Exhibition AiylAgro, organized annually by the Kyrgyz Government. In the future, the Union of Kyrgyz Banks would like to expand the forum to 2-3 days, in order to cover these and other topics more deeply, including mortgages and public-private partnership (PPP) financing.

Chamber of Tax Consultants – Training STS Inspectors

REFORMA awarded a grant to the Chamber of Tax Consultants to provide three types of training for tax officials, including courses on Law, Financial Accounting and the Tax Code. In total, the CTC will train 40 tax inspectors, allowing them to increase systematic knowledge in all aspects of tax regulation and be more prepared to provide better tax consulting services to taxpayers. Upon successful completion of each course, attendees will receive joint certificates from USAID, the STS and the CTC. The half-day training takes place every day for 20 days for the Tax Code course, 13 days for the legal course, and 26 days for the financial accounting course. The Tax Code course will be presented twice. In all, the training will take place from May 14 through August 1.

Promotank – Public Awareness of Economic Issues

REFORMA awarded a grant to Promotank to conduct a series of economic news programs on the ELTR TV Channel. From April 16 to June 17, following the news block at 7:20pm in Russian and 8:20 pm in Kyrgyz each Tuesday and Friday, Promotank delivered a short news program called *The Economy*, which examined important issues of the Kyrgyz economy.

Programs included issues such as the fluctuating US dollar exchange rate, the implications of joining the Customs Union, issues in energy sector development, initiatives in decentralizing tax flows, the problems and potential of mining sector development, and many others. Key government representatives, as well as prominent private sector experts, provided their perspectives on the program. In total, Promotank broadcast 18 programs, in both Russian and Kyrgyz. The news program has become so popular that Promotank is continuing to produce the program even after grant funding expired.

Bishkek Business Club – Legal and Operating Framework of Free Economic Zones

The Kyrgyz Republic introduced its free economic zone (FEZ) regime in 1996 to stimulate foreign direct investment and export growth. Since then, however, the Law on FEZ has changed more than 10 times in an effort to strengthen its impact and ensure that FEZs operate in the way in which the Law had intended. In December 2013, Parliament again tweaked the FEZ Law, following limited public discussion of its provisions. Consequently, REFORMA awarded a grant to the Bishkek Business Club (BBC) to undertake an assessment of the current legal and operating framework of FEZs and how implementation of the law and supporting regulations work in practice.

On June 4, in cooperation with the Ministry of Economy, BBC conducted its first round-table meeting to engage executives from all FEZs, customs and tax authorities, entrepreneurs, and Parliament and Government officials in discussion of the operational, managerial, economic and legal issues surrounding the FEZs. The BBC has also conducted field meetings to better understand operations of regional FEZs. These, and other meetings, will provide content and context for BBC's ultimate recommendations for strengthening the legal and operational framework for FEZs, expected in August.

CSR Central Asia – Business Association Training on CSR

The CSR Central Asia grant will build the capacity of Kyrgyz business associations on issues relating to promotion of corporate social responsibility (CSR). It will conduct a survey of 50 business associations to determine to what extent business associations are engaged in CSR promotion among its members, the availability and practice of CSR standards, transparency of companies and recommendations for CSR promotion. CSR Central Asia has also held two seminars for the managers of business associations in Bishkek on June 20 and in Osh on June 27. The training is intended to raise professional capacity, financial sustainability and introduction of CSR instruments for business associations.

Kalikova & Associates – Streamline Liquidation of Legal Entities

Both the State Tax Service (STS) and the private sector have long identified that liquidating legal entities is a time-consuming and problematic process. Business owners must prove to the State that these enterprises have no outstanding tax obligations, a process which can take 6 months to several years and require documentation from 5-7 government authorities. Therefore, many legal entities are merely abandoned, which remain recorded as taxpayers in STS data bases indefinitely. This then causes headaches for STS officials, who must identify dormant accounts and send repeated notices to registered owners.

REFORMA Project has provided a grant to Kalikova & Associates to draft required legislation and regulations to simplify the process of liquidating business entities. Kalikova & Associates will conduct consultative round tables with key stakeholders to seek input into streamlining liquidation processes, bringing regulations in line with the Registration Law and the Civil Code, introducing regulatory mechanisms to ensure compliance by the tax and other government authorities, and providing a comprehensive and unified list of documents required for liquidation. The project is expected to be completed by the end of July.

10. Subcontracting and Grant Pipeline, Performance and Results

The following is a complete history of REFORMA's Subcontracts, including those that have been completed, those still ongoing, and those in the pipeline for award and launch.

REFORMA Subcontracting History and Awards					
<i>Subcontracting Activity</i>	<i>Subcontractor(s)</i>	<i>Award Date</i>	<i>Period of Perform.</i>	<i>Contract Value</i>	<i>Status</i>
Optimizing and Streamlining Business Licenses and Permits	Foresight Foundation	Mar 2012	3 months	\$70,425	Completed
	<i>Description of the Subcontracting Activity</i>				
	Completed the review and recommendations for optimizing and streamlining business licenses and permits. Drafted and submitted to the Government required changes to all normative legal acts (NLAs) to implement the recommended elimination of licenses and permits. Signed into law the elimination of 97 of those recommended.				
Mining Action Plan Advisory	International Business Council (IBC)	Mar 2012	6 weeks	\$15,000	Completed
	<i>Description of the Subcontracting Activity</i>				
	Helped to create REFORMA's Mineral Resources Development Action Plan, as a road map to provide comprehensive assistance to improve the business and investment environment for sector development by getting stakeholder feedback from the public and private sectors.				
HICD for the Ministry of Economy – Phase I Assessment	Promotion and Development Center (PDC)	May 2012	4 months	\$49,675	Completed
	<i>Description of the Subcontracting Activity</i>				
	Completed the Phase I Assessment of REFORMA's first Human and Institutional Capacity Development (HICD) Program with the MoE. Realigned 39 functions identified through analysis of 96 laws, resolutions, and regulatory and reduced them to 16 by drafting functional Regulations for the Ministry. Provided support in helping the MoE develop the Government's pilot program budgeting process.				
Re-draft the 'Law on Licenses' and Submit RIA on Proposed Law	Foresight Foundation	May 2012	6 weeks	\$24,150	Completed
	<i>Description of the Subcontracting Activity</i>				
	Drafted a framework 'Law on Licenses' and completed the attendant Regulatory Impact Analysis (RIA) for the law.				
Medium- and Long-Term Development Strategy for the Mineral Resources Sector	Kyrgyz Mining Association (KMA), Kalikova & Associates, Ken-Too Company	Aug 2012	12 months	\$149,820	Completed
	<i>Description of the Subcontracting Activity</i>				
	Creating a national Medium- and Long-Term Development Strategy for the Mineral Resources Sector that will involve all stakeholders in the discussion of policy choices across legislative, regulatory, fiscal, environmental, educational and social spheres to stimulate sector growth and development.				
HICD for the Ministry of Economy – Strategic Planning	Promotion and Development Center (PDC)	Sep 2012	9 weeks	\$34,460	Completed
	<i>Description of the Subcontracting Activity</i>				
	Assisted the MoE to develop a Strategic Plan and to institutionalize a strategic planning process that will drive REFORMA's future HICD assistance to reform counterpart departments.				

REFORMA Subcontracting History and Awards					
<i>Subcontracting Activity</i>	<i>Subcontractor(s)</i>	<i>Award Date</i>	<i>Period of Perform.</i>	<i>Contract Value</i>	<i>Status</i>
Strengthening Public Relations and Communications for the Ministry of Economy	Door Media	Jan 2013	4 months	\$61,095	Completed
	<i>Description of the Subcontracting Activity</i>				
	Provided a range of technical assistance activities to improve the MoE's public relations and communications capabilities. Conduct a Target Audience Survey, assessment of MoE's current communication systems, activities, tools and capacities of Ministry leadership and its Public Relations Unit, and an assessment of its web site. Develop a Communications Strategy and Action Plan, provide on-the-job training and coaching of the PR Unit to implement the Action Plan, design and implement a Monitoring and Evaluation (M&E) Plan, and improve Ministry's web site.				
HICD Assessment for the State Geology Agency	CAI Consulting	Jan 2013	2 ½ months	\$61,310	Completed
	<i>Description of the Subcontracting Activity</i>				
	Conducted a full diagnostic study of Agency's organization, its functions and its activities, identifying performance gaps, and recommending targeted performance solutions. The Assessment team will also undertake a thorough inventory of the Agency's computer and information technology equipment and determine its IT needs.				
Public Outreach, Awareness, and Training of STS Officials for Introducing the Universal Tax Declaration Regime	Chamber of Tax Consultants	Jan 2013	16 months	\$146,320	Ongoing
	<i>Description of the Subcontracting Activity</i>				
	Undertaking a Public Education and Outreach Campaign and conduct a Training of Trainers for 200 STS Officials for the introduction of Uniform Tax Declaration, undertake				
Implementation of Media Plan for the Public Outreach for the Universal Tax Declaration Regime	Various Media	Jan 2013	12 months	\$193,000	Ongoing
	<i>Description of the Subcontracting Activity</i>				
	Purchasing printing and media for Public Education and Outreach Campaign For the introduction of Universal Tax Declaration for 2013.				
Optimization of the Legal and Regulatory Framework and its Implementation in Conducting Business Inspections by the State Inspectorate for Ecological and Technical Safety	EcoPartner	Jun 2013	6 months	\$97,511	Completed
	<i>Description of the Subcontracting Activity</i>				
	Optimizing Normative Legal Acts by undertaking a comprehensive review of the body of NLAs that may address the conduct of ecological and technical safety inspections and undertaking a comprehensive, interview-based survey of SMEs to determine to what degree laws and regulations have been observed, implemented and enforced.				
HICD for the State Geology Agency – Web Site Development.	Yaros	Jun 2013	2 months	\$14,684	Completed
	<i>Description of the Subcontracting Activity</i>				
	Developing a modern and functional website for the State Agency through which it can communicate transparency in its operations to the public and provide information and required documentation to potential future investors participating in the auctions and competitive tenders of mining rights.				
HICD Assessment for the Tourism Department of the Ministry of Culture, Information and Tourism	CAI Consulting/Signum	Jun 2013	2 months	\$36,541	Completed
	<i>Description of the Subcontracting Activity</i>				
	Conducting a full diagnostic study of Agency's organization, its functions and its activities, identifying performance gaps, and recommending targeted performance solutions. The Assessment team will also undertake a thorough inventory of the Agency's computer and information technology equipment and determine its IT needs.				
HICD for the State Geology Agency – Licensing Data Base Development	TimelySoft	Jul 2013	6 months	\$114,619	Ongoing
	<i>Description of the Subcontracting Activity</i>				
	Developing a comprehensive data base to centralize critical \ information and enable access to this information across the Agency and with the MoE's Mining Policy Department, beginning with information on that allocation of mining licenses.				

REFORMA Subcontracting History and Awards					
<i>Subcontracting Activity</i>	<i>Subcontractor(s)</i>	<i>Award Date</i>	<i>Period of Perform.</i>	<i>Contract Value</i>	<i>Status</i>
Tax Declaration Awareness Baseline Survey	TATConsulting Promotank	Aug 2013	3 months	\$45,205	Completed
	<i>Description of the Subcontracting Activity</i>				
Conducting a baseline survey of taxpayer awareness of the universal declaration requirements and the tax amnesty law to determine the overall impact of REFORMA's public education campaign.					
Tax Declaration Video Production	Pyat Paltsev	Aug 2013	2 months	\$38,074	Completed
	<i>Description of the Subcontracting Activity</i>				
Creating four animated videos commercials for universal tax declaration/tax amnesty.					
VAT Business Survey and Administrative Process Study	MF Consulting	Sep 2013	5 months	\$81,092	Ongoing
	<i>Description of the Subcontracting Activity</i>				
Undertaking a VAT business process study of the State Tax Service and a survey of business experience in registering, filing and paying VAT.					
Universal Tax Declaration Web	ICAP Systems	Oct 2013	3 months	\$4,900	Ongoing
	<i>Description of the Subcontracting Activity</i>				
Designing a webpage on the State Tax Service's website for Universal Tax Declaration and Tax Amnesty.					
HICD Tourism Department Implementation	Signum Consulting	Dec 2013	3 months	\$19,239	Completed
	<i>Description of the Subcontracting Activity</i>				
Optimizing core processes, creating an Action Plan, developing annual reporting structure and training/coaching for the Tourism Department at the Ministry of Culture.					
Drafting of Supporting Regulations for the Licensing Law	Union of Entrepreneurs	Dec 2013	4 months	\$129,205	Completed
	<i>Description of the Subcontracting Activity</i>				
Soliciting input and drafting four supporting regulations for implementation and enforcement of the new Law on the Licensing and Permitting System.					
HICD Assessment for the Chamber of Commerce and Industry	SMART Business Solutions	Jan 2014	3 months	\$41,016	Completed
	<i>Description of the Subcontracting Activity</i>				
Undertaking an HICD assessment of the existing capacities, processes, and systems.					
Implementation of VAT Administrative Process	MF Consulting	Feb 2014	5 months	\$65,430	Ongoing
	<i>Description of the Subcontracting Activity</i>				
Drafting laws and regulations to implement recommended procedural changes to VAT Administration.					
HICD for the Ministry of Economy	Institute for Humanitarian Development	Mar 2014	3 months	\$67,172	Ongoing
	<i>Description of the Subcontracting Activity</i>				
Providing the MoE with training and consulting on strategic planning, monitoring and evaluation, program-based budgeting, and human resources.					
HICD for the Geology Agency – Investor Reporting	Experts of Central Asia	Mar 2014	3 months	\$63,381	Ongoing
	<i>Description of the Subcontracting Activity</i>				
Standardizing the report formats for required private sector reporting of mining activity to the State Geology Agency.					
Designing Electronic Tax Declaration Forms	Devvx.Pro	Apr 014	4 months	\$4,500	Ongoing
	<i>Description of the Subcontracting Activity</i>				
Develop electronic version of new tax declaration reporting forms for taxpayer online completion.					
Reforming Checklists and Methodologies for the Conduct of Ecological and Technical Safety Inspections	EcoPartner	May 2014	5 months	\$105,875	Ongoing
	<i>Description of the Subcontracting Activity</i>				
Implementation phase of the original review of the legal framework for conducting inspections including redesign of inspections checklists, development of a standardized methodology for conducting inspections, and creation of a standardized methodology					

REFORMA Subcontracting History and Awards					
<i>Subcontracting Activity</i>	<i>Subcontractor(s)</i>	<i>Award Date</i>	<i>Period of Perform.</i>	<i>Contract Value</i>	<i>Status</i>
	for obtaining laboratory samples.				
Training of Tax Inspectors to Complete New Declaration Forms	Chamber of Tax Consultants	May 2014	2 months	\$28,519	Ongoing
	<i>Description of the Subcontracting Activity</i>				
	Train STS officials how to help taxpayers complete the new tax declaration forms.				
Results Survey for Tax Declaration Campaign	Rich Research	May 2014	3 months	\$16,000	Ongoing
	<i>Description of the Subcontracting Activity</i>				
	Conduct of a survey for the tax declaration campaign to compare results with the baseline survey conducted in 2013.				
Data Entry and Document Scanning for Geology Data Base	Education and Career Development Fund	Jun 2014	4 months	\$25,410	Launched
	<i>Description of the Subcontracting Activity</i>				
	Entering mining licensing information into the REFORMA-developed data base and scanning documents to complete files on mining licenses and other geological information.				
Public Education Campaign for Mining Strategy	Kalikova & Associates	Jun 2014	3 months	\$27,298	Launched
	<i>Description of the Subcontracting Activity</i>				
	Conduct seminars to citizens and local governments on the key reforms represented by the Mining Development Strategy and promoting reforms through print media.				
TOTAL SUBCONTRACTS AWARDED				\$1,831,815	

REFORMA Grants History and Awards

<i>Grant Activity</i>	<i>Grantee</i>	<i>Award Date</i>	<i>Period of Perform.</i>	<i>Contract Value</i>	<i>Status</i>
Promoting Sustainable and Regional Public Private Dialogue	PPP Association	Mar 2014	6 months	\$77,455	Ongoing
	<i>Description of the Grant Activity</i>				
	Extending the reach of the Business Development and Investment Council to Osh and Naryn by creating a network of councils and building the capacity of the Secretariat to conduct research and training to move toward sustainability.				
Increasing Air Safety in Preparation for the ICAO Validation Mission	Association of Civil Aviation Enterprises	Apr 2014	5 months	\$146,387	Ongoing
	<i>Description of the Grant Activity</i>				
	Drafting amendments to existing Air Code, drafting new Air Code meeting international standards, training air safety inspectors, studying country experience of obtaining released from the European Union Safety List.				
Supporting the Bishkek International Finance Forum 2014	Union of Kyrgyz Banks	Apr 2014	2 months	\$9,920	Completed
	<i>Description of the Grant Activity</i>				
	Supporting the conduct of the Bishkek International Finance Forum 2014 on May 15, which will address issues of mobile banking, financial literacy and leasing services				
Training for Tax Inspectors on Tax, Law and Financial Accounting	Chamber of Tax Consultants	Apr 2014	4 months	\$9,977	Ongoing
	<i>Description of the Grant Activity</i>				
	Training inspectors of the State Tax Service on Legal issues, Tax Code, and Principles of Financial Accounting				
Research on Free Economic Zones	Bishkek Business Club	April 2014	4 months	\$9,435	Ongoing
	<i>Description of the Grant Activity</i>				
	Legal and market research on the Law on Free Economic Zones in the Kyrgyz Republic				
Economic News on ELTR TV Channel	Promotank NP	April 2014	3 months	\$ 9,440	Closed
	<i>Description of the Grant Activity</i>				
	Analysis and broadcast of 5-minute news analysis on key economic topics, including several activities pursued by REFORMA				
Capacity Assessment and Training for Business Associations on Corporate Social Responsibility (CSR)	CSR Central Asia	May 2014	3 months	\$ 9,710	Ongoing
	<i>Description of the Grant Activity</i>				
	Holding two trainings on CSR for Business associations and conducting a study on Capacity Assessment of Kyrgyzstan's Business Associations on CSR Issues				
Simplifying the Liquidation Procedures for Legal Entities and Individual Entrepreneurs	Kalikova & Associates Law Firm	May 2014	3 months	\$10,000	Ongoing
	<i>Description of the Grant Activity</i>				
	Draft proposed amendments to legislation related to liquidation of legal entities, and discuss them with the stakeholders				
Building Capacity in Public Economic Education in the Kyrgyz Language	International Business Council	June 2014	3 months	\$ 63,470	Awarded
	<i>Description of the Grant Activity</i>				
	Conduct a series of events that would improve IBC's outreach to the regions, enhance the writing skills of economic journalists, and increase IBC's capacity overall.				
TOTAL GRANTS AWARDED				\$345,794	

REFORMA Grants Pipeline for the Third Quarter of 2014

<i>Proposed Grantee</i>	<i>Grant Activity</i>	<i>Anticipated Date for Submission</i>	<i>Period of Performance</i>	<i>Anticipated Grant Value</i>
Association of Civil Aviation Enterprises of Kyrgyz Republic	Bishkek Aviation Safety Conference (BASC)	by July 20, 2014	July - September	\$8 270
Vector Geo LLC	Media support of new Regulations of gold digging by individual patentee	by July 20, 2014	July - August	\$10 000
Bishkek Business Club	Capacity Building of Association Business Leaders	by July 20, 2014	July - September	\$9 400
Business Consulting Group LLC	Impact of the Customs Union on the Industry of Tourism in the Kyrgyz Republic	by July 20, 2014	July - September	\$10 000
Union of Kyrgyz Banks	Training to bankers and enterprises on leasing structure and law	by July 20, 2014	July - August	\$9 476
			Total	\$47,146

11. Primary Events Conducted During the Second Quarter of 2014

	REFORMA Event	Men	Women	Total
HICD at the Geology Agency	April 22 – Round Table on Reporting Process Optimization	19	5	24
	May 19 – Presentation following the Study Tour in Turkey	14	4	19
	May 29 – Presentation of the Licensing Module to the Licensing Department	5	4	9
	May 30 – Presentation of the Reporting Template “5GR” for the Information Resources Department	0	3	3
	June 9 – Presentation on optimization of the reporting process and Interactive Map of Deposits	13	3	16
HICD at the Ministry of Economy (MoE)	April 18 – Workshop for MoE staff on Monitoring and Evaluation Principles and Tools	19	16	35
	April 25 – Round Table on the MoE Strategy Concept for 2014-2017 and ways to align it with the National Strategy for Sustainable Development	16	15	31
	May 23 – Workshop for MoE senior and middle management on Strategic Planning and Program-Based Budgeting	13	12	25
	June 5 – Workshop for MoE staff on the Human Resources System and Development of the HR Strategy	17	21	38
	June 6 – Workshop for the MoE Staff on Strategy Implementation and Matrix of Performance Indicators for Monitoring and Evaluation	17	15	32
	June 10 – Workshop on preparation of the budget for various sections of the MoE Strategy and formation of the MoE’s own program-based budget	15	15	30
Inspections Legal Review	April 25 – EcoPartner presentation and discussion of the work plan and expected results of further streamlining of the legal framework for business inspections.	2	5	7
Licensing Regulations	Jan 13 – May 13 – Union of Entrepreneurs interviewed 47 government organizations (licensors) to discuss provisions of the regulations developed to support the law "On licensing system in the Kyrgyz Republic"	77	34	111
	Jan 13 – May 13 – UEK conducted 104 focus groups with representatives of business organizations in order to identify gaps in the legislation and discuss drafts of draft regulations developed to the law "On licensing system in the Kyrgyz Republic"	484	229	713
	May 11 – Union of Entrepreneurs round table to discuss draft risk assessment methodologies	17	8	25
	May 20 – Union of Entrepreneurs roundtable to discuss the draft Regulation on Procedures for Creating and Maintaining Registries of Licenses and Permits	16	14	30
	May 29 – Union of Entrepreneurs round table to discuss the draft Regulation on Licensing Control	18	16	34
	May 3 – Union of Entrepreneurs round table to discuss the draft Regulation on Licensing of Certain Activities	21	10	31
HICD for the Department of Tourism	May 27 – Presentation of the Annual Report for 2013 to the public and private sector stakeholders	38	35	73
HICD at the Chamber of Commerce and Industry (CCI)	April 9 – Presentations on Finding and Recommendations for CCI staff	9	8	17
	June 5-6 – Market Research Training for representatives of the CCI and Business Associations	7	18	25
	June 25 – Training on Membership Recruitment, Retention and Client orientation for the Chamber staff	6	10	16

REFORMA Event		Men	Women	Total
VAT Administration Reform	May 2 – Presentation of amendments to the Tax Code and VAT at a meeting of the Ministry of Economy's Methodological Council	11	5	16
	June 27 – Presentation and discussion of amendments to the Tax Code on VAT with Business Associations	11	11	22
Tax Declaration Campaign	May 16 – Presentation of an electronic calculator on the STS's web site, deklaracia.kg	14	75	89
	June 4-6 – Training for STS authorities on tax declaration forms in Bishkek	39	37	76
	June 17-20 – Training for STS authorities on tax declaration forms in Osh, Jalal-Abad, and Batken	24	28	52
Public-Private Dialogue Grant	June 3 – First meeting of the Regional Investment Council with the participation of local business associations, local government and donor community in Osh	24	6	30
	June 17 – First meeting of the Regional Investment Council with the participation of local business associations, local government and donor community in Naryn	22	12	34
	June 17-18 – Training for business associations in Bishkek on regulatory impact assessment, advocacy techniques and best practices to make business associations sustainable	11	16	27
Civil Aviation Grant	April 15 – Training for CAA's inspectors by ICAO experts on eight critical elements of an effective safety oversight system in preparation for the upcoming ICVM in August	16	3	19
	April 16 – Conference with the participation of parliament members, ICAO and IATA representatives, Integra's consultants, state officials, CAA, Association of Civil Aviation Enterprises, the USAID REFORMA Project, Kalikova & Associates Law Firm and Pegasus Airlines to discuss the current situation of civil aviation in the Kyrgyz Republic, promotion of safety as a priority, government assistance to the CAA, and the upcoming ICVM	21	7	28
	June 18 – Round table with the participation of parliament members, Integra's consultants, state officials, CAA, Association of Civil Aviation Enterprises, US Embassy, USAID REFORMA Project and Kalikova & Associates Law Firm at which KarstenTheil, Integra's Consultant, presented the structure of a new Air Code, options for a new structure of the Civil Aviation Agency, and financing mechanisms for the Civil Aviation Agency	13	9	22
	June 20 – MOI signing ceremony in Ministry of Transportation and Communication between USAID, Ministry of Transportation and Communication, Civil Aviation Agency and Association of Civil Aviation Enterprises	19	7	26
Bishkek Business Club Grant	June 4 – Round table to discuss the most important issues of Free Economic Zones (FEZs) in the Kyrgyz Republic with major stakeholders at the Ministry of Economy	30	15	45
Chamber of Tax Consultants Grant	May 14 - June 10 – Training on Taxes of Kyrgyz Republic for Tax Inspectors of the State Tax Service	13	7	20
	June 2 - July 7 – Training on Financial Accounting 1 for Tax Inspectors of the State Tax Service	18	2	20
CSR Central Asia Grant	June 20 – Training on CSR for Business Associations in Bishkek	11	17	28
	June 27 – Training on CSR for Business Associations in Osh	10	7	17
Union of Kyrgyz Banks Grant	May 15 –Union of Banks hosted the Bishkek International Finance Forum (BIFF 2014)	167	104	271
TOTAL		1317	868	2185

12. Deliverables and Reports Produced During the Second Quarter of 2014

Reform Activity	Name of Annex	English	Russian
REFORMA Newsletter	REFORMA Newsletter – Issue 5 – June 2014	X	X
Mining Strategy	Report on the MINEX Central Asia by Deputy Director of Deputy Director of the State Agency for Geology and Mineral Resources		X
	Presentation on the MINEX Central Asia by Deputy Director of Deputy Director of the State Agency for Geology and Mineral Resources		X
	Letter of Mining Strategy Acceptance by the Ministry of Economy	X	X
HICD at the Geology Agency	Presentation on Optimization of the Reporting Process at the Round Table – April 22		X
	Presentation on Optimization for the Reporting Process – June 9		X
	Recommendations Following the Study Tour in Turkey		X
	Samples of Reports Generated by the Data Base		X
	Statistics on the Interactive Map of Deposits for May and June 2014		X
	Draft Package of Legal Documents for Changes to the Reporting Process		
HICD at the Ministry of Economy (MoE)	2014 Work Plan of the KR Ministry of Economy	X	X
	Report on the IT Audit of the Ministry of Economy		X
	Report on HR Business Processes of the Ministry of Economy		X
	Statement of Work (Technical Specifications) for Development of an Automated HR Management System at the MoE		X
	Results of the review of the MoE HR Legal Framework		X
	Program of the Monitoring and Evaluation Workshop – April 18	X	X
	Monitoring and Evaluation Presentation with the proposed M&E templates, April 18		X
	Agenda of the Round Table on the MoE Strategy Concept – April 25		X
	Draft Concept of the MoE Strategy for 2014-2017 aligned with the National Strategy for Sustainable Development, April 25		X
	Program of the Strategic Planning and Program-Based Budgeting Workshop – May 23		
	Presentation of Strategic Planning and Sustainable Development, May 23		X
	Presentation: HR Strategy Concept proposed for the MoE – May 23		X
	Presentation: Program-Based Budgeting – May 23		X
	HR Workshop Program – June 5		X
MoE Newsletter Issue on the Customs Union (# 3)		X	
Inspections Legal Review	Inspections Legal Review - Final Report - Full	X	X
	Inspections Legal Review – Abbreviated Final Report	X	
	Inspections Legal Review - Overview	X	
	List of Normative Legal Acts Reviewed		X
	Amendments to the Law on Inspections		X
	Package of Amendments to the Law on Inspections	X	
	Package on the Inspections Agency Regulation		X
	Package on the Special Account		X

Reform Activity	Name of Annex	English	Russian
	Matrix of Inspections Checklists		
Licensing Regulations	Final Report Licensing Regulations - Union of Entrepreneurs	X	X
	Licensing Regulations Project Action Plan	X	
	Licensing Regulations - Schedule of Focus Groups	X	
	List of Questions for Government Agency Interviews		X
	Regulation on Licensing Control - Matrix of Disagreement		X
	Regulation on Licensing Control - Resolution		X
	Regulation on Licensing Control - RIA		X
	Regulation on Licensing Control		X
	Regulation on Methodology for Risk Assessment of Licenses and Permits		X
	Regulation on Methodology for Risk Assessment - Resolution		X
	Regulation on Methodology for Risk Assessment of Licenses and Permits		X
	Regulation on Procedures for Keeping a Register of Licenses and Permits - RIA		X
	Regulation on Procedures for Keeping a Register of Licenses and Permits		X
HICD for the Department of Tourism	Signum.kg's Final Report on HICD 2nd Phase at the Tourism Department	X	X
	Annual Report on Tourism Sector Development in 2013	X	X
	Draft Three-Year Action Plan of the Tourism Department		X
	Tourism Booklet Layout		X
HICD for the Chamber of Commerce and Industry	Performance Assessment Report	X	X
	Briefing for Mr. Shasharkeev March 25	X	X
	CCI - Presentation on CCI Performance Assessment for CCI April 9		X
	Presentation on CCI Performance Assessment for USAID April 15	X	
	Training on Market Research June 5-6 – Agenda		X
	Training on Market Research June 5-6 - Training Materials		X
	Training on Market Research June 5-6 – List of Participants		X
	Presentation on Survey Results for the Social Fund	X	
	Report on Survey Results for the Social Fund		X
	Training on Membership Retention Recruitment - Agenda		X
	Training on Membership Retention Recruitment – Training Materials		X
VAT Administration Reform	Taxpayer Questionnaire	X	X
	Table of Workflow on the VAT Refund Procedures		X
	Table of Workflow on Obtaining of VAT Invoices Blanks		X
	Table of Changes to Tax Code		X
	Table of Changes to Criminal and Administrative Responsibility Codes		X
	Table of Basic Indicators	X	X
	RIA to Draft Law	X	X
	Results of Statistics of Data Processing	X	X
	IT TOR	X	X
	Draft Reference paper to Law Draft	X	X
	Draft Amendments to the Regulation on Obtaining VAT invoices		X

Reform Activity	Name of Annex	English	Russian
	Draft Amendments to the Regulation on VAT Refunds		X
	Annex to Table of Basic indicators. STC costs 2012		X
	Annex to RIA –Taxpayer Costs Calculation	X	X
	Tables of VAT Administration Procedures (11 tables)		X
	Comments to Basic Indicators		X
	Schemes and descriptions of 15 VAT administration procedures (1200.100- 1200.106, 1200.200, 1200.300, 1200.400, 1200.500 -1200.503, 100)		X
	Draft Changes and Amendments to Statutory Acts of the Tax Code and other Laws		X
	Draft VAT Administration Guidelines		X
	Table of Approved and not Approved Proposals of Workload		X
	VAT Administration Encoding.tp.	X	X
	Protocol of the Methodological Board on Coordination of Fiscal Policy 24		X
Tax Declaration Campaign	UTD Presentation for STS		X
	Training Manual for STS		X
	Pre-Training and Post-Training Tests		X
	Detailed Transportation and Logistic Plan		X
	Presentation May 16 2014		X
	Presentation 6 May 2014 – List of Participants	X	X
	Plan broadcasting – May - June 2014		X
	Questions and Answers on UTD		X
	Guidebook for STS Officials on UTD		X
	Tax Amnesty and Tax Declaration Brandbook		X
Tax Declaration Awareness Survey	Questionnaire (also in Kyrgyz)	X	X
	Instructions for Interviewers		X
	Express profile for focus groups		X
	Work Plan	X	X
	Hyde for focus groups		X
	Address and route instructions		X
Public-Private Dialogue Grant	Public Private Partnership Association – Grant Application Package	X	
	Public Private Partnership Association – Grant Award Contract	X	
	Training Seminar – How to be Sustainable		X
	Training Seminar – Advocacy Techniques		X
	Training Seminar – Tax Inspections		X
	Training Seminar – Regulatory Impact Assessment (RIA)		X
Civil Aviation Grant	Association of Civil Aviation Enterprises – Grant Application Package	X	
	Association of Civil Aviation Enterprises – Grant Award Contract	X	
	Report on Structure and Content of Air Code	X	
	Report on Study Tour to Jordan	X	
	Report on Study Tour to Latvia	X	
	Report on Financing the CAA	X	
	First Draft of New Air Code	X	
	Interim Report – Structure of the CAA	X	

Reform Activity	Name of Annex	English	Russian
	Presentation of New Air Code	X	
	Presentation of CCA Structure	X	
	Presentation of CAA Financing	X	
Bishkek Business Club Grant	Grant Application Package	X	
	Grant Award Contract	X	
Chamber of Tax Consultants Grant	Grant Application Package	X	
	Grant Award Contract	X	
CSR Central Asia Grant	Grant Application Package	X	
	Grant Award Contract	X	
International Business Council Grant	Grant Application Package	X	
	Grant Award Contract	X	
Kalikova & Associates Grant	Grant Application Package	X	
	Grant Award Contract	X	
Promotank Grant	Grant Application Package	X	
	Grant Award Contract	X	
	Final Report	X	
Union of Kyrgyz Banks Grant	Grant Application Package	X	
	Grant Award Contract	X	
	Final Report	X	
Purchase Orders to Local Subcontractors	Inspections Implementation - EcoPartner	X	
	Tax Declaration Electronic Forms – Devvx.Pro	X	
	Tax Declaration Survey – Rich Resources	X	
	Geology Agency Scanning – Fund of Education and Career Development ART PRO	X	
	Mining Strategy Public Education – Kalikova & Associates	X	

USAID REFORMA Project
33/1 Razzakova Street, Office 2
Bishkek, Kyrgyz Republic 720040
Tel: +966 312 66 60 44, 61 04 48
+966 312 66 16 34