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State Border Service of the KR

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Glossary of terms

Administrative Office of the Government of the Kyrgyz Republic – coordination body that arranges operation of the Government of the KR, in the tourism sector as well.

Department of Tourism under the MCIT – its main goal is to ensure and implement state policy in the tourism sector.

Government of the Kyrgyz Republic – is the higher executive power body of the Kyrgyz Republic. The Government manages work of the subordinate ministries, state committees, administrative agencies, local state administrations, other executive power bodies, and also local self-government bodies in case of vesting them with state powers.

Interdepartmental Committee – a body coordinating activities of the ministries, state committees and administrative agencies, tourism associations responsible for preparation and running of tourist seasons and selection of the related measures on development of the tourism sector. Members of the Committee include representatives of the ministries and agencies, tourist associations and tourist business entities. The Committee's decisions serve as guidelines for them.

The Government of the Kyrgyz Republic develops and implements Policy, state and sector wide programs, in the tourism sector as well. It studies, summarizes and analyzes status of tourism in the Republic, identifies main strategic directions of the tourism development in Kyrgyzstan. It finances perspective national programs on tourism development.

Internal tourists – citizens of the Kyrgyz Republic (of any nationality) who visit places of temporary stay within the country for the abovementioned purposes except for the change of permanent residence, earning or educational purposes for the period not less than 24 hours.

Local state administrations and self-government bodies – local power representative offices that address local issues in the tourism sector (number of tourists arrived in the region, revenues from tourism, taxes, investments), problems in tourism development and possible ways of their solution.

Ministries and agencies – formation and implementation of the state policy, development programs related to competence of the ministry and agency, in the tourism sector as well.

According to the Regulations **the Ministry of Culture, Information and Tourism of the KR** is the central state body of executive power authorized to pursue state policy in culture, information, and tourism areas.

National Statistics Committee – a body responsible for collection of complete, reliable, scientifically-justified and timely official statistical information on social, economic, demographic and ecological situation in the Kyrgyz Republic, and for collection of complete, reliable, and timely official information on tourism in the KR.

Presidential Administration of the Kyrgyz Republic – arranges interaction between the President of the Kyrgyz Republic and Zhogorku Kenesh of the Kyrgyz Republic, Government of the Kyrgyz Republic, administrative agencies and other state bodies and agencies of the Kyrgyz Republic, as well as local self-government bodies of the Kyrgyz Republic, Supreme Court of the Kyrgyz Republic and local courts.

Promotion of tourist product – a complex of measures directed towards the sale of tourist product (advertisements, participation in specialized exhibitions, fairs, organization of tourist information centers on the sale of tourist products, publication of catalogs, brochures, etc);

Subjects of the tourism activity – enterprises, agencies, organizations regardless of ownership forms, individuals registered in a manner established by the legislation of the Kyrgyz Republic.

Tour operators – provide a complex of services for tourists, promotion and implementation of tours.

Tour associations – alliance of representatives of the tourism sector.

Tourism – temporary departure (travel) of citizens of the Kyrgyz Republic, foreign citizens and stateless persons outside the permanent residence for the health-improving, cognitive or professional, sport, religious and other purposes without being occupied in paid activity in the country (place) of their temporary stay¹. (Reference: one of the first and the most accurate definitions of tourism had been given by professors of the Berne University V. Hunziker and K. Krapf, which was later adopted by the International Association of Scientific Tourism Experts. These scientists defined tourism as *the sum of the phenomena and relationships arising from the travel and stay of non-residents, insofar as they do not lead to permanent residence and are not connected with any earning activity*).

According to one of the first official definitions accepted by the UN in 1954, *tourism – is an active rest that influences strengthening of health, physical development of a person, related to travelling outside of a permanent residence*².

In accordance with the Law of the Kyrgyz Republic “On Tourism” of March 25, 1999 No 34, the concept of the tourism includes the following.

Tourism object – is a property, property entities, products of intellectual activity, as well as intangible benefits that belong to subjects of the tourism industry and used by them to provide services. Tourism objects can include lodging facilities, transport means, public catering facilities, culture, entertainment, and sport facilities, information resources and information systems, and also supporting means of the automated information systems and its technologies.

Tour – a complex of services on accommodation, transportation, and feeding of tourists, excursion services; services provided by guide-interpreters, and other services provided depending on travel goals;

Tourism resources – natural, historical, social-cultural objects including objects of tourism exhibition, as well as other objects able to satisfy spiritual requirements of tourists, promote recovery and development of their physical forces;

Tourist activity – tour operator and travel agency activities and also other activities on arranging travels;

Tourism product – a complex of services, provided to citizens (tourists);

¹ Law of the Kyrgyz Republic “On Tourism” of March 25, 1999 No 34.

² First official definition by the UN in 1954.

Tourism service – intangible commodity product provided to tourist by tourism industry entity within the package tour or for any eligible payment or any other payment, directly or indirectly related to compliance with tourists' demand and their servicing.

Zhogorku Kenesh – Parliament of the Kyrgyz Republic - is the higher representative body exercising legislative power and controlling functions within its authority in compliance of the state power division principle. It approves laws and regulatory acts, in the tourism sector as well.

1. Introduction

This Report that outlines the outcomes and main directions of tourism development in the Kyrgyz Republic (KR) has been prepared in accordance with the policy of the KR on development of tourism determined in the “Law on Tourism”, definition in the National Strategy for Sustainable Development “Kyrgyzstan shall become a modern regional center for tourism development in the Central Asia”, and as a priority sector in export strategy of the country.

Annual Report “Kyrgyz Republic Tourism Development” is the basic document reflecting the tourism situation in the KR. This document contains execution analysis of strategic goals and objectives, organizational structure of tourism sector management, initiatives and measures for tourism development, basic indicators and statistical data on tourism including estimated figures on tourism development in the Kyrgyz Republic.

SWOT-analysis of tourism provided in the Report gives information useful for decision making by business and valuable for the Government that strikes for improving environment for travel and tourism sector.

The main goal of this Report is to inform the target audience on the most significant measures and initiatives taken in the tourism development sector in the KR.

Position of the Kyrgyz Republic Among the Countries in the Tourism Sector

The Kyrgyz Republic is located in the north-eastern side of the Central Asia, in the very “heart” of the Eurasia continent. Its territory is 199,9 thousand square km and it spreads over 925 km from east to west, and 453 km – from north to south. Kyrgyzstan is bordered by Kazakhstan to the north, China to the southeast, Tajikistan to the southwest, and Uzbekistan to the west.

Mountains cover the majority part of Kyrgyzstan, about 94 percent. Forests occupy 5,3 percent of the total area, water – 4,4 percent, agricultural land – 54 percent. About 90 percent of Kyrgyzstan area is situated more than 1500 meters above the sea level. Maximum altitude above the sea level is 7439 meters, minimum – 401 meters. There are 1923 lakes in the Republic, and their total area is 6836 square kilometers. Issyk-Kul lake is one of the biggest and deepest high altitude lakes of the world. The lake’s water surface area is 6236 square kilometers (maximum depth is 668 meters). It never freezes and is a resort zone of the Republic, possessing natural curative resources and required conditions for their use for medical and preventive purposes.

Such famous mountain peaks as Pobeda peak (7439 m), Lenin peak (7134 m), Khan-Tengri (6995 m) are located in Kyrgyzstan. One of the most extended glaciers “Inylchek” is also a global item of interest. The territory of the Kyrgyz Republic is one of the most ancient hearth of human civilization. Kyrgyz people – is an ethnos known in the Central Asia since the first millennium A.D., who preserved their originality and culture from the centuries to the present days. Kyrgyz people treasure and develop all the best inherited from the ancestors: songs and folk tales, crafts secrets, and of course traditions of the national cuisine.

Attractive landscape, beautiful mountain peaks and lakes, rapid rivers and location of Kyrgyzstan along the Great Silk Road provide vast opportunities for tourism and entertainment.

Despite the fact that the Kyrgyz Republic’s is not a large country with regard to its occupied territory it belongs to 200 priority ecological regions of the planet.



Figure 1. Base Camp beneath the Khan-Tengri Peak

The main role in preservation of a biological diversity in the Kyrgyz Republic belongs to the network of specially protected nature territories (SPNT) with a total area of 1200,9 thousand ha or about 6 percent of the total area of the country. Out of them: 10 national reserves (591,1 thousand ha), 9 national nature parks (304,5 thousand ha), 10 forest, 23 botanic, 19 geological, 2 complex, and 14 zoological (hunting) nature reserves with a total area of 301,4 thousand ha.

Also in the territory of the Kyrgyz Republic one can point out 22 ecosystems and 160 varieties of mountainous and plain landscapes³.

The National Register of historic and cultural monuments of the Kyrgyz Republic of the republican status approved by the Resolution of the Government of the Kyrgyz Republic of August 20, 2002 No 568 includes 583 historic and cultural monuments (these object get the status of a monument with further inclusion in the National register of historic and cultural monuments).

Besides there are many historic and cultural monuments of local status, as well as the undetected and unexplored ones.

Special attention should be given to 7 universal historic, cultural, and nature monuments.

They include functional and acknowledged by the Government of the Kyrgyz Republic historic-cultural and nature reserves, historic-cultural complexes and memorial complexes such as:

- Manas-Ordo Kyrgyz National Historic-Cultural Complex in Talas oblast;
- Shakh-Fazil Historic-Cultural Complex in Jalal-Abad oblast;
- Issyk-Kul State Historic-Cultural Museum-Park in Cholpon-Ata town;
- Burana Historic-Cultural Complex in Chui oblast;
- Uzgen Historic-Cultural Complex in Uzgen town;
- Ata-Beyit Memorial Complex in Chui oblast.

Tourism sector of the Kyrgyz Republic belongs to perspective sectors of economy and is one of the main directions of the state policy on promoting the economic growth. The importance of the tourism should be noted as a sector directly providing employment opportunities, as well as a sector having significant direct and indirect multiplicative effect on employment in the economy.

International tourists flow in the world exceeded 1 billion people. According to the World Tourism Organization in 2013 1,09 billion international travelling has been done all over the world, that exceeds the similar 2012 index by 5%. By estimate of the World Tourism Organization the volume of the world tourist flow might increase by 4% in 2014. As the news.ru reports the tourism sector contributes **9% to the world GDP** – it is about 6 trillion Dollars.

In the Kyrgyz Republic, according to the preliminary data of the National Statistics Committee a number of arrivals for the previous six years has been increased and reached maximum amount of 3065,7 thousand people. Number of tourists in 2013 decreased compared to the same period of the last year. Number of people who had a rest in 2013 in the formal and informal sectors is 1061,8 thousand, in 2012 – 1199,4 thousand⁴. This situation was affected by political situation in Djety-Oguz raion of the Issyk-Kul oblast.

Gross Value Added in the tourism sector makes 4,5%, which is lower by 0,1% compared to the last year. In 2012 it was 14205,5 mln Soms, in 2013 – 15667,0 mln Soms. According to the State Tax Service under the Government of the Kyrgyz Republic tax and payment receipts from the “tourism activity” sector in 2012 amounted to 396,9 mln Soms, and in 2013 – to 549,9 mln Soms (based on the most recent data).

At the same time if to consider employment in this sector, then it remains low – in average 7350 people, that makes up 0,6% of total number of employed in the service industry (1387,6 thousand people) that indicates significant potential for growth of this sector. By estimate of the international experts, the Kyrgyz Republic uses its tourism capacity not more than by 15%. At the same time according to the data of the World Tourism Organization international tourists interested in tours along the Great Silk Road constitute 27% of the total amount of tourists.

³ Tourism in Kyrgyzstan 2008-2012. Collection of the National Statistics Committee of the KR

⁴By preliminary data of the National Statistics Committee for 2013

In 2013 the famous tourism internet resource GlobeSpots⁵ ranked Kyrgyzstan 3rd among the world countries to have a good rest. The rating makers classified Kyrgyzstan as an exotic country. The Issyk-Kul lake is one of the main sources of tourism income in the country⁶. According to the World Economic Forum⁷: Global Travel and Tourism Competitiveness Index 2013 the Kyrgyz Republic ranks 111th out of 140 countries. Kyrgyzstan is followed by such countries as Tajikistan, Pakistan, Nepal, Bangladesh and others. Kyrgyzstan's index is 3,45 points out of possible 5,66points⁸.

Ranking is based on the following country development indices and living standards of the population:

- social development index;
- political development index;
- economic development index;
- scientific-technical development index;
- information-communication development index.

As an example the below scheme provides ranking of Kyrgyzstan in the world in the tourism development sector. The researches have been also performed by the World Economic Forum. This research is done once in 2 years.



Figure 2. Ratings of the Kyrgyz Republic's competitiveness

Per the Russian branch of the magazine Forbes the mountain ski center “Karakol” was included in the 10 top places that can be visited without visa. As it is noted the Karakol center deserves the 10th place in the ranking among the best visa-free zones for the Russians as it is located in the most comfortable climate zone. The ranking also included such well-known ski resorts of the CIS countries like “Bukovel” in Ukraine, “Donbai” in Russia, “Tsahkadzor” in Armenia, “Silich” in Belorussia, and “Chimbulak” in Kazakhstan⁹.

⁵GlobeSpots – is an independent group of travelers who annually determines ten countries of the world and then travel to these countries gathering various information on places needed to be visited. This group exists for 5 years. Global Travel and Tourism Competitiveness Index is produced every two years and covers 140 countries. This Index is performed by the World Economic Forum: Global Travel and Tourism Competitiveness Index. It is produced based on a combination of data from generally accessible sources and information of travel and tourism international organizations and experts.

⁶Independent internet portal www.globespots.com

⁷ World Economic Forum – Swiss non-governmental organization mainly famous by organization of annual meetings in Davos. According to the many years ranking Switzerland is a leader in the international tourism. It is followed by Germany, Austria, Spain, Great Britain, USA, France, Canada, Sweden, and Singapore.

⁸ 2013 Travel and Tourism Competitiveness Index 2013, internet resource www.weforum.org.

⁹Ranking was done in March 2013.

2. Structure and Financing of Tourism in the Kyrgyz Republic

2.1 Structure of the tourism sector

In general the tourism industry significantly influences such key sectors of the economy as transport and communication, trade, handicraft, construction, agriculture, production of consumer goods, and many others serving as a catalyst for social-economic development. All these sectors of the economy are regulated by various ministries and agencies.

Under this situation the main management tools include such functions as policy elaboration, development of regulatory acts and coordination of operation of the state agencies.

In this respect for coordination purposes of the state agencies it was necessary to establish interdepartmental agency of the high management level. In 2012-2013 in this capacity the interdepartmental agency for development of the tourism sector was functioning. According to its working plan almost all state agencies of the executive power were involved into tourism development activities in the country. Department of Tourism under the MCIT of the KR acts as a working body (Secretariat) of this Commission.

With the aim of assisting in formation of attractive tourism and investment image of the regions, in 2013 the Department of Tourism under the MCIT initiated establishment of the Councils on tourism development. Main tasks of the Council are:

- Creation of prerequisites and assisting in successful development of tourism in the regions and attraction of investments in the territory of the regions;
- provision of organizational, technical, consultative, and other support in organization and development of business, projects and programs in the tourism sector in the territory of the region, and also in solution of issues and problems related to tourism sector and attraction of investments;
- identification of priority directions for tourism and attraction of foreign investments based on economic analysis of the existing market tendencies and region's needs;
- assistance in improvement of the tourism and investment climate in the region in line with the generally accepted principles and norms of the international law;
- assistance in promotion of the tourism in the region;
- setting up of working groups for implementation of the abovementioned and other tasks assigned by the Council including development of tourism business projects and programs on promoting tourism and investment attractiveness of the region.

The Council includes:

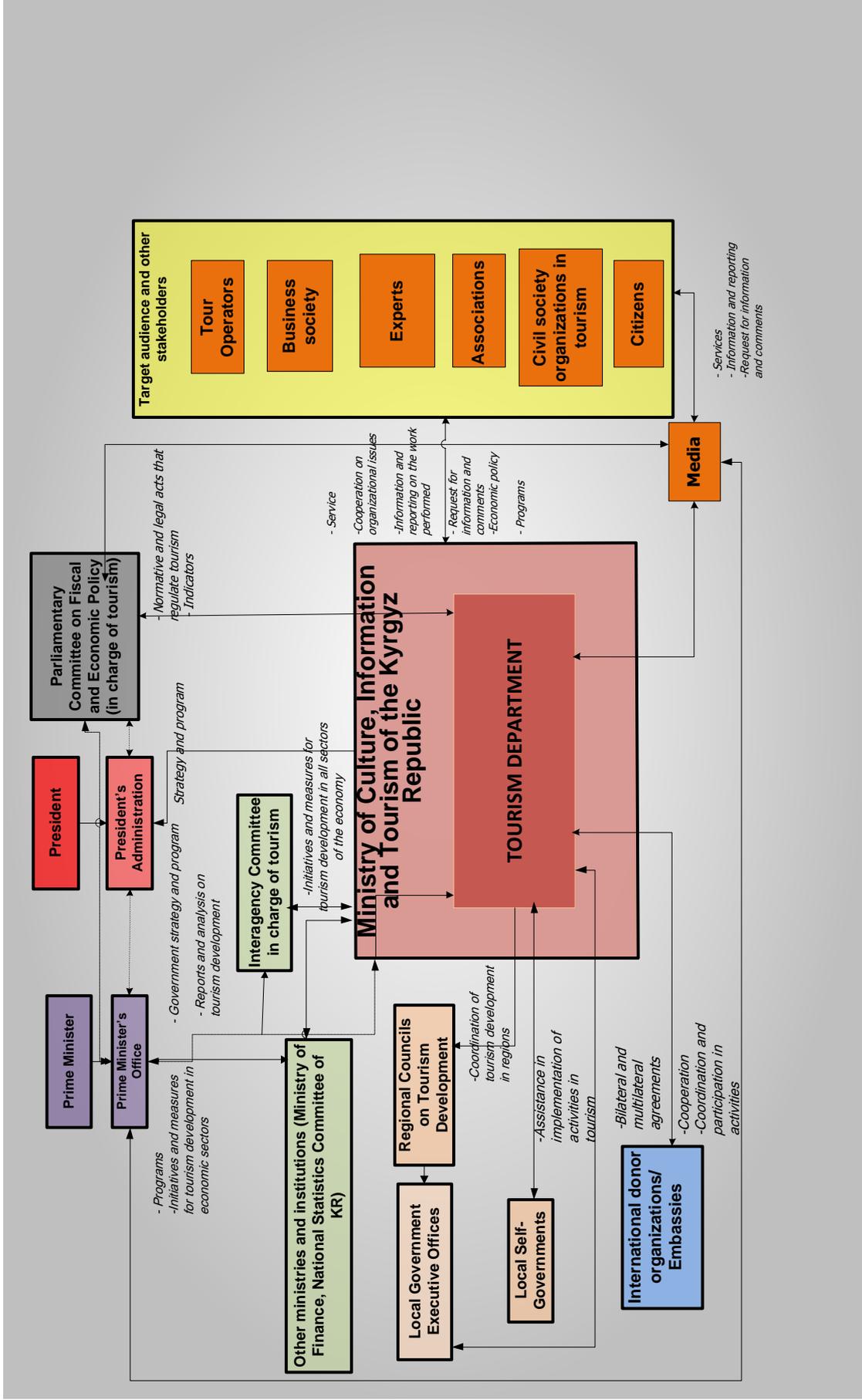
- Chairman of the Council – Authorized Representative of the Government of the Kyrgyz Republic.
- Chairman of the Council – Deputy Authorized Representative of the Government of the Kyrgyz Republic.

Members of the Council:

- Heads of the raion state administrations.
- Mayors of the cities of region subordinate.
- Heads of municipal districts.
- Heads of the state agencies, needed for addressing tasks related to tourism, investments, and entrepreneurship.
- Representatives of tourism, small and medium business.
- Public representatives.

To implement Policy and goals in tourism development sector every state body of the KR has its own tasks and functions.

Scheme of Interaction between Participants of the Tourism Sector



2.2 Financial support

The important source of financing the implementation of the national programs in the tourism development sector is the tourism development budget.

In accordance with the Resolution of the Government of the KR of 30.12.2011 No 762 “On organizational measures with regard to approval of a new structure of the Government of the Kyrgyz Republic” of February 10, 2012 functions related to the tourism sector have been transferred to the Ministry of Culture and Tourism of the Kyrgyz Republic. The tourism policy is implemented by the Department of Tourism under the MCIT of the KR. In 2012 the Republican budget envisaged 7,0 mln Soms for funding the Department and sector development under the expense line 2215 “Miscellaneous expenses”, out of which 3047,4 mln Soms has been actually allocated including funding of the Central Office of the Department of Tourism, and the rest amount of 3952,6 mln Soms has been sequestered.

For 2013 the scheduled allocations from the budget amounted to 7 mln Soms, i.e. at the 2012 level. The major part of funds was envisaged under the budget item “Procurement of miscellaneous services” – 4 216 900,0 Soms, that means organization of marketing promotion of tourism resources in markets of the CIS and non-CIS countries. The rest amount of 2783100,0 Soms shall be spent for maintenance of the Central Office of the Department (11 persons): wages, public utilities, business trips, etc.

Within the framework of preparation to tourism season the Department of Tourism in 2013 organized participation of local tour operators and health-recreational resorts at the international tourist exhibitions in such cities as Moscow, Yekaterinburg, Novosibirsk, and Almaty.

Private funds of entrepreneurs is an essential component of implementing the KR Policy. It should be noted that in 2013 investments in the fixed capital in the tourism area made up 7536,4 mln Soms.

For 2014 the Ministry put forward a proposal on allocation of funds from the Republican budget for development of the tourism sector in the amount of 44043,6 thousand Soms, out of which 38477 thousand Soms for procurement of “miscellaneous services”¹⁰, for 2015 and 2016, 47845,2 thousand Soms and 50173,2 thousand Soms respectively.

However based on the results of consideration of the submitted application the estimated figure is approved in the amount of 7,0 mln Soms.

Taking into consideration the abovementioned the Department sent proposals and program of expenses for implementation of target activities aimed at developing the tourism sector for 2014 in the amount of 49922,0 thousand Soms. A complex of activities under the 2014 – 2015 Program “VISIT KYRGYZSTAN” includes such important state projects as Payment of debts for membership in the World Tourism Organization (UNWTO) granting the rights to information exchange, cooperation, development of human resources, assistance in ensuring sustainable development of tourism; large-scale awareness campaign in the Internet, TV channels at the international level, preparation of POS-materials on tourism in the KR, participation in a big

¹⁰ Item in the Republican budget out of which funds are spent for carrying out of activities on implementation of strategic tasks in the tourism development sector.

number of international tourism exhibitions, organization and participation in other arrangements with the aim of attracting tourist flow and tourism development in the KR.

In case of an adequate financing of the sector inflow of foreign visitors to Kyrgyzstan in 2014 is expected to be: 140 thousand people from the non-CIS countries, 3 mln people from the CIS countries excluding citizens of the Kyrgyz Republic; in 2015 – 380 thousand people from the non-CIS countries, 3,5 mln people from the CIS countries.

The following essential factors should be mentioned for comparison: 2014 budget for tourism development in the Republic of Kazakhstan reaches 300 mln US Dollars (including capital construction of tourism facilities), in Poland in 2005 – 9,5 mln US Dollars resulted in more than 15 mln tourists, in Malaysia in 2005 117,9 mln US Dollars was allocated from the Republican budget to support tourism and in 2013 the number of foreign tourists will preliminary make up 26 mln people.

Number of employees in the Ministry of Culture and Tourism in Turkey in the “Tourism” unit – is 1200 people. More than 10,0 mln US Dollars is spent annually in Turkey for the tourism marketing only.

2.3 International Cooperation

With a view to develop capacity in the tourism sector the Department of Tourism implements various cooperation projects with the international organizations. Cooperation partners include UNDP, USAID REFORMA, European Commission, Japan International Cooperation Agency, GIZ.

With the support of the UNDP pilot projects have been implemented on capacity building of the rural tourism involving the existing handicraft and other sectors (cluster approach) in Naryn and Osh regions. Within the framework of this initiative educational trainings have been carried out. To reach sustainability of the performed activities in Naryn and Osh regions in 2013 two Tourist Information Centers have been established. The UNDP has also provided assistance in elaboration and launching of the information site on activities of the Department of Tourism: <http://deptourism.gov.kg/>

The European Commission under the project “Increasing Employment in Rural Areas through Tourism Development” that will be implemented during 2013-2015 provides assistance in creating training and informational centers aimed at training of rural population and business in basic principles of hospitality and tourism. This will facilitate development of tourism in rural area. It is envisaged to create 6 training centers based on rural craft cooperatives. Another initiative of the European Commission is a project “Strengthening Social Partnership Development in Vocational and Educational training in Kyrgyzstan” under which Professional Standards and Sector Qualification System for tourism have been created. Introduction of the created standards will enable to increase quality of education in the tourism sector.

Japan International Cooperation Agency provides assistance in increasing skills of tourism experts through practical training in Japan. Within this Program employees of the Department were educated and trained in Japan.

Practical training Programs are being implemented also with the support from bilateral partners (Polish Department of Tourism, CIS countries, etc.).

The USAID REFORMA Project with the support of which this Report has been prepared, is implementing a component “Human and Institutional Capacity Development” in the Department. Cooperation started in June 2013 in response to the request from the Department of Tourism on provision of technical assistance for implementation of the HICD component.

The main task of the HICD component in the Department of Tourism is to build institutional and human capacity in sector management and implementation of measures outlined in the National Strategy for Sustainable Development of the Kyrgyz Republic 2013-2017 and in the Program of the Government on transition to sustainable development. Activities under the HICD component commenced from complex diagnostics of the Department activities, its external environment, functions and processes with the aim of identifying gaps and developing recommendations for elimination of these gaps. Based on the outcomes of the evaluation done under the first phase of the HICD Action Plan has been developed on optimization of the Department activities. At present the REFORMA Project is providing assistance in implementation of priority actions included in the abovementioned Plan. In particular this includes:

1. preparation of the Tourism Development Report.
2. optimization of key business processes;
3. development of Action Plan of the Department of Tourism for 2014-2017 in accordance with the current strategic documents;
4. trainings and coaching. 11 people have been trained on “Public management in tourism sector” and “Process Approach Management” (9 employees of the Department of Tourism and by one representative of the Central Office of the Government and of profile Committee of the Zhogorku Kenesh of the Kyrgyz Republic);
5. issuance of 3000 copies of brochure “Kyrgyzstan – is a country of discoveries” and procurement of equipment.

3. Policy, Strategies, and Legislation in the Tourism Sector

3.1 Tourism Sector Policy

Kyrgyz Republic has a big tourism potential and its proper use will allow to develop regions, create new jobs, increase welfare of local population, and raise the economy of the country in a whole. So far the Government pursues the tourism sector development and regulation policy through the Department of Tourism under the Ministry of Culture, Information and Tourism of the Kyrgyz Republic.

State policy in the tourism sector in the Law of the Kyrgyz Republic “On Tourism” of 25 March, 1999 No 34 envisages the following:

- development of tourism as a priority sector of economy of the country and establishment of favorable environment for activities in the tourism area;
- securing of the citizens’ rights to rest, freedom of movement and other rights while travelling;
- regulation of financial and monetary cooperation in the tourism sector;
- financing of perspective national tourism development programs;
- coordination of activities of the authorized body in the tourism sector, private tourism organizations and objects of the tourism industry;
- development and improvement of the legal basis, regulating relationships in the tourism sector;
- assistance in development of international cooperation and professional training of specialists in the tourism sector;
- development of scientific researches in the tourism sector¹¹.

3.2 Development Strategies and Programs in the Tourism Sector

With the view of implementing the Policy the Government takes measures on ensuring favorable environment for development of the tourism sector.

Efforts on system approach to development of the tourism sector have been initiated in 1996 when the State Program on Tourism Development in the Kyrgyz Republic to 2005 has been adopted. Later in 1998 a Concept for Tourism Development in the Kyrgyz Republic has been adopted, then in 2000 a Concept for Tourism Development in the Kyrgyz Republic up to 2010 has been adopted, and in 2001 a Program of Actions on tourism development in the Kyrgyz Republic up to 2010 has been approved. Even though these documents had some weaknesses, they played their positive role in the sector development¹².

¹¹ Law of the Kyrgyz Republic “On Tourism” of 25 March 1999 No 34.

¹² “Kyrgyzstan Tourism” No 8/2012. Article “System problems of the tourism sector of Kyrgyzstan”, author: V. Komissarov

To date Kyrgyz Republic has a National Strategy for Sustainable Development of the Kyrgyz Republic 2013-2017 approved by Presidential Decree of the Kyrgyz Republic of January 21, 2013 that outlines significance of development of the tourism sector. Thus, according to forecasts by the World Tourism Organization, Kyrgyz Republic within the appropriate development level of tourism infrastructure can host up to 2,5 mln foreign tourists annually.

The NSSD provides the following measures to achieve the identified goal:

- creation of tourism clusters, which suggests a concentration in a limited area of enterprises and organizations engaged in the development, manufacture, promotion and sale of the tourist products;

- development of amendments to the Law of the Kyrgyz Republic “On Tourism”;

- development of a system for personnel training for the tourism industry by means of professional, executive and service staff development;

- holding of global culture and sports events in the country to promote tourism in Kyrgyzstan, including the Global Nomadic Games;

- creation of an international forum – center on the shore of the Issyk Kul lake to conduct political and economic forums and large national events;

- implementation of a large-scale pilot project to create roadside hotels, camping sites, parking areas for passenger and cargo transport and related infrastructure on key highways. Such projects will become points of growth for regions around which the development of small and medium businesses will intensify.

At the same time, an inherent part of the tourism industry development should be ensuring of sustainability of ecosystems and natural landscapes, as tourist assets and potential for growth of tourism in Kyrgyzstan¹³.

Except the National Strategy for Sustainable Development of the Kyrgyz Republic for 2013-2017 the Zhogorku Kenesh of the Kyrgyz Republic approved by its Resolution of 18 December 2013 a Program of the Government of the Kyrgyz Republic on transition to sustainable development for 2013-2017.

It should be also mentioned that there are two versions of the draft state strategies that have components on tourism development: National Strategy for Export Development of the Kyrgyz Republic for 2013-2017, developed by the Ministry of Economy of the Kyrgyz Republic, and Strategy for Tourism Development in the Kyrgyz Republic up to 2015 proposed in 2012 by the Ministry of Culture, Information and Tourism of the Kyrgyz Republic. But both draft documents are at the consideration stage and haven't been adopted yet.

Currently the society is engaged in discussion and continuous search for strategic approaches to tourism development. There are also other initiatives, for example Strategy for Tourism Development elaborated by private sector; Strategy for Tourism Development elaborated by the international expert Sandra Chersoun under the USAID Program on Local Economic Development (June 2011).

3.3 Legislation in the tourism sector

Regulatory acts of the Kyrgyz Republic in the tourism area can be figuratively divided into separate groups differentiating acts by legal force and by sectoral profile¹⁴.

¹³ National Strategy for Sustainable Development of the Kyrgyz Republic for the period of 2013-2017 approved by Decree of the President of the Kyrgyz Republic of 21 January, 2013.

¹⁴ Tourism sector in Kyrgyzstan: problems and ways of their solution at legislation level, information-analytical document. BDK, 2010.

The first group includes regulatory acts related to organization of tourism activities.

- Law of the Kyrgyz Republic on Tourism of 19 February 1999.

The second group relates to procedures for the use of tourism resources:

- Land Code of the Kyrgyz Republic of 30.04.1999
- Forest Code of the Kyrgyz Republic of 29.06.1999
- Law of the Kyrgyz Republic on sustainable development of eco-economic system “Issyk-Kul” of 28.06.2004
- Law of the Kyrgyz Republic on Subsoil of 2 July 1997 No 42
- Law of the Kyrgyz Republic on Licensing of 3 March, 1997 No 12
- Law of the Kyrgyz Republic on Specially Protected Natural Territories of 28 May, 1994 No 1561-XII
- Law of the Kyrgyz Republic on Protection and Procedure for Use of Plants of 20 June, 2001 No 53
- Concept for Ecological safety of the Kyrgyz Republic. Decree of the President of the Kyrgyz Republic of 23 November 2007 No 506.

The third group includes regulatory acts regulating the tourism safety issues:

- Law of the Kyrgyz Republic on the Basics of Technical Regulation in the Kyrgyz Republic of 16 April, 2004.

The fourth group includes legal acts stipulating framework for government bodies in the tourism sector:

- Provisions on the Department of Tourism under the Ministry of Culture, Information and Tourism of the Kyrgyz Republic approved by the Resolution of the Government of the Kyrgyz Republic of 2 May, 2012 No 270 (as revised by the Resolution of the Government of the Kyrgyz Republic of 6 September, 2013 No 490).
- Provisions on Coordination Council on Tourism under the Government of the Kyrgyz Republic of 2 February, 2001 No 33.
- - Provisions on Interdepartmental Committee on Development of Tourism Sector approved by the Resolution of the Government of the Kyrgyz Republic of 21 April 2011 No 123-p.

The fifth group includes regulatory acts regulating tourism formalities issues:

- Law of the Kyrgyz Republic on External Migration of 23 June 2000.
- Law of the Kyrgyz Republic on the State Border of the Kyrgyz Republic of 18 February 1999
- Customs Code of the Kyrgyz Republic of 13 April 2004.
- Instruction on application of the Law of the Kyrgyz Republic on Stay of Foreign Citizens in the Kyrgyz Republic of 12 October 1998 No 664.
- Resolution of the Government of the Kyrgyz Republic of 7 February 2009 on Approval of the List of Foreign Countries which citizens enjoy the simplified visa regime.
- Resolution of the Government of the Kyrgyz Republic on Approval of Rules for Compliance with Regime in Automobile, Pedestrian, and Railway Border Crossing Points of the Kyrgyz Republic of 7 February, 2009 No 80.
- Resolution of the Government of the Kyrgyz Republic on Approval of Procedures for Phase-in of Electronic Visa of the Kyrgyz Republic of 9 February 2009 No 92.

- Law of the Kyrgyz Republic on Introduction of Visa-Free Regime for Citizens of Certain Countries for the Period of 60 days” of 21 July, 2012 No 121.

Visa-free regime was initially introduced for 44 countries, then on 19 July 2003 amendments were introduced to include one more country. At present this Law spreads up for 45 countries¹⁵.

In addition to the adopted acts promoting development of investment environment, for the tourism as well, one can note a Resolution of the Government of the KR on Creation of Investment Promotion Agency under the Ministry of Economy of the KR of 17.03.2014 No 147. The objectives of the Agency are to attract and promote direct investments in the economy of the country in cooperation with the state bodies, local self-government bodies, business community and private sector.

To attract investments and implement socially significant projects a Law of the KR on Public-Private Partnership has been approved as of 22 February 2012, No 7.

Many¹⁶ experts and main stakeholders agree that to date there **is sufficient** legislation regulating tourism, but there are problems in implementation of the laws. There is also an opinion that the regulatory basis in the tourism sector doesn't contribute to the tourism development in Kyrgyzstan, neither it impedes its development.

4. Initiatives and Measures for the Tourism Development

For the purposes of summarizing the most significant information on implementation of measures and initiatives by all stakeholders of the tourism sector the SWOT-analysis of the tourism sector of the KR is provided below.

Based on the analysis basic initiatives and measures have been identified necessary for maximum use of strengths and opportunities of the KR, which are able to convert weaknesses into strengths and eliminate threats.

4.1 Raising Awareness of Public and International Community

It is being considered that the Kyrgyz Republic has huge capacity as a popular tourist destination place. At least over the period of the last ten years it has been expected that the sector will undergo rapid growth, and in many respects the country was ready for implementation of this capacity. However tourism's growth level is respectively average. In spite of well-known tourism places, for instance Issyk-Kul lake, Great Silk Road with ancient cities like Tash-Rabat and Osh, the country can't attract tourists who spend a big amount of money from the dynamically developing countries with transitional economy and from developed countries. The majority of tourists in the country are tourists from the former USSR countries.

Possessing tourism capacity Kyrgyzstan is still unknown or little-known country for many foreign

¹⁵ Law of the Kyrgyz Republic on Introduction of Amendment to the Law of the Kyrgyz Republic “On Introduction of Visa-Free Regime for Citizens of Certain Countries for the Period of 60 days” of 19 July, 2013 No 153.

¹⁶ Evaluation Report of the Department of Tourism under the MCIT of the KR within the framework of the HICD Program of the USAID REFORMA Project.

tourists. Arrangements and activities related to increasing awareness of services, getting of visa and other approvals, purchase of ticket, resources and opportunities of the country attractive for tourists and travelers. Information should be specific and qualitative, taking into account a form of presentation, language for different countries, simple and accessible channels for information movement, so that an interested person from any country of the world can easily find all the required information – starting from ticket booking, accommodation and getting of touristic services.

Kyrgyz tourism brand name is almost unknown, low awareness level about attractiveness of the country, about services and places for the rest and excursions, undeveloped tourism infrastructure and services – are basic impediments for attraction of more tourists from dynamically developing transition countries and developed countries.

To inform about opportunities and types of tourism in Kyrgyzstan, the Department of Tourism jointly with other ministries and agencies carries out activities on creating information field and use of all types of information source:

- improvement and development of internet resources and electronic media, in particular jointly with the UNDP a web-site has been developed and launched www.deptourism.gov.kg. Web-sites of the foreign establishments of the KR include periodically updated section on tourism capacity of the Kyrgyz Republic;
- development of printed materials and issuance of releases and promotional materials – for log-books of the Aeroflot company, Turkish airlines, for European readers; jointly with the printing house “Raritet” 500 copies of a book “Kyrgyzstan – land of nomads” has been issued; in four printings of the Islamic Republic of Pakistan («DiplomaticFocus», «BalochistanToday», «DailyIttehad», «ChhanBeen») issued under special publication articles about Kyrgyzstan has been placed, including information on its tourism attractiveness;
- presentation in different countries have been conducted with the assistance from Embassies and missions of the Kyrgyz Republic abroad¹⁷;
- one of the main aspects in delivery of information and promotion of services in the tourism sector is participation at international exhibitions. In 2013 employees of the Department jointly with Associations and tourist subjects participated at 4 international exhibitions – “KIFT - 2013” (Almaty), “Tursib - 2013” (Novosibirsk), “TITF – 2013” (Tashkent), “Intourmarket – 2013” (Moscow), “Leto – 2013” (Yekaterinburg);
- under the tourism fair “Issyk-Kul 2013” for tour operators and mass media representatives of Ural and Siberia Federal Districts of the Russian Federation information tour around the Issyk-Kul lake has been presented during the period of May 3 – 8. Delegation of this infotour consisted of 30 people;
- with the involvement and assistance of the MCIT and Department of Tourism in 2013 more than 10 festivals have been carried out, where 12 000 people participated.

¹⁷ of the cities Sialkot, Guzhranvala, and Islamabad, Honorary Consuls of the KR in Lahore and Karachi cities; Consulate General of the KR in UAE; KR Embassy in Japan; KR Embassy in Austria; KR Embassy in USA and Canada; KR Embassy in the Republic of Kazakhstan; KR Embassy in the Russian Federation; KR Embassy in Tajikistan; KR Embassy in Uzbekistan; KR Embassy in Belarus; KR Embassy in Ukraine; KR Embassy in FRG, Embassy Subdivision in Bonn city; KR Embassy in Turkmenistan, KR Embassy in Great Britain and Northern Ireland; KR Embassy in Turkish Republic; KR Embassy in Swiss Confederation; KR Embassy in Austria; KR Embassy in the Kingdom of Belgium; KR Embassy in the Kingdom of Saudi Arabia; KR Embassy in India; KR Embassy in Korea; KR Embassy in Malaysia; KR Embassy in the Islamic Republic of Iran; KR Embassy in the Islamic Republic of Pakistan

SWOT-analysis of the Tourism Sector in the Kyrgyz Republic (Figure 3)

Strengths

1. Good tourism capacity; Kyrgyz Republic was a significant place of tourism destination in the Soviet Union time. Appropriate infrastructure was created on that period, numerous hotels and facilities, including about 100 recreational resorts around the lake region
2. Development of new tourist products; adventure tourism is becoming more popular among tourists from the developed and developing countries and include such types of activities like walking tourism, hunting, horseback riding, alpinism, and other active types of recreation. Tourism along the Great Silk Road provides people an opportunity to walk along ancient trade routes between Uzbekistan and China. Mountain and equestrian tourism are also popular among tourism services, and these services are provided all year round.
3. Strengthening of various tourism clusters (for instance skiing tourism), mountains in the KR has big capacity for development of ski subsector in a future, heliskiing season starts in December and lasts till March. There are about 20 private skiing centers in the country, and Karakol is the most famous one; business tourism concentrated around two big cities – Bishkek and Osh.
4. Приезжие туристы могут ознакомиться с традиционным ремесленным производством, а местные поставщики услуг смогут увеличить объемы заказов от местных поставщиков товаров, например, заказы на пищевую продукцию.
5. Non-resident tourists can learn about traditional handicraft production, and local service suppliers can increase volume of orders from local commodity suppliers, for instance orders for food products.
6. In 2011 60 000 business entities were engaged in tourism related activity.

Weaknesses

1. Low level of awareness of the international community on opportunities and types of tourism in the Kyrgyz Republic
2. Underdeveloped tourism infrastructure; all-season resorts have been built during the Soviet time and don't meet modern requirements and are inefficient. New tourism objects built during the independence don't have conditions for all year round servicing at the international standards level
3. Low level of services that doesn't meet the international standards, but at the same time cost of services during the season period is at the same level as the prices of famous international tourist places
4. Lack of easily accessible information on the procedures and rules for getting visa and visa regime that impede attraction of a bigger number of tourists from dynamically developing countries
5. To date the tourism sector proposes narrow range of services and it should be diversified to attract bigger amount of tourists in extended consumer segments
6. High turnover complicates functioning of enterprises in the sector and significantly decreases quality of services; critical lack of managerial skills in the tourism sector decreases profitability of entities
7. Violation of sanitary norms negatively influences the image of the sector and ecology in tourist attending places
8. Collection of statistical data inconsistent with real current requirements impedes decision making opportunities in the sector

Opportunities

1. Taking into consideration geographical closeness of China and growing attractiveness of the Kyrgyz market it is quite possible that very soon Chinese tourists will make the significant share of tourists to the Kyrgyz Republic and other CIS countries. At this stage the Chinese tourists will probably be attracted by cultural-historic tourism, and lakeside recreational tourism. For the last years Indian tourists started showing an interest in Kyrgyzstan.
2. For positioning of the country at the world market a tourism brand has been developed. The Kyrgyz Republic has rich landscapes, its historical and cultural sites represent quite an attractive factor for many international tourists.
3. West markets is uncovered market capacity for complex resorts of the international standards (including lodging infrastructure like hotels, guest houses, camping, etc.); flow of rich tourists could fill the market and promote better regional integration in the Issyk-Kul and in other tourist regions.
4. One of the advantages of the Kyrgyz tour operators in the nearest future in attraction of the bigger number of Indian tourists looking for inexpensive tours will be annual payment increase for hotels in Uzbekistan and Kazakhstan.

Threats

1. Political instability, inconsistency in functioning of safety mechanisms and first aid to ensure safety of tourists
2. Unsatisfactory interaction in recreational tourism, lack of feedback from tourists in order to take into account positive and negative experience
3. Kyrgyz tourism brand name is almost unknown in far-abroad countries, limited scope of advertising and marketing actions on target markets
4. Competition from other Central Asian countries; Russia and Kazakhstan as the main tourism suppliers actively develop tourism sphere
5. Lack of progressive legislation base for the tourism industry, for improvement of the investment climate as well. Lack of a system of laws regulating protection and preservation of environment and protection of historic monuments to prevent their destruction
6. Transport infrastructure is quite inefficient that brings to decreased level of air communication for the tourists in the country
7. Lack of access to financing is a critically important challenge for tour operators in the country preventing them from broadening of business scope and increasing the quality of services

For the purpose of promoting Kyrgyz Republic as a country attractive for tourists, with direct involvement of employees of the Department of Tourism a tourism brand has been developed symbolizing pureness of natural resources, air, water and attractiveness of mountain tops, glaciers and crystal lakes.



The brand symbolizes the sky with Mother-Deer, a Cloud with an Alpinist and the sun. Next level (in the middle) is the Earth with glaciers and pastures. The third (bottom) level is Water with Issyk Kul, swimmers and beaches.

4.2 Development of the Tourism Infrastructure and its Impact on the Regions' Economy

The main factors for the tourism development are: enhancement of tourism services and offerings, ability to host more tourists, including tourists from high-yield countries – is ability of the infrastructure to ensure specific flow and quality level expected not only by the local tourists but meeting expectations of the international tourists.

The infrastructure includes the following objects and spheres: air and railway transport- as the country ports; passenger transport carrying tourists; development of roads and communication lines between the country ports and tourist places and objects; health resorts, sanatoriums, hotels, guest houses and other accommodations that can host tourist flows and provide adequate services; vast communication network providing communication and data transmission, communication service and internet providers; development of trade and service enterprises – meeting requirements and needs of all categories of tourists; and other enterprises able to provide services and commodities for the rest and entertainment, and that can meet requirements and needs of tourists.

Development of regional tourism in Kyrgyzstan is in close connection with tourism infrastructure, which serves either as a constraining factor of the sector development, or determines positive development dynamics of the tourism-recreational sector. At the same time infrastructure problems for most regions of Kyrgyzstan become the main reason of decreased competitive advantages of the territory at the tourism services market. Development of the tourism infrastructure depends on a number of factors: general economic, sectoral, social-cultural, and ecological.

Development of transport infrastructure facilitates increased accessibility of tourism resources.

Kyrgyz Republic has signed Agreement on air communication with 26 countries. At present there are regular flights to Russia, Kazakhstan, Uzbekistan, Tajikistan, Ukraine, Turkey, India, China, Korea, and Mongolia.

Currently 6 air companies perform regular carriage of passenger on international and internal air lines (OJSC “Airline Company Kyrgyzstan”, Limited Liability Airline Company “Air Bishkek”, Limited Liability Airline Company “Tezjet”, and others – provide cargo services and special services.).

Limited Liability Airline Company “Air Manas” started flights on the route Bishkek – Istanbul – Bishkek.

New international air flights have been opened: Astana – Bishkek, Dubai – Osh, Chelyabinsk – Bishkek, Chelyabinsk – Osh, Kiev – Bishkek.

Number of flights on the following directions has been increased: Bishkek – Novosibirsk, Bishkek – Yekaterinburg, Bishkek – Krasnoyarsk, Osh – Krasnoyarsk, Osh – Irkutsk, Osh – Surgut, Bishkek – Moscow, Osh – Moscow.

Along with the abovementioned arrangements missions of the Kyrgyz Republic abroad negotiate issues on renewal/opening of direct air/railway communications, road transportation to increase flow of tourists in Kyrgyzstan.

In the course of implemented measures:

Kyrgyz Air Company “Kyrgyzstan” renewed flights on the route “Bishkek – Tashkent – Bishkek” (for the period from January up to present 40 flights have been implemented);

Regular trips of tourists by bus to the Issyk-Kul lake have been organized;

Weekly air flight “Almaty – Tamchy” has been launched, air carrier is Kazakhstan air company “SandayAirlines”. Official distributors are tourist companies of Almaty city: “Tay Komek”, “AlgriTravel”, “HotTour”, “BanzaiTravle”, “Insan Tour” designed for 105 seats.

Kazakhstan Air Company “Air Astana” carries out direct flights “Astana – Bishkek – Astana” three times a week.

At present the Kyrgyz Republic Embassy in the Russian Federation provides an assistance in getting authorization documents for carrying out transportation of passengers by buses with small seating capacity by routes “Omsk – Cholpon-Ata”, “Tomsk – Cholpon-Ata”, “Kemerovo – Cholpon-Ata” by Kyrgyzstan transport company “Rostour Issyk-Kul”, which is an official carrier of the Russian Federation tour operator.

KR Embassy in the Republic of Uzbekistan is working out issues on renewal of railway transportation of passengers including tourists from the Tashkent city to the Issyk-Kul lake (station Balykchi) and back during summer season 2014.

Capital investments in railway and transport infrastructure contribute to the sector development.

For the construction of the road Tyup – Kegen according to the list of objects and construction sites funded from the Republican budget under the line item “capital investments” in 2013 40000,0 thousand Soms were envisaged. To date construction works have been implemented to the total amount of 45,3 mln Soms. Works on construction of roads fully meet modern requirements, all norms and technological processes on construction of roads are implemented at the international level.

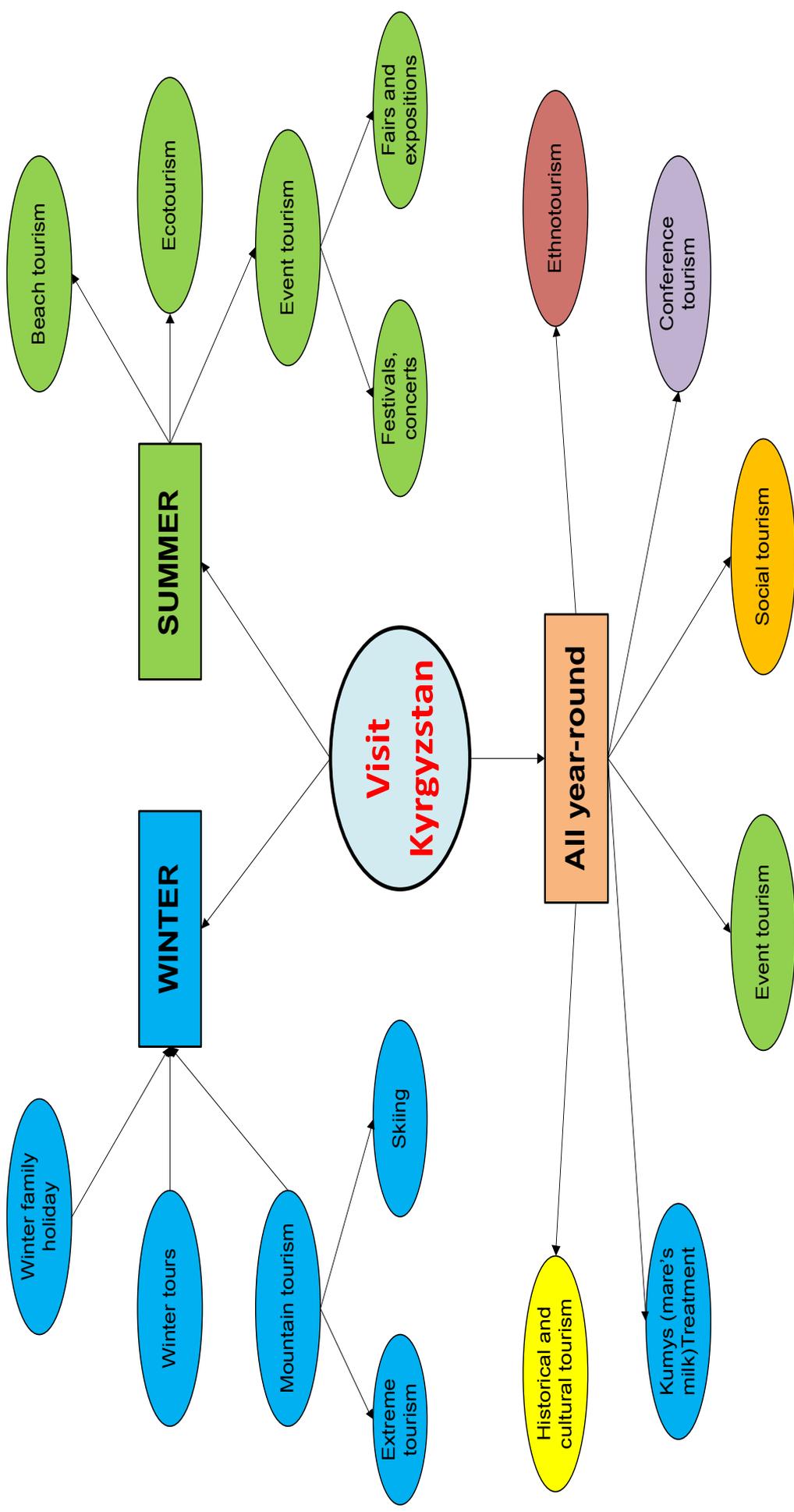
On the international roads “Bishkek – airport Manas”, “Bishkek – Osh”, “Bishkek – Naryn – Torugart”, and “Chaldovar – Bishkek – Kemin” and on local roads remedial works have been implemented, resulted in decreased duration of the travel to tourism objects and recreational places.

Development of infrastructure for provision of services

The bigger the list of tourism services the more chances to mitigate impact of seasonal factors. As practice of local companies shows such sanatoriums like “Issyk-Kul Aurora”, “Kyrgyzskoye Vzmorye”, “Goluboy Issyk-Kul”, recreation centers “Kapriz”, “Raduga” and others provide their services all year round to tourists and nationals. Such approach is quite justified and can help to decrease seasonal decline indices.

Development of new tourism products, adventure tourism are becoming more popular among the tourists from developed and developing countries and include such types of activities as walking tourism, hunting, horse riding, alpinism and other active rest. Tourism along the Great Silk Road gives the people opportunity to go along the ancient trade routes between Uzbekistan and China. Mountain and equestrian tourism is also popular among tourism services, and these services are provided all year round.

Structure for Broadening the Variety of Touristic Products



Development of tourism infrastructure and increase of tourism attractiveness of the region is significantly influenced by long-term investment policy in this sphere. Tourism can be quite attractive sphere of business for many investors. In spite of the fact that one of the most negative factor of the tourism services segment is seasonality, it is necessary to build business and develop infrastructure with due regard to this factor.

Mountain skiing tourism is being actively developed. Taking into consideration climatic and landscape peculiarities of Kyrgyzstan, mountain skiing as well as other types of tourism has big development perspectives. Mountain skiing cluster – is a system of development management of mountain skiing tourism in the Kyrgyz Republic based on sectoral, intersectoral, and territorial principles of unity of purposes.

Strengthening of various tourism clusters (for instance skiing tourism), Kyrgyzstan mountains have big capacity for future development of skiing subsector. Skiing season, heliskiing starts in December and lasts till March. About 20 private ski centers function in the country, and Karakol – is the most famous among them; business tourism concentrated around two big cities Bishkek and Osh.

Project presented by tour operators association Mountain skiing cluster is designed to consolidate efforts of small and medium businesses in partnership with government authorities on the state-private partnership basis. The goal of the Project is to consolidate interests of small and medium businesses, and also territorial interests of the Issyk-Kul oblast for the purposes of developing mountain capacity of the Kyrgyz Republic.

The cluster basis is 5 key projects on construction of ski centers:

Karakol, Boz-Uchuk, Chelpek, Kerege-Tash, Svetlaya Polyana. Projects of adjacent enterprises out of associated economy sectors: housing and public utilities (hotels, etc.); food and processing industry; handicraft; project of production infrastructure; projects on assuring fuel and energy balance of the cluster territory in the Issyk-Kul region (28 projects of midget power plants, 1 project of wind station in Boom gorge, heating station in Karakol city based on coal from Djergalan); transport projects of air and auto transportation (airport Tamchy, airport Karakol, ring-road around Issyk-Kul); social (education, cultural, esthetical, ideological support to export of tourism services taking into account the national color).

Institutionally the Project position the Kyrgyz Republic as a mountainous country in the international market of mountain ski tourism. It positively influences and creates prerequisites for sport, cultural and patriotic education of the youth.

Innovative character under Kyrgyzstan conditions can help to develop decisions for other types of clusters potentially ready for launching.

Additional investment opportunities exist in the area of modernization and enhancement of winter health resorts around Bishkek and Issyk-Kul, which meet the needs of local people and citizens of other countries. It is necessary to modernize and develop tourism and transport infrastructure for satisfying needs of tourists in skiing, alpinism, walking and equestrian tourism, and other highly profitable services.

Establishment of complex health resorts of the international standards (including accommodation infrastructure like hotels, guest houses, camping etc.) can fill the market and promote better regional integration in the Issyk-Kul and other tourist regions. For instance in the territory of the Suusamyr valley on the 158 km of auto road “Bishkek-Osh” a tourist center “Paragliding” is located, JSC “Tatina”. The center has all necessary conditions for hosting tourists, including the foreign tourists. This year it is planned to spend not less than 50,0 thousand Soms for amenities and landscaping.

Also development of mountain and national tourism is carried out in a specialized way in summer period by the efforts of Suusamy village council. Works are carried out to organize tourist route in alpinism and equestrian tours. 9-15 hotel complexes (at home) are organized to host the tourists with cooking of national meal, and also equestrian tours have been developed. The length of the routes is 10-15 km.

In the territory of Shamsy village council in the mountain area Tuura-Kaiyn a guest house for tourists is constructed, which will be completed in the third quarter 2014.

In 2013 a guest house was commissioned in Tarsuu gorge – (private entrepreneur Mukanbt u. Uzur – 830,0 thousand Soms for 10 seats). Tours and treatment with kumyz is envisaged.

4.3 Improvement of Quality of Tourism Services and Performance

Quality of performance of services is the main factor of the sector development and satisfaction of tourists. If the level of quality and performance is quite high and meet the expectations then the level of the second visit is increased including steady and planned demand. To ensure the increased quality criteria it is necessary to create tradition in the country and practice of the tourism subjects to conduct evaluation of the services criteria level and satisfaction of the tourists. On the periodical basis it will be necessary to evaluate the services quality-price ratio and compare with the international level, and publish the data. To study reasons for decreased satisfaction, and work on improving it.

At the international tourism market the quality of performance is the strongest tool in competitive struggle. Tourists who are satisfied by services in hotels, restaurants, service bureau, tourist complexes of definite countries, become their active agitators. They repeatedly visit these places contributing to the increased flow of tourists, creating higher reputation to tourist places that they liked most. Quality of services performance ensures finally the increase of economic efficiency of tourism.

A special attention shall be given to ensuring compliance of services and performance of services with the adopted quality standards and conformity to tourists' requirements. Education and training of the employees, use of the client oriented principles ensure satisfaction of tourists and recommendations for friends. Finally, attractiveness of the country as a tourist destination will be improved.

Classification of the services quality factors is quite vast:

- indicators of the functional purpose;
- indicators of the social purpose;
- ergonomic indicators;
- esthetical indicators;
- safety indicators;
- ecological indicators;
- patent and legal indicators;
- standardization indicators.

Quality of services has specific opportunities and is formed of the following components: quality of services performance and quality of public services.

Thus one can define two basic criteria of the quality system: it should ensure high level of services quality, its compliance with standards and requirements of tourists, and also serve as a tool for creating special technologies on rational management of enterprise.

Provided tourism services should meet expectations and physical capacities of consumers, whom the service is designated for, as well as the requirements foreseeing additional conveniences for consumers, attractiveness and prestige value of services. The recommended requirements to tourism services and performance conditions include: fir for purpose; accurate and timely performance; complexity; ethic behavior of operational staff; comfort; aesthetic; ergonomics. It is required that provision of tourism services ensures possibility of getting not only basic, but also additional services (consumer services, communication services, trade services) ensuring proper life-sustaining environment for consumers.

For instance, one can introduce such directions to increase level of service performance and provision of service:

- 1) higher criteria in hiring of new employees;
- 2) personnel skills development;
 - initial training in accordance with the enterprise tasks and specificity of work;
 - training for liquidation of a gap between position requirements and personal qualities;
 - general skills improvement training;
 - training for mastering of new techniques and methods for implementation of labor operations;
- 3) introduction of new technologies in tourists servicing;
- 5) decreased cases of a breach of work discipline thanks to performed work with personnel;
- 6) decreased amount of expenditures related to conduct of work related to staff servicing;
- 7) introduction of arrangements on scientific organization of work: disposition of staff in accordance with qualification, education, age, character, etc.

According to the research done in 2012¹⁸ the average satisfaction of foreign tourists by the received tourist services in Kyrgyzstan makes up 3,7 points out of 5-grade scale. Tourists highly evaluated hospitability of local population (4,3 points). Foreign tourists are less satisfied with hygiene level (2,9 points) and level of services in Kyrgyzstan (3.4 points).

Foreign tourists also evaluated a quality of received services in the places of their main stay, in restaurants, in café and tourist companies.

Thus the majority of the respondents think that general quality of services in Bishkek is good, and in other regions it is evaluated as “relevant”.

Award of the Kyrgyz Republic for Quality

To improve the quality of tourism services, the Department of Tourism as part of a special commission made an assessment among the participants of the competition for obtaining the award for the quality of the Kyrgyz Republic for 2013. This Commission was chaired by Deputy Minister

¹⁸ Data related to satisfaction and quality of services based on the outcomes of the research “SIAR research&consulting” done in 2012

- Director of the Department of Tourism under the MCIT of the KR, Deputy Chairman of the Expert Committee, the Head of the Group #3 in the category "Tourism and Hotel Services". Applications from 19 hotels and resorts we the following: re received for this nomination. Upon review of the candidates, the members of the Expert Committee for this category decided the following:

- Goluboi Issyl-Kul Sanatorium became the Award Winner.
- The diplomas were given to Ak-Keme Hotel and to Caprice chain of hotels.

In 2014, another national award named “**KYRGYZTOURISM AWARD**” was approved. This award is awarded through an open competition of the projects for achievements in the field of tourism development and promotion in the Kyrgyz Republic.

The purpose of the award is to identify the most interesting and successful projects in the field of tourism development and promoting the Kyrgyz Republic, to generate interest towards these projects and events on the part of the government authorities and common public. A wide variety of activities takes place every day around the world, including exhibitions, conferences, festivals, theatrical processions and concerts. Each such event can attract and unite people of different nationalities, interests and aspirations. It can become a good tradition and significantly impact the development of tourism sector in the Kyrgyz Republic

The award will be awarded in the following nominations:

- The best tourism project of the Kyrgyz Republic (recreational, historical and cultural, mountain adventure, ski tourism, eco tourism, ethnic, business, medical, gastronomical, etc.)
- Best event tourism project in the Kyrgyz Republic (festivals, contests, concerts , carnivals, performances , opening of museums, theaters, exhibition halls, festivals devoted to historical dates and events, historical reconstruction).
- Best tourism complex in the Kyrgyz Republic (complexes, parks, tourist destination group objects).
- Best hotel in the Kyrgyz Republic (hotels, motels, guesthouses, resorts, sanatoriums, etc).
- Best tour operator of the Kyrgyz Republic (complexes, parks, tourist destination group objects)
- Best internet project promoting tourism of the Kyrgyz Republic (websites, portals, social pages, blogs, etc.)
- Best idea for the development and promotion of tourism of the Kyrgyz Republic (not implemented projects are considered)
- Best Kyrgyz diplomatic mission promoting tourism
- Best tourism educational institution
- Best oblast (region) to promote tourism of the Kyrgyz Republic
- Best Kyrgyz town promoting tourism
- Best media covering tourism in the Kyrgyz Republic

- Best Partner (domestic sponsor or patron) in the development of tourism in the Kyrgyz Republic
- Best donor (foreign organizations) in tourism development in the Kyrgyz Republic
- Best expert in the field of tourism of the Kyrgyz Republic, external contribution to the development of tourism of the Kyrgyz Republic

Personnel Training in Tourism Field

One of the most important aspects in improving the quality is the level of professionalism and the service personnel, and more importantly, the qualification of the staff and of the management of tourism businesses. The most important objective in this case is an independent evaluation of the personnel qualification and certification of their qualification (sectoral qualifications system), as well as personnel training and professional growth in accordance with the Professional Standard and Sector Framework for Tourism and Hospitality Sector Qualification.

Today, there is a need in personnel for tourism sector who are able to implement the programs and projects of the companies, i.e. the staff whose competence is limited by the responsibility for his job and the group of people, those who have limited authorities to make decisions upon completion of the tasks in work in accordance with the approved plans, programs, instructions and guidance.

It is obvious that such experts should be prepared by the secondary professional institutions and vocational lyceums. According to the UNDP expert, the tourism labor market is in high demand of the above-mentioned personnel, the need of staff is about 80 %.

There are 15 higher educational institutions that train specialists in the tourism sector, which is 27.3 % of the total number of higher educational institutions. There are 2 vocational schools (1.6%) and 21 vocational lyceums (17.4%) . Comparing these figures, it should be noted that most of the specialists come from higher educational institutions, which in reality add to the number of unemployed people as they cannot find work in their specialty.

As a result of these circumstances, there is unbalanced regional development, disparity between education and the quality of services provided and the labor market requirements, insufficient information about real opportunities and vacancies when choosing a profession and about professional education, which creates obstacles for the adequacy and compliance of business and tourism industry when young people enter the labor market. The lack of qualifications and skills of young people and the rural population results in low productivity and increases the proportion of the people employed at low-paid jobs, which is more than 70 % of the number of jobs created annually.

In 2013, vocational schools under the Ministry of Tourism prepared 103 specialists. 74 people graduated vocational school № 18 in Bishkek on “restaurant and hotel business” specialty; 20 people graduated from professional lyceum № 85 in Issyk-Kul oblast on "hospitality sector" specialty; vocational school № 37 in Chui oblast trained 9 specialists for "hospitality sector". 90 % of the graduates of these schools were employed in their specialties.

In the Kyrgyz Republic there are several higher education institutions involved in training in the field of tourism. The number of graduates from higher educational institutions is the following:

Kyrgyz Economic University in 2012 – 60 graduates, in 2013 -80 graduates,

In 2014 – 60 graduates are planned;

Tourism Academy – 258 graduates in 2012, 254 graduates in 2013, 235 graduates are planned in 2014;

Manas University: Higher School of Tourism and Hotel Business – 65 graduates in 2012, 48 graduates in 2013, 75 are planned in 2014.

The most important condition necessary ensure preparedness of the professional educational institutions to cooperate with the business is to enhance the development of social partnership with businesses, not only in terms of personnel training, but also in terms of training of the teachers at these vocational schools. This will enhance the educational process and provide an opportunity for the teachers to gain a deeper knowledge of the specifics of tourism and construction of the camps.

Today the Professional Standard and the Sector Qualifications Framework for ecotourism correlated with the European Qualifications Framework had already been developed. These documents were approved by the Ministry of Culture, Information and Tourism of the Kyrgyz Republic in the person of the Department of Tourism, Ministry of Education and Science, and the Ministry of Labor, Youth and Migration of the Kyrgyz Republic. In accordance with this Professional Standard and the Sectoral Qualifications Framework for Ecotourism the state educational standards in the tourism industry for higher education had been developed such as the Bachelor as well as the standards of the secondary vocational education for tourism sector. An independent evaluation of qualification and certification of the qualification in the tourism industry is nearing completion. The Memorandum of Cooperation in the field of qualification development had been signed between the Ministry of Labor, Migration and Youth Development the Center of Qualifications Development. Under this memorandum, the Qualification Certificate had been developed and approved, an independent evaluation of qualification and certification of the agents for booking and sales of travel products takes place. The Qualification Development Center signed an Agreement on Cooperation in the development of qualifications in the tourism industry with all tourism associations.

4.5 Simplification of Permitting Procedures

In 2013, there had already been negative reviews about Kyrgyzstan. According to KATO's estimated data, the introduction of a visa-free regime resulted in increase of the flow of tourists from foreign countries by an average of 30%, however, the tourists still have to wait for 1 month a minimum to get a border pass.

For the purpose of simplification of the procedure for obtaining the permission to enter the territory of the Kyrgyz Republic by foreign nationals and persons without citizenship, the Kyrgyz National Security Committee together with government stakeholders considers it appropriate to make changes to the Government Resolution № 362 dated 15.05.2004 regarding the transfer of the issuance of permits to visit Kyrgyzstan to the State Border Service of the Kyrgyz Republic, which will coordinate these issues with the territorial departments of the Kyrgyz National Security Committee at the spot, bypassing the Department for Registration of Population and Civil Acts of the State Registration Service under the KR Government. These measures will shorten the time for consideration of the requests of travel companies within 5 working days.

The Law of the Kyrgyz Republic "On Amendments to the Law of the Kyrgyz Republic "On External Migration" No. 160 dated July 24, 2013 came into force. These amendments provide for legal definition of the term “electronic visa”.

On February 21, 2014, the Prime Minister of the Kyrgyz Republic signed a Resolution of the Government of the Kyrgyz Republic № 51- p to establish a Unified System of Tracking of External Migration in the Kyrgyz Republic, one of the sub-components of such system being the system of issuing electronic visas. The main coordinating body for the implementation and operation of the ESUVM system will be the National Security Committee of the Kyrgyz Republic; the launch of the ESUVM system is planned for this year.

The State Border Service used to undertake and is undertaking all necessary measures to restore the functioning of the checkpoints that had been unilaterally closed by the Republic of Kazakhstan. As a result of this work, the verbal agreement was reached with the Kazakh side to resume a "Karkyra - Road" (KR) - "Kegen - Road" (RK) checkpoint, which will operate from May to October. On June 6, 2013, by the beginning of the tourist season the work of a "Karkyra - Road" checkpoint resumed (during daylight hours from 8.30 to 18.30).

In order to prevent or combat violations and crimes at the state border, to fight corrupt practices and ensure operational decision-making on the issues raised in the complaints of the persons crossing the state border, the information boards in three languages (Kyrgyz, Russian and English) were placed at the checkpoints with the indication of the trust phone lines, working 24 hours. The website of the State Registration Service of the KR at www.border.kg was launched where citizens could send their complaints and comments on the actions of the border guards.

4.6.Preserving Ecology

Nowadays, Kyrgyzstan faces the prevailing outflow of people and resources from mountainous areas to the plains, which, among other things, also exacerbates and highlights an important sector problem of underuse of the tourism and recreation opportunities in the mountainous areas. The activities in this area are not systematic and they do not take into account environmental factors.

This applies to the substantially underused tourism capacity such as the splendor of the landscape and nature, rich natural diversity, a unique way of life in certain mountainous areas; cultural identity of the people and many other features. This also applies to the rich mineral resources of the Kyrgyz mountains, which can be used in health treatment tourism and for rehabilitation and recreational purposes. The opportunities of the Kyrgyz population in the use of medicinal resources of the mountains represent an additional potential for the leisure industry. Currently there is no control over the condition and quality of these medicinal and health treatment resources.

But the opportunities and dangers, that tourism brings, must be seen realistically in order to develop the concept, which will neutralize negative effects to the extent possible. An essential part of planning is to determine the maximum allowable environmental and social burden on the region and to comply with this indicator.

Currently the Kyrgyz Republic has a network of specially protected natural zones, covering 1,200,872.0 hectares of land in total (6.006 % of the total land area). These specially protected natural zones are essential for preservation of biodiversity, protection of cultural heritage, scientific research, recreation and tourist attraction. The operation of such natural zones is regulated by the Law "On Specially Protected Natural Territories" No. 18 dated May 3, 2011, where, in accordance with Article 8 of defined mode of use of specially protected areas for tourism purposes. According to the law, such natural territories can be used for developing ecotourism, involving local people in the formation of tourist infrastructure and ensuring their sustainability, as well as for showing natural,

historical and cultural sights of the area. Such territories also allow to organize excursion ecological routes, hiking trails and parks, tourist accommodation facilities, open air museums and exhibitions on specially allotted land plots, depending on the regime applied to such natural territory in the manner determined by the Government of the Kyrgyz Republic.

To preserve biodiversity, improve the welfare of the local population and support the development of the tourism sector of Kyrgyzstan, the State Agency for Environmental Protection and Forestry under the Government of the Kyrgyz Republic together with international organizations implements the following international projects (for more details, see website - <http://www.nature.kg/>):

- UNDP-UNEP "Poverty and the Environment" Initiative;
- Strengthening the capacity of forestry preservation in the Kyrgyz Republic (KOICA);
- Improving the coverage and effective management of the system of protected areas in Central Tien-Shan (Global Ecological Fund/UNDP);
- National monitoring of forestry and information system for deforestation and forest degradation
- For the implementation of the Community-Based Infrastructure Services Sector Project ("Clean Water Project"), the Asian Development Bank allocated \$36 million and \$9 million were allocated by the Government of the Kyrgyz Republic. The total project budget is \$ 45 million, of which Chui province received \$ 7 million. The project is planned for 5 years.

4.7 Preserving Natural and Cultural Heritage

The state list of historic-cultural monuments of the Kyrgyz Republic of national significance, approved by the Government of the Kyrgyz Republic # 568 dated August 20, 2002 lists 583 historic-cultural monuments (these objects are given the status of a monument upon inclusion to the State List of Historical and Cultural Monuments)

In terms of their typological classification, they are categorized as follows:

- Historic monuments - 66;
- Archeological monuments -335;
- Architectural monuments -122;
- Monuments of arts - 53;
- Monuments of history, culture and nature - 7

Besides this, there are many historic-cultural monuments of local significance, and there are monuments that are yet to be discovered and explored.

It is worth specifically mentioning the universal monuments of history, culture and nature, we have 7 such monuments.

They include the existing historic-cultural and natural parks, historic-cultural complexes and memorial complexes recognized by the Government of the Kyrgyz Republic, such as:

- Manas-Ordo Kyrgyz National Historic-Cultural Complex in Talas oblast;

- Shakh-Fazil Historic-Cultural Complex in Jalal-Abad oblast;
- Issyk-Kul State Historic-Cultural Museum-Park in Cholpon-Ata town;
- Burana Historic-Cultural Complex in Chui oblast;
- Uzgen Historic-Cultural Complex in Uzgen town;
- Ata-Beyit Memorial Complex in Chui oblast.

To preserve the historical and cultural monuments, the following draft laws were submitted for consideration to the Government of the Kyrgyz Republic, ministries and agencies:

- Draft Resolution of the Government of the Kyrgyz Republic "On Approval of the “Instructions on the Procedure of Registration, Protection, Restoration and Use of Immovable Objects of Historical and Cultural Heritage of the Kyrgyz Republic” and "Instructions on organization of the Zones of Protection of Immovable Objects”.
- Draft Resolution of the Government of the Kyrgyz Republic "On Making Amendments and Additions to the Resolution of the Government of the Kyrgyz Republic № 638 dated September 8, 2006 "On protection and use of the National Historical and Archaeological Museum Complex "Sulaiman-Too", which in June 2009 became the first World Heritage monument in the country.
- Draft Resolution of the Government of the Kyrgyz Republic "On Approval of the Procedure of conducting Archeological Survey”.
- Draft Resolution of the Government of the Kyrgyz Republic "On approval of the projects of protected areas of immovable objects of historical and cultural heritage of the headwaters of the Chui Valley: Krasnaya Rechka (Nevaket), Ak-Beshim (Suyab) and Burana (Balasagun)"
- Draft Resolution of the Government of the Kyrgyz Republic "On Approval of the Procedure of conducting of the State Historical and Cultural Expert Evaluation”.



*Figure 5. Sulaiman-Too Mountain in the City of Osh*¹⁹

In 2013, Kyrgyzstan in cooperation with the People's Republic of China and the Republic of Kazakhstan completed preparation of the Silk Road serial transnational nomination for its inclusion

¹⁹This photo is published in free [Wikipedia encyclopedia](https://en.wikipedia.org/wiki/Sulaiman-Too)

to the UNESCO World Heritage List. It included the initial part and the route network of the Tien Shan corridor of ancient settlements of Krasnaya Rechka (Nevaket), Ak- Beshim (Suyab), Burana (Balasagun) proposed for inclusion to the List of World Cultural and Natural heritage, which was sent to Paris.

At the village level, it is necessary to inform, educate and raise awareness of the population in the area of environmental issues, assessment of their culture and customs, as well as inform of their shortcomings and future tourism opportunities, etc.

Devotion to traditional activities and customs can help local people to preserve their cultural identity and contribute to creation of the image of Kyrgyzstan, which tourists would like to see. This is why the most important part is the development of local villages by identifying their needs for tourism development, informing them about ecology, pros and cons of tourism development, as well as their own abilities and the environment capacity of their regions. Priority should be given to the buffer zones of the protected areas. The activities should also be developed in other areas through special projects working at the village level, such as the Helvetas project which has been implemented in Naryn.

4.8 Measures for Ensuring the Tourists' Security in the Kyrgyz Republic

Security is an important issue for international tourists when they choose a country to visit. The results of the survey²⁰ (held by SIAR Agency) revealed that an overwhelming number of the interviewed foreign tourists felt safe during their stay in Kyrgyzstan.

The Ministry of Internal Affairs of the Kyrgyz Republic and its territorial divisions took a series of organizational and practical measures aimed at ensuring public order and security of the citizens during the tourist season in 2013.

The Ministry of Internal Affairs printed at its own printing press and distributed among its regional departments the pocket size instructions for police officers contacting with tourists. A special memo was developed for police officers of the Kyrgyz Republic on how to work with foreign nationals with the indication of addresses and phone numbers of the consular missions accredited in the Kyrgyz Republic.

More than 2,000 officers of the Internal Affairs Departments are involved in the everyday activities ensuring public order, of them more than 400 police officers are for Issyk-Kul region. In addition, more than 700 members of voluntary public order squads are involved in ensuring public order.

The Diving Service organized a lifeguarding training for the life guards working at health treatment resort facilities in the Issyk-Kul oblast.

In preparation to the upcoming tourist's inflow, information campaign was launched; in particular an animated film was produced on the Rules of Life Guarding at the Water Objects, which was aired on TV "Channel no.1".

²⁰Report «Research of Tourism Sector » SIAR Agency

It is worth noting an increasing active work and help of life guards at Issyk-Kul resorts, who successfully rescued and prevented a number of accidents on the water thanks to their professional activities. 30 persons were rescued in Issyk-Kul during the reporting period.

The official website of the Ministry of Emergency Situations ww.mes.kg contains the contact data of the officers on duty of the Center of Crisis Situations Management of the Ministry of Emergency Situations and of the territorial divisions of the Ministry of Emergency Situations and of the rescue teams who could be contacted for any information relating to tourist groups and individual tourists. A simplified registration form for tourist groups was posted in the departments and divisions of the Ministry of Emergency Situations. During registration of the tourist groups in all Departments of the Ministry of Emergency Situations, an instruction training is conducted by the members of tourism organizations engaged in extreme kinds of tourism and mountaineering on compliance of safety measures along the routes by climbers and mountain tourists.

The Ministry of Emergency Situations of the KR organized a round table with the participation of the representatives of the Association of Tour Operators working in the territory of the Kyrgyz Republic to discuss the issues related to registration procedure for tourism organizations engaged in extreme kinds of tourism and mountaineering, as well as providing information on the mountaineering routes for alpinists and mountain tourists, connection issues, transfer of warning information about possible emergency situations and on cooperation in case of rescue activities .

An additional rescue post was opened at Boom Gorge (Kyz-Kuye village).

No complaints were received from tourists against unlawful actions by the border control authorities during the reporting period.

Safe Travel on the Roads

In order to ensure traffic safety during the preparation and conduct of the tourism season in 2013, the Ministry of Internal Affairs issued an order No. 468 dated 07.06.2013 "On measures to improve the work of the road police during 2013 tourism season". The Ministry also developed and approved a Plan of preventive measures to ensure road traffic safety during the 2013 tourism season.

A network of road police posts was dislocated with certain areas of responsibility along the tourists' routes. During the tourist season, a 24-hours operating police post was set in Boom gorge. The on-duty ambulances and rescue teams of the Ministry of Emergency Situations of the Kyrgyz Republic were organized to immediately go to the places of accidents and provide first re-medical aid to victims.

To ensure safety of tourists on Bishkek-2 railway station there were 1 video cameras installed and accompanying of long-distance and short travels resumed. The staff have beiges with their names and hotline telephone number for complaints.

Work on improving public order during the tourism season

The Press-service of the Ministry of Internal Affairs posted hotline numbers of the territorial internal affairs departments throughout the republic at its website along with the events held by the Internal Affairs Office of the Kyrgyz Republic during the 2013 tourism season.

A special booklet was developed and printed for police officers of the Kyrgyz Republic on how to work with foreign nationals with the indication of addresses and phone numbers of the consular

missions accredited in the Kyrgyz Republic. The total of 1 500 copies were printed and distributed among law enforcement officers.

An educational and information campaign was conducted for the staff of the Internal Affairs departments. The Order of the Ministry of Internal Affairs # 156 dated February 26, 2013 was issued on measures to ensure polite treatment of citizens by law enforcement officers and servicemen of the Internal Troops of the Ministry of Internal Affairs of the Kyrgyz Republic. The order was sent to the territorial units for execution and the instruction to comply strictly with the requirements of normative legal acts of the Kyrgyz Republic, aimed at protecting the rights and interests of citizens, the Code of Ethics of the internal affairs bodies of the Kyrgyz Republic, the Instructions for the officers of the Interior Affairs Department of the Kyrgyz Republic on how to behave at work and in everyday life.

These preventive measures and efforts led to 5.9 % decrease of offenses. According to the data of the Operational Analysis Department of the Ministry of Internal Affairs, 2407 crimes were registered in 2012, while in 2013 the number of registered crimes was 2263.

Control over Proper Sanitary and Ecological Condition of Tourism Facilities

In order to prevent contagious and non-contagious diseases in 2013, the Public Health Service Department of Health Ministry undertook certain measures on the operation of seasonal and permanent health institutions, public beaches, trade and catering facilities:

- heads of health institutions and recreation facilities were sent well in advance sanitary instructions to remove existing deficiencies posing risks to the sanitary-epidemiological condition of resorts and tourist areas;
- special attention was paid to ensure ongoing and efficient operation of engineering structures, the quality of repair of main and auxiliary facilities, organization of food delivery for tourists;
- 347 inspections were conducted upon request;
- most of these preventive measures were timely completed;
- 1183 samples of food items and environment were taken for microbiological testing.

For the past period of 2013, 2068 samples were taken by sanitary laboratories of the State Sanitary and Epidemiological Oversight Service, of which 640 samples were of drinking water; 184 lake water samples were taken to examine their chemical safety; 32 samples of water in swimming pools and 290 samples of sand were taken and examined.

Parasitological and physico-chemical studies of drinking and lake water, swimming pool water and sand beach areas showed no deviation from the established norms.

Following the action plan, the Sanitary Epidemiological Center conducted works to inspect compliance with sanitary standards and prevent violations in recreation areas were. The works were carried out to check the water quality in accordance with the norms of Regulations GOST 17.1.5.02-80 in recreation areas; all sanitary standards were complied with during the season.

Development Plans

Further development of tourism in the Kyrgyz Republic provides for the development of the Action Plan of the Department of Tourism for 2014 - 2017 in accordance with the current policy documents.

One of the appropriate mechanisms for effective tourism development able to effectively regulate the tourism complex of the region is the mechanism of mutual cooperation between municipal and regional authorities and private enterprises. Village tourism (Ayil Tourism) project aims at tourism development in the regions. The idea is to create tourist complexes and objects through participation of local people. Similar examples of projects, such as yurt towns, have already been implemented in Russia.



Figure 6. Yurt Camp in Yakutia

In accordance with the National Strategy for Sustainable Development, in 2014 Kyrgyzstan will conduct Nomadic World Games, which are the national games of a variety of peoples and nationalities. Sports games are held in accordance with the rules of the respective national sports federations and in accordance with the existing Regulations. These games are organized to further develop national sports and improve health of the population. Besides that, these games will strengthen friendly relations among peoples and countries participating in these games and will also increase inflow of tourists from foreign countries.

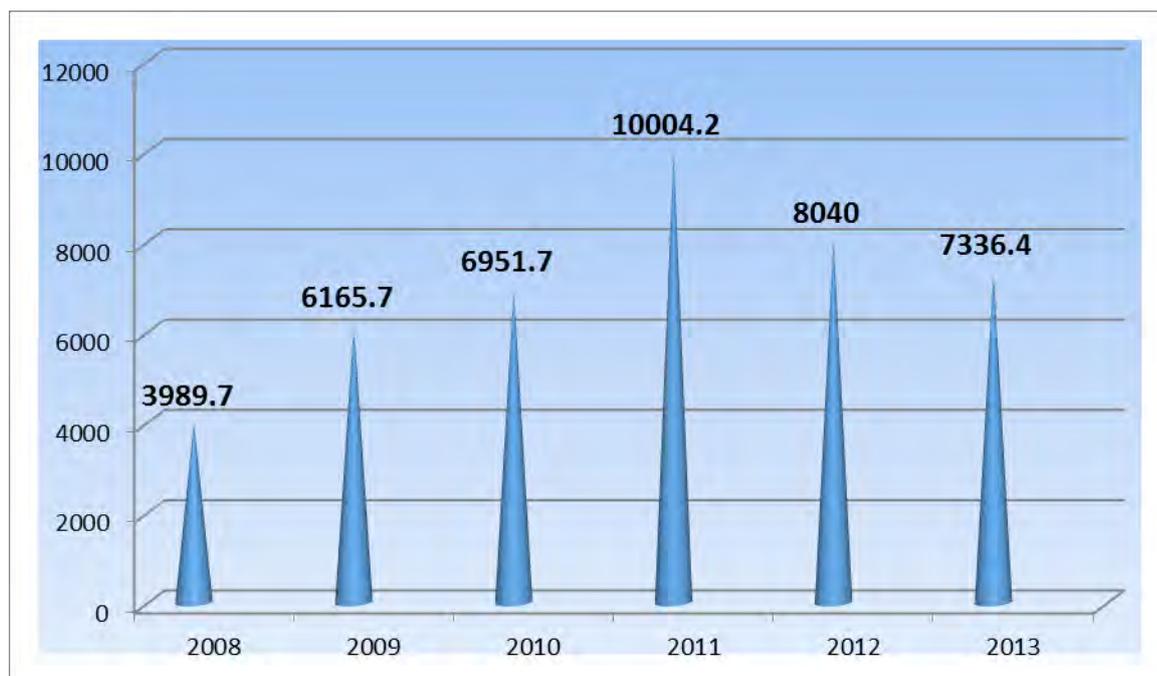
Now-a-days, any international big event project of the country is not just a global reputational forum which will bring together representatives from different countries, it is much more than that, it's a colossal incentive for the development of economy, culture and tourism of the country in which they are held. At the same time, major events held in the country extensively impact the economic life of the country and of the society, stimulating growth in manufacturing and services, impacting positively the structure of consumption and demand, consumer behavior, foreign economic relations, tourism and other economic indicators of the economic system.

6. Data and indicators

Investments in fixed assets in the tourism sector (capital investments) represent a set of funds allocated to the creation and reproduction of fixed assets (new construction, expansion, reconstruction and modernization of facilities, purchase of machinery, equipment, tools and equipment, formation of the herd, perennials, etc.). They include data on construction and reconstruction of roads, airports, telecommunications facilities, hotels used by tourists and resorts.

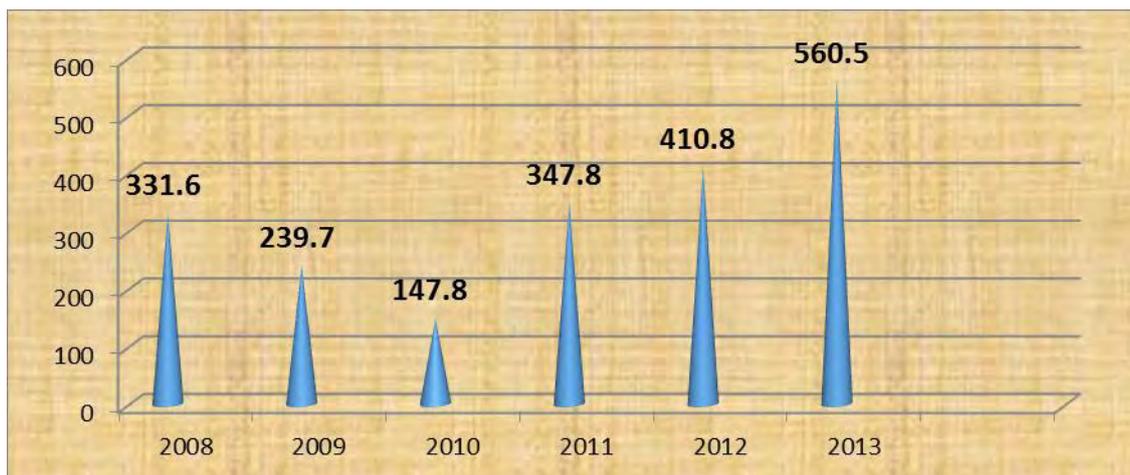
According to the National Statistics Committee, in 2013 tourism received investments in the total of 7,536.4 million Soms, which is 503 thousand Soms less than in 2012. Maximum increase for the last 6 years was observed in 2011, in which revenues totaled 10,004.2 million Soms.

(million, Soms)



Export of tourist services means services provided in the territory of the Kyrgyz Republic: payment for accommodation, meals, earnings from the provision of paid services to foreign tourists, provision of transportation inside the country, selling theater tickets, souvenirs, etc. In 2013, the export of tourist services amounted to \$ 560.5 million, which is by \$ 149.7 million more than in 2012.

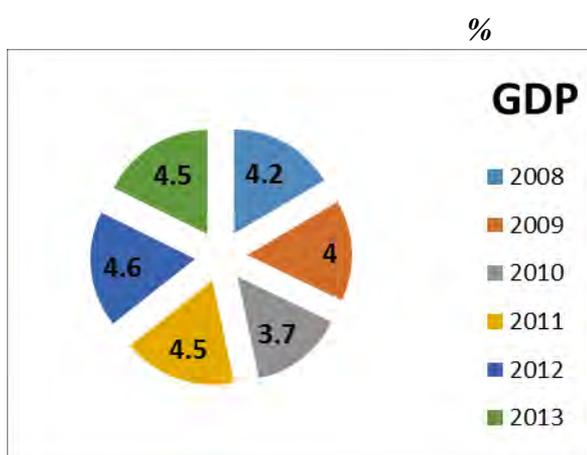
(million, USD)



Share of Tourism Sector in GDP

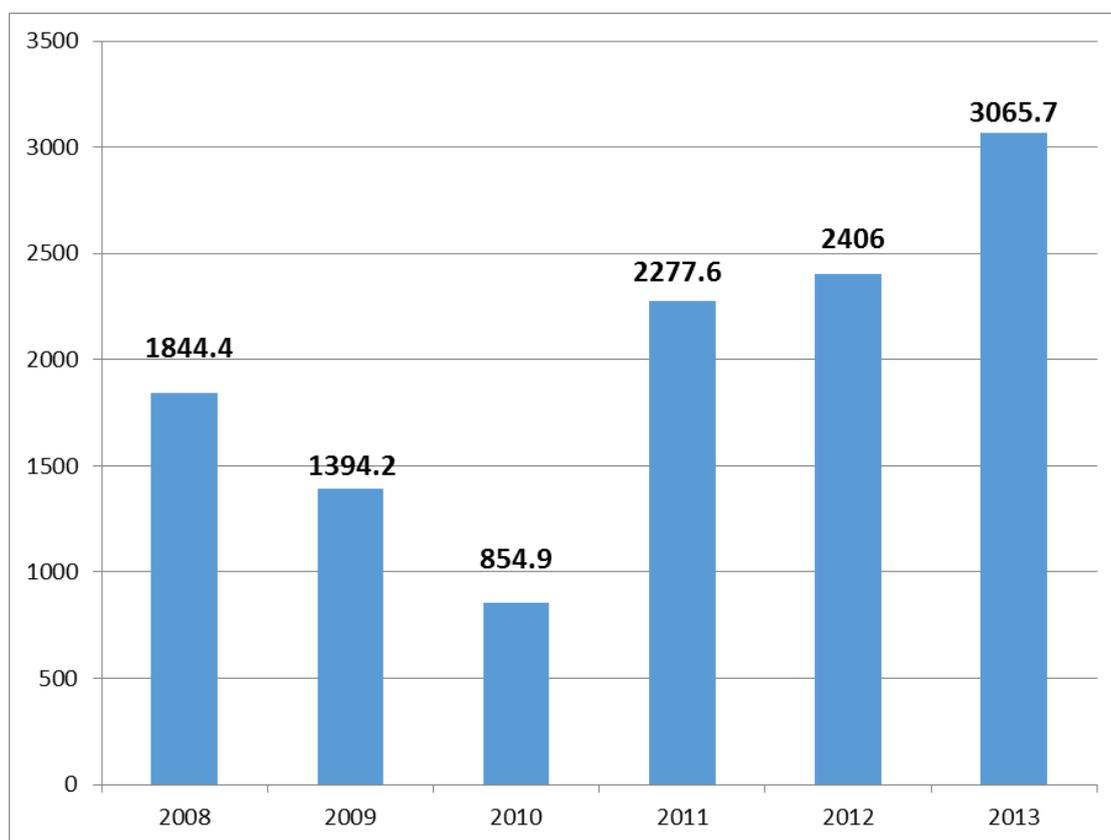
To assess the impact of tourism on the economy of Kyrgyzstan, in addition to basic indicators such as the number of arrivals and revenues to the country from international tourism, it is necessary to consider further economic indicators such as the share of tourism in GDP, employment, investment in the industry.

Gross output in the field of tourism. Thus, the share of tourism in GDP was 4.5 % , which is 0.1 % less than in the reporting year 2012. This figure is insignificant, but in the past three years the increase of this indicator is observed.



Number of foreign citizens visiting the Kyrgyz Republic includes people visiting the country from foreign countries for a period not exceeding 12 months (except for the students and medical patients if their interests require stay in a foreign country for more than a year) for any purpose other than moving for permanent residence.

According to the data presented in Picture # 3, the number of arrivals for the past six years increased and reached 3,065.7 people. According to the data, the number of arrivals in 2013 reached a peak. The main reason for the increase of arrivals is visa-free regime for 44 countries.



Number of organizations working in tourism sector in 2008-2013

(units)

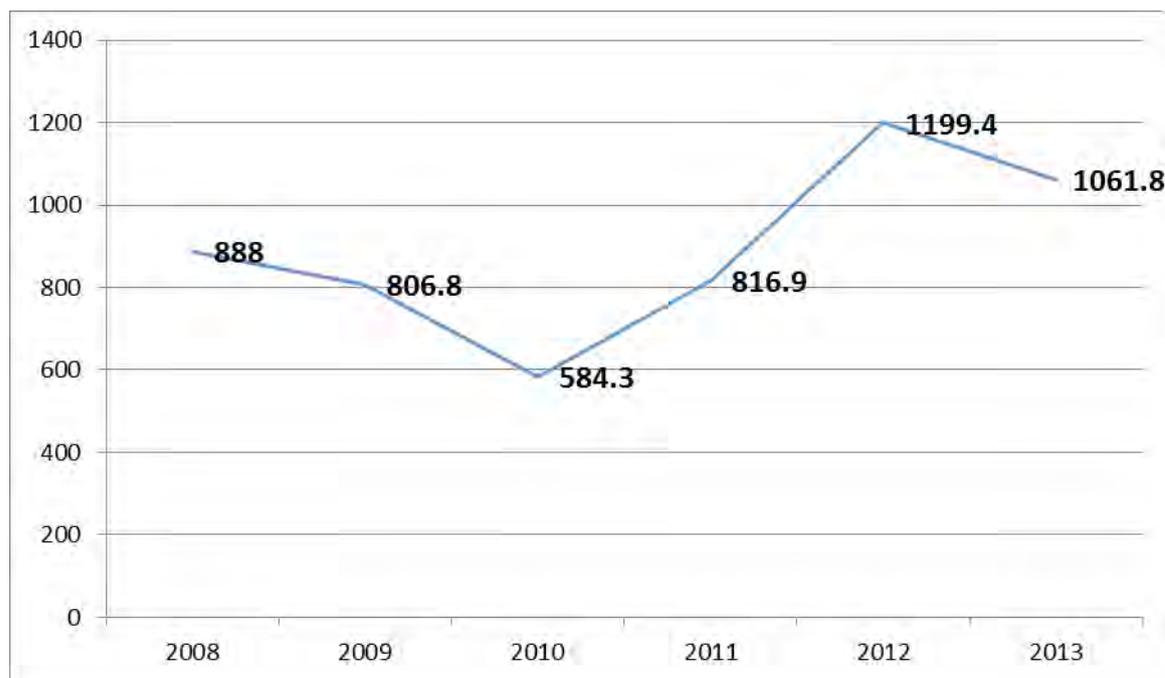
	2008	2009	2010	2011	2012	2013
Kyrgyz Republic	422	444	429	405	406	389
Issyk-Kul oblast	154	156	146	142	133	104
Jalal-Abad oblast	52	44	47	49	53	46
Naryn oblast	28	34	33	39	33	53
Batken	18	19	14	15	13	10
Osh oblast	14	13	9	11	10	11
Talas	7	7	7	7	7	6
Chui oblast	31	32	33	33	33	31
Bishkek	90	105	112	84	95	96
Osh	28	34	28	25	29	32

The number of the people who came to rest in an organized and non organized sector in 2013 was 1,061.8 thousand.

The main flow of tourists visiting our country for resting purposes is to the Issyk- Kul region (resorts and ski tourism).

The number of tourists in 2013 decreased compared to the same period last year. This decline was triggered by the political situation in Jety-Oguz region in Issyk- Kul oblast and the bubonic plague erupted in the region.

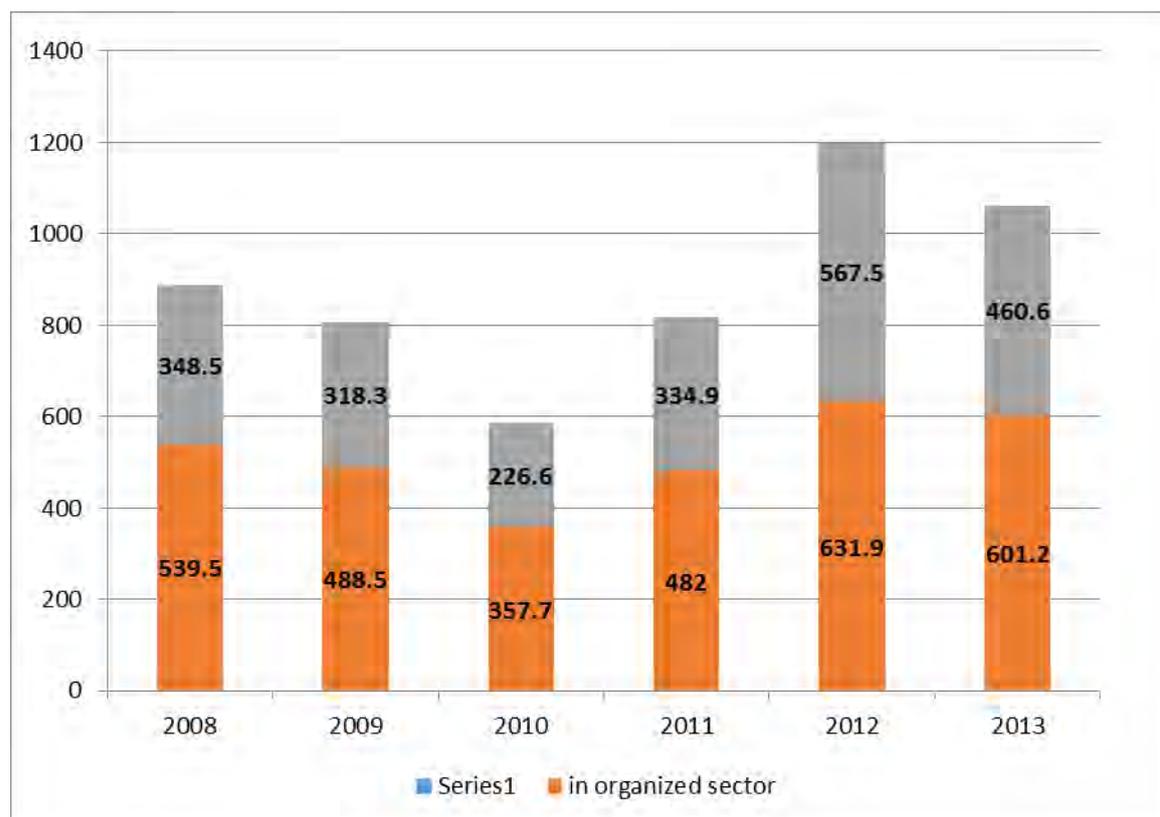
(thousand people)



Organized sector means strictly regulated travels proposed by tourist firms that are usually sold upon advance payment. The organized tours for tourists are bought for pre-agreed routes, pre-determined length of stay and the volume of services provided.

Unorganized tourists are those that are not bound by any mutual obligations with any kinds of middlemen. They travel on their own.

(thousand people)



The table below shows the data for 2008 and 2012 on tourists coming from different countries. From these data we can see a gradual increase of tourists from non-CIS countries. This is the evidence of the interest of foreign tourists to travel to Kyrgyzstan.

Number of Tourists who arrived in the Kyrgyz Republic, in the breakdown of countries:

(thousand of people)

	2008	2012	
Total	1844,4	2406,0	Total
<i>Including:</i>			<i>Including:</i>
Australia	1,5	1,7	<i>Австралия</i>
Austria	0,8	0,9	<i>Австрия</i>
Azerbaijan	1,3	3,6	<i>Азербайджан</i>
Belarus	1,1	1,3	<i>Беларусь</i>
Germany	10,3	11,7	<i>Германия</i>
Georgia	0,7	1,0	<i>Грузия</i>
Israel	1,0	1,1	<i>Израиль</i>
India	1,1	2,8	<i>Индия</i>
Iran	3,7	1,9	<i>Иран</i>

Italy	1,1	1,1	<i>Италия</i>
Kazakhstan	737,5	1675,6	<i>Казахстан</i>
China	22,5	24,1	<i>Китай</i>
Korea	4,7	5,6	<i>Корея</i>
Pakistan	1,8	2,0	<i>Пакистан</i>
Poland	1,0	1,0	<i>Польша</i>
Russia	204,8	364,6	<i>Россия</i>
Great Britain	3,3	4,2	<i>Соединенное Королевство (Великобритания)</i>
USA	13,4	16,7	<i>США</i>
Tajikistan	218,7	72,1	<i>Таджикистан</i>
Turkmenistan	3,8	0,4	<i>Туркменистан</i>
Turkey	16,2	18,4	<i>Турция</i>
Uzbekistan	565,6	158,6	<i>Узбекистан</i>
Ukraine	3,2	3,5	<i>Украина</i>
France	3,6	3,9	<i>Франция</i>
Switzerland	1,9	2,1	<i>Швейцария</i>
Sweden	0,2	0,4	<i>Швеция</i>
Japan	2,0	2,3	<i>Япония</i>

1

Estimated data

Export and Import of Tourism Services (travels)
(USD million)

	2008	2009	2010	2011	2012	
Export	331,6	239,7	147,8	347,1	410,8	<i>Export</i>
Including:						<i>Including:</i>
CIS countries	281,0	196,3	111,5	295,9	360,3	<i>CIS countries</i>
Non-CIS countries	50,6	43,4	36,3	51,2	50,5	<i>Non-CIS countries</i>
Import	190,7	137,1	136,9	233,4	333,4	<i>Import</i>
Including:						<i>Including:</i>
CIS countries	137,1	94,0	95,0	169,0	226,1	<i>CIS countries</i>
Non-CIS countries	53,6	43,1	41,9	64,4	107,3	<i>Non-CIS countries</i>

1 *Estimated data*