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ACCOUNTING/CERTIFIED INTERNATIONAL PROFESSIONAL ACCOUNTANT (CIPA) PROJECT

COMPLETION REPORT

SEPTEMBER 2006 – SEPTEMBER 2008

September 25, 2008

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INTRODUCTION

The Accounting/CIPA project has three main components:

- 1) Strengthening the system of education and training;
- 2) Maintaining the examination and certification process, and
- 3) Capacity building of progressive professional accountancy associations and ECCAA.

USAID/CAR/EG anticipated that two additional years were required to train, test and certify CAP and CIPA should be sufficient to achieve a critical mass in terms of market and professional recognition of this designation. The project is regional in nature and was implemented in all five Central Asian Countries; however, the roles of individual countries vary to some extent. As the regional leader in performance, Kazakhstan was the location for the project's regional office and this reinforces Kazakhstan's leadership role and commitment to helping others in the region. The project began in September 2006 and ended in September 2008.

The project was originally scheduled to end on 08/22/2006, but was extended through 09/22/2006 extended in Kazakhstan and Turkmenistan only. However, this ending of the project should not be misunderstood as being that the work of accounting and auditing reform is at an end. On the contrary, there is much still to be done, but the efforts of USAID CAR will in the immediate future be focused elsewhere. Kazakhstan is the lead nation of Central Asia in accounting and auditing terms, and it is hoped that in the future there will be a cascading of improvement to the other Central Asian Republics. In Turkmenistan, where reform has been at a much slower pace, the country needs extra time and resources to help catch-up with Kyrgyzstan, Tajikistan and Uzbekistan. Turkmenistan was the last country of Central Asia to have one CIPA qualified accountant. She passed her last exam successfully in the July 2008 exam session.

This report focuses on Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan and Turkmenistan and addresses the lessons learned during implementation by country and suggests ways to resolve the identified constraints.

A/CIPA MAJOR ACCOMPLISHMENTS

- A/CIPA and The Institute of Chartered Accountants of Scotland (ICAS) attended the 2008 annual conference of ECCAA in Dushanbe and ICAS delivered their governance assessment on ECCAA to the members
- An MOU was signed between A/CIPA Uzbekistan and UNDP to further promote the accounting and auditing profession generally and assist with the creation of an examination system for the first ever Certificate of Tax Consultants.
- A study tour to Prague was organized in partnership with UNDP, which allowed the professional bodies of Uzbekistan to meet with their counterparts and also Ministry of Finance regarding implementation issues with IFRS and ISA.
- The Technical Manager of the Developing Nations Committee of The International Federation of Accountants (IFAC) visited Central Asia in February 2007 as a guest of the A/CIPA project and held round table discussions in Astana, Almaty, Dushanbe, Tashkent and Bishkek.
- The Uzbekistan Ministry of Higher Education granted permission in writing in February 2007 for two HEIs, Tashkent State University of Economics and Tashkent Finance Institute, to collaborate with “The Pragma Corporation” in accounting and audit education development.
- Contract agreed with The Association of Teachers in Business Discipline of Uzbekistan to conduct Training of Trainers (TOT) of the Certified Accounting Practitioners (CAP) course in four countries of Central Asia.
- The COP was a speaker at a regional conference hosted by The Asian Development Bank, and at an IFRS conference in Tashkent hosted by UNDP and the project.
- In Uzbekistan the Project trained, developed and graded the First Certificate of Tax Consultants examinations for over thirty nominated experts for this brand new qualification.
- A/CIPA supported the First Accounting and Auditing Conference in Kyrgyzstan.
- Developed a pilot educational standard in accounting for the Ministry of Education in Kyrgyzstan after conducting a survey with 2 universities from Osh (Osh State University and Osh Technological University), KPMG and Deloitte & Touche in conjunction with Soros Foundation.

- On their first ever visit to The Kyrgyz Republic, the IFAC President and the CEO were guests of the professional bodies in Bishkek for a conference and private discussions.
- As a part of the mutual cooperation project, A/CIPA and UNDP “Public Finance” Project sent a group from Uzbekistan to meet with the Russian Ministry of Finance and Professional Association.
- The Developing Nations Committee of IFAC conducted an official meeting in Almaty for the first time. This was also the first time that this committee had presided in the Former Soviet Union. More than 30 countries of the world are represented by this committee.
- Training of Trainers (TOT) of the Certified Accounting Practitioners (CAP) course in four countries of Central Asia began in September 2007 and was completed in December 2007. Courses taught were Financial Accounting I (FA I), Management Accounting I (MA I) and Tax and Law (T&L). These subjects were taught for 60 hours plus a 20 hour methodology course. Over the four countries a total of 890 teachers from 45 higher education institutions attended the trainings and received certificates.
- An MOU was signed between USAID Turkmenistan and UNDP to further promote the accounting and auditing profession generally and assist in improving the banking sector.
- A/CIPA in partnership with UNDP held the first ever IFRS Education Conference in Ashgabat with keynote speakers from The International Accounting Standards Board, PWC Moscow, The University of the West of Scotland, The Central Bank of Kazakhstan and Kazakh Institute of Management Economics and Strategic Research (KIMEP).
- In December 2007 USAID participated in the handover of CIPAEN to ECCAA and as from January 1, 2008, CIPAEN is a financially sustainable organization operated as an Independent Examination Network within the ownership and control of the IFAC-Acknowledged Regional Grouping, ECCAA.
- As part of USAID’s Program for Economic Development (PED) the first 10-day IFRS training began in January 2008 and was completed on April 22, 2008 after being cascaded through a total of 17 cities in Kazakhstan and delivered to 1,105 participants.
- The USAID A/CIPA Project made a presentation of the CIPA Program at the Supreme Council for Science and Technique of Turkmenistan. The meeting resulted in involving the Supreme Council for Science and Technique of Turkmenistan into reviewing and approving the program for the curricula of higher education institutions.

- Training of Trainers (TOT) was conducted in Turkmenistan for CIPA FA-2 and Audit through UNDP and The Central Bank of Turkmenistan (53 participants).
- Six people were sent on a study tour to The Institute of Chartered Accountants of Scotland to receive first-hand experience of the ICAS system of quality control, education and examinations.
- Two working groups were established by A/CIPA to shape IFRS adoption in Turkmenistan to improve the accounting system in the banking system resulting in a new banking sector chart of accounts, and an education working group who participated in the TOTs.
- The project's Regional Association Coordinator addressed the Parliament of The Government of Kazakhstan on the matter of accounting and auditing regulation.
- Three accounting student clubs were opened at universities in Kazakhstan - Kazakh Economic University named after Ryskulov (Almaty), Caspian Social University (Almaty), and Kazakh University of Economics, Finance and International Trade (Astana).
- The project COP served as CIPAEN Testing Director and Grading Center Director.
- Versus a contract deliverable of 10 universities substantially upgrading their curriculum, 29 were actually upgraded.
- Versus a contract deliverable of 150 additional CAP courses taught, 277 were monitored.
- Versus a contract deliverable of 1000 CAP exams taken by university students, 1909 students registered.
- Versus a contract deliverable of 3000 CAP candidates, 3106 qualified.
- Versus a contract deliverable of 50 CIPA candidates, 54 qualified.

KAZAKHSTAN

Implementation Issues

The project assisted the Government of Kazakhstan (GOK) through USAID's PED by implementing activities, such as the 10-day IFRS training in 17 cities and the TOT for the Ministry of Finance (MOF) training center, to progress the accounting and auditing system pursuant towards the requirements of the international market and support the transition to a full market economy.

An ECCAA delegation visited The Institute of Chartered Accountants of Scotland where guidance was given on matters concerning quality control (one of the IFAC Statements of Membership Obligations) and also on examination delivery and grading. ECCAA hopes to establish a longer-term relationship with ICAS that will produce a strategic role for ICAS once the project has been closed.

CIPAEN and CIPAEN Kazakhstan in particular, experienced a large growth during the project eventually reaching a point where revenues exceeded expenses and was successfully handed over as a financially sustainable entity to ECCAA. Reaching this point required an increase in both fees collected and numbers of exam takers which was successfully accomplished.

In October 2007 we had the International Federation of Accountants (IFAC) hold their Developing Nations Committee meeting in Almaty for the first time in the Former Soviet Union. This was followed by the Ministry of Finance holding the First International Kuryltai of Accountants and Auditors and the week was completed by the World Bank holding a conference on the Report on Standards and Codes (ROSC) focusing on accounting and auditing in Kazakhstan. During the same week, ECCAA held a meeting of its members and invited guests to present to the members. The project presented and participated in every meeting.

In the last quarter of 2007, a huge effort was made to teach HEI teachers in four countries the CAP disciplines in order that they could successfully educate their students in IFRS. Although the CAP curriculum is part of the education standard in Kazakhstan, many of the HEI teachers were not proficient enough in the content for the classroom. It was also necessary, through a 20-hour teaching methodology course, to give them modern teaching skills so that they could pass those skills on to the students. It was highly regarded and well received by all of the participating universities.

Constraint Resolution Suggestions

Although ECCAA is an IFAC-Acknowledged Regional Grouping, and has become more recognized in the world accounting community, there are still some structural issues that should be addressed so that they will continue to improve and perform more successfully. Most of these issues were addressed by a governance review conducted by ICAS and presented to ECCAA members. It is hoped that ECCAA will adopt even more of the recommendations and the IFAC's Statement of Membership Obligations (SMOs) could then be implemented and cascaded to all of the members.

During the IFAC conferences and other conferences, it was suggested that the professional bodies in existence have little or no cooperation between them and the Government Ministry of Finance. The Professional Bodies should be given a large role in shaping the profession. This should also help promote CAP/CIPA as the professional qualification for Kazakhstan and help move it towards Government recognition.

Progress towards Benchmarks

Deliverable	Measurement	1st Year Target	1st Year Actual	2nd Year Target	Progress
A minimum of 10 universities substantially upgrade their Accounting Curriculum	Number of universities	4	12	Complete	Completed in first year with 12 universities upgraded
A minimum of an additional 150 CAP courses, taught by qualified professors, are introduced in the HEIs throughout Central Asia	Monitored Courses	45	62	35	A total of 126 courses monitored in KZ in Year 2
During the second year of A/CIPA, 1000 CAP exams are taken by students in Central Asia	Number of registered students	N/A	N/A	450	70 student registrations for July 2008 CAP exams for a Total of 277 in Year 2
A minimum of an additional 3000 CAPs, 50 CIPAs are certified; certifications should be tracked by gender and capital city vs. regions	CAP+CIPA candidates meaning that participants have passed the 3 exams for CAP level or 7 exams for CIPA level.	1050 CAP level; 15 CIPA level	983 CAP level; 8 CIPA level	1058 CAP level; 12 CIPA level	See table in the Appendix

Deliverable	Measurement	1st Year Target	1st Year Actual	2nd Year Target	Progress
CIPAEN program integrity in Central Asia is maintained during the project and an HR review conducted to assess and report on the competence of the current CIPAEN staff to manage an examinations network	Number of exam sessions held	N/A	Exam sessions successfully conducted in Nov 2006, Mar 2007, and Jul 2007	3 sessions - Nov 2007, Mar 2008, Jul 2008	Jul 2008 session successfully conducted
Online registration for CIPA exams in each country office is developed, implemented, marketed, and tracked for performance	Percentage of registrations done online	10%	0%	10%	activity was canceled and removed from the work plan because of lack of technical capacity of CIPAEN/ECCAA
The CAP/CIPA syllabus will be reviewed, benchmarked and remodelled according to competency based approach.	At least 15 competencies identified	N/A	N/A	20	The KG Working Group identified 33 general competencies and 34 special competencies.
ECCAA has adopted and adapted the version of the complete IFAC International Education Standards (IES)	IES adopted formally by board of directors	First 6 standards adopted and implemented	ECCAA formally adopted IFAC requirements for international best practice	Standards 7 and 8 adopted and implemented	ICAS presented the results of their governance assessment to ECCAA in April.

Deliverable	Measurement	1st Year Target	1st Year Actual	2nd Year Target	Progress
All ECCAA full members in Central Asia have the CAP designation as requirement for full membership of individuals	Requirement listed in every charter; members have taken and passed at least all 3 CAP level exams	ECCAA charter audited	COMPLETE	N/A	Completed in first year
Engage ICAS to monitor the work of ECCAA to develop a strategic plan, to form a Department of Education, to institute IFAC compliant CPD, to strengthen certification and develop quality control.	Course list created and published on ECCAA website; requirement listed in every charter; members of member associations start taking courses	ECCAA charter audited; member charters audited; course list published on website	Requirement listed in every charter, 148 members trained but no common course list created	Course list published and at least 100 members trained	ICAS presented the results of their governance assessment to ECCAA in April.
IFRS training to be made available to government officials, regulators and any other financial sector overseers.	At least one course in each year for a minimum of 10 officials in each country	1 course in KZ	0 courses	14 courses in KZ	Courses given in 17 cities to 1105 participants. COMPLETE

Deliverable	Measurement	1st Year Target	1st Year Actual	2nd Year Target	Progress
Participate in IFRS roundtable discussions	Provide or be speakers at, or participate in roundtables, conferences, etc on IFRS and education issues	1 in KZ	1 roundtable	10 in KZ	A total of 5 in 2 nd Year
IFRS/ISA articles are written for the accounting press	At least 12 articles per annum in Kazakhstan.	12 articles in KZ	67 articles	12 articles in KZ	6 Articles in the eighth quarter, 63 total in 2 nd Year
Establish student clubs in selected universities in Kazakhstan	At least 2 student clubs	N/A	N/A	2 clubs	3 Student Clubs Opened – 1 In Astana And 2 In Almaty. COMPLETE
Support special methodological / pedagogical training to accounting professors in Kazakhstan, Kyrgyzstan, Uzbekistan and Tajikistan	Number of professors taught	N/A	N/A	100	160 Teachers from 26 HEIs received attendance certificates COMPLETE
Conduct teaching methods workshop for selected group of professors	Number of professors taught	N/A	N/A	25 in KZ	the activity became unnecessary because Train of Trainer methodology has been conducted in four countries of CAR earlier

Deliverable	Measurement	1st Year Target	1st Year Actual	2nd Year Target	Progress
Conduct exam site audits in March 2008 and July 2008	At least 8 audits in Central Asia	N/A	N/A	4 audits in KZ	2 Audits have been conducted in Tm
Replace existing MIS examination papers	At least 3 new exams	N/A	N/A	3 new papers	Drafts were completed and reviewed
TOT in IFRS Teaching Methodology for MOF training center	Number of Trainers trained	N/A	N/A	10 trainers	15 participants completed the 10-day course in June
TOT(IFRS) for MOF training center teachers	Number of Trainers trained	N/A	N/A	10 trainers	15 participants completed the 10-day course in June

KYRGYZSTAN

Implementation Issues

For the first time in Central Asia a pilot study was conducted in The Kyrgyz Republic to produce an accounting curriculum for a Ministry of Education using the learning outcome methodology (<http://www.ssdd.bcu.ac.uk/outcomes>) based on the Bologna Accord. This study was conducted by the A/CIPA team in conjunction with local professionals who collected and collated the data. This was a small part of a wider project of study being conducted by the Soros Foundation in The Kyrgyz Republic across the whole University system. The data illustrated the need for curriculum reform within the University system, which is urgently required in order to modernize and introduce internationally accepted methods of preparing undergraduate students for immediate use in the business environment. This problem is reinforced by the Big Four Accounting and Auditing firms (PriceWaterhouseCoopers, Deloitte and Touche, Ernst and Young and KPMG) where they all take new graduates and put them through an induction teaching phase because the base University degree teaching is inadequate. This means that the graduate takes longer to be a contributor to the business and costs more to educate to an appropriate international standard.

The Kyrgyz Republic has a key role in the management of CIPAEN as Bishkek has the exam development and data collection functions for the eleven country network of CAP and CIPA examination and results coordination. The main implementation issues are:

- Lack of an electronic examination data bank
- Lack of exam writers
- Database functionality problems

The project raised the profile of the qualification CAP/CIPA during its lifetime and this was particularly evident at the First Accounting and Auditing Conference held in Bishkek when the professional bodies of The Kyrgyz Republic, Universities, representatives of the Big Four and the local audit bodies, as well as donor agencies and Government Ministries, came together in one forum. The pilot education standard was also presented at the conference. It became apparent that the professional bodies do not operate together in applying influence with the Government and they also need assistance in making progress towards IFAC's Statement of Membership Obligations (SMOs).

Constraint Resolution Suggestions

Introduce an education program of University Curriculum Reform that targets a single University for human and financial support and adopts the accounting and auditing faculty as a potential center of excellence. This center, when fully functioning, would then be charged with the responsibility to cascade their expertise to other Universities in the country who have an accounting and auditing capability or desire.

CIPAEN Bishkek should be separated into ECCAA functions, exam development and exam database management, and exam administration. The ECCAA functions should then receive investment to up-skill and upgrade the IT capability to reduce operational risk in the examination process.

IFAC's President held a meeting with the Professional Bodies and the Government Agencies responsible for accounting and auditing during his visit in July 2008 and suggested that a consultative body should be formed between all parties to improve communication and monitor progress. The project would support this initiative.

Progress towards Benchmarks

Deliverable	Measurement	1st Year Target	1st Year Actual	2nd Year Target	Progress
A minimum of 10 universities substantially upgrade their Accounting Curriculum	Number of universities	1	8	COMPLETE	Completed in the first year
A minimum of an additional 150 CAP courses, taught by qualified professors, are introduced in the HEIs throughout Central Asia	Monitored Courses	20	16	35	A total of 10 courses in 2 nd Year taught by KG teachers that completed the TOT(CAP)
During the second year of A/CIPA, 1000 CAP exams are taken by students in Central Asia	Number of exams registered by students	N/A	N/A	250	148 student registrations for July 2008 CAP exams for a Total of 444 in Year 2
A minimum of an additional 3000 CAPs, 50 CIPAs are certified; Certifications should be tracked by gender and capital city vs. Regions	CAP+CIPA candidates meaning that a participant has passed the 3 exams for CAP level or 7 exams for CIPA level.	175 CAP level; 2 CIPA level	126 CAP level; 6 CIPA level	153 CAP level; 7 CIPA level	See table in the Appendix
Online registration for CIPA exams in each country office is developed, implemented, marketed, and tracked for performance	Percentage of registrations done online	10%	0%	10%	activity was canceled and removed from the work plan because of lack of technical capacity of CIPAEN/ECCAA

Deliverable	Measurement	1st Year Target	1st Year Actual	2nd Year Target	Progress
All ECCAA full members in Central Asia have the CAP designation as requirement for full membership of individuals	Requirement listed in every charter; Members have taken and passed at least all 3 CAP level exams	1 Member charter audited	COMPLETE	N/A	Completed in first year
All ECCAA full members in Central Asia have IFAC compliant CPE programs in place	Course list created and published on ECCAA website; Requirement listed in every charter; Members of member associations start taking courses	All member charters audited;	Member charters audited	At least 50 members trained	To follow ECCAA/ICAS progress
IFRS training to be made available to Government officials, Regulators and any other financial sector Overseers.	At least one course in each year for a minimum of 10 officials in each country	1 course in KG	0 courses	1 course in KG	Technical Assistance offered to the National Bank.
Support special methodological/pedagogical training to accounting professors in Kazakhstan, Kyrgyzstan, Uzbekistan and Tajikistan	Number of professors taught	N/A	N/A	35	43 attendance certificates were distributed. COMPLETE

Deliverable	Measurement	1st Year Target	1st Year Actual	2nd Year Target	Progress
Participate in IFRS roundtable discussions	Provide or be speakers at, or participate in roundtables, conferences, etc on IFRS and education issues	1 roundtable in KG	1 roundtable held in February 2007	3 roundtables in KG	“Actual issues of Auditing in Kyrgyzstan” and “Role of Accounting and Auditing Professional Bodies in the Kyrgyz Republic” for a total of 7 in Year 2
IFRS/ISA articles are written for the accounting press	At least 2 articles per year in Kyrgyzstan.	2 articles in KG	19 articles	6 articles in KG	28 total in 2 nd Year
Conduct teaching methods workshop for selected group of professors	Number of professors taught	N/A	N/A	10 in KG	the activity became unnecessary because Train of Trainer methodology has been conducted in four countries of CAR earlier
Exam Delivery and Grading will be reviewed and benchmarked with international best practice including the use of technology and multiple choice questions	At least 1 paper per CAP subject	N/A	3 exams	7 exams	3 MCQ exams have been created and used
Conduct exam site audits in March 2008 and July 2008	At least 8 audits in Central Asia	N/A	N/A	1 audit in KG	Audit conducted in March COMPLETE
Exam question quality control team recruited and trained	Team members recruited and trained	N/A	N/A	4 members	Some members participated in Uz training

Deliverable	Measurement	1st Year Target	1st Year Actual	2nd Year Target	Progress
IFRS awareness training for senior managers in KG	Number of managers trained	N/A	N/A	10 managers	another activity (IFAC President visited Kg to meet with professional bodies and government in July 2008) was implemented instead of this one
Post IFRS in Russian on a website downloadable for free.	Number of hits on website	N/A	N/A	100 hits	implementation of the activity was impossible and beyond Pragma's control due to political reasons

TAJIKISTAN

Implementation Issues

Tajikistan has the same University-to-employer issues as Kyrgyzstan and therefore curriculum reform is also urgently needed. The situation with CAP/CIPA is comparable to Turkmenistan although Tajikistan does have 9 CIPA qualified individuals. Tajikistan has no operational or management status within CIPAEN whereby services are supplied on behalf of the other ten countries in the network. Tajikistan does not have any IFAC full or associate members and the four bodies in existence have little or no cooperation between them and little or no influence with the Government Ministries. The ability of any project initiative to succeed in this environment is very difficult but in spite of the constraints, A/CIPA did manage to operate a TOT for University faculty members, assist CIPAEN in running examinations during the whole of the two years (a total of six sessions) and we assisted the Ministry of Finance with an IFRS update course as the Ministry moves towards the creation of Tajik Accounting Standards, based upon IFRS, albeit at a very slow pace.

Constraint Resolution Suggestions

A joint approach with UNDP proved highly effective in Uzbekistan and Turkmenistan when very little traction was being gained with the respective Governments and a strategic approach using another donor as a partner, such as UNDP, may again prove to be highly desirable. A UNDP Public Sector reform project with the Ministry of Finance or Ministry of Education, or both, would be an ideal partner for sharing of accounting related initiatives to achieve greater awareness of the underlying difficulties for curriculum reform. Once the reform in the Universities is underway, based upon the CAP syllabus, this will reenergize the Professional Bodies to accept their role in shaping the profession. It will also help promote CAP/CIPA as the professional qualification for Tajikistan and move towards Government recognition which in turn will raise awareness of the program and speed up IFRS implementation.

This new momentum could lead to an IFAC membership application by the strongest of the country's professional bodies so that the SMOs could then be implemented and cascaded to the others in time.

Progress towards Benchmarks

Deliverable	Measurement	1st Year Target	1st Year Actual	2nd Year Target	Progress
A minimum of 10 universities substantially upgrade their Accounting Curriculum	Number of universities	0	7 universities	COMPLETE	Completed in the first year
A minimum of an additional 150 CAP courses, taught by qualified professors, are introduced in the HEIs throughout Central Asia	Monitored Courses	15	25	15	A total of 10 courses monitored in TJ in Year 2
During the second year of A/CIPA, 1000 CAP exams are taken by students in Central Asia	Number of exams registered by students	N/A	N/A	100	35 student registrations for July 2008 CAP exams for a Total of 102 in Year 2
A minimum of an additional 3000 CAPs, 50 CIPAs are certified; Certifications should be tracked by gender and capital city vs. regions	CAP+CIPA candidates meaning that a participant has passed the 3 exams for CAP level or 7 exams for CIPA level.	40 CAP level; 2 CIPA level	13 CAP level; 2 CIPA level	22 CAP level; 3 CIPA level	See table in the Appendix
Online registration for CIPA exams in each country office is developed, implemented, marketed, and tracked for performance	Percentage of registrations done online	10%	0%	10%	activity was canceled and removed from the work plan because of lack of technical capacity of CIPAEN/ECCAA

Deliverable	Measurement	1st Year Target	1st Year Actual	2nd Year Target	Progress
All ECCAA full members in Central Asia have the CAP designation as requirement for full membership of individuals	Requirement listed in every charter; Members have taken and passed at least all 3 CAP level exams	1 Member charter audited	COMPLETE	N/A	Completed in the first year
All ECCAA full members in Central Asia have IFAC compliant CPE programs in place	Course list created and published on ECCAA website; Requirement listed in every charter; Members of member associations start taking courses	All member charters audited;	Member charters audited	At least 20 members trained	To follow ECCAA/ICAS progress
IFRS or CAP/CIPA training to be made available to Government officials, Regulators and any other financial sector Overseers.	At least one course in each year for a minimum of 10 officials in each country	1 course in TJ	1 course	1 course in TJ	IFRS course for MinFin completed in September 2007 COMPLETE
Participate in IFRS roundtable discussions	Provide or be speakers at, or participate in roundtables, conferences, etc on IFRS and education issues	1 roundtable in TJ	1 roundtable in Feb 2007	1 roundtable in TJ	Tj professional bodies participated in IFAC president visit to Kg in July 2008
IFRS/ISA articles are written for the accounting press	At least 2 articles per year in Tajikistan.	2 articles in TJ	3 articles	2 articles in TJ	8 total in 2 nd Year

Deliverable	Measurement	1st Year Target	1st Year Actual	2nd Year Target	Progress
Support special methodological/pedagogical training to accounting professors in Kazakhstan, Kyrgyzstan, Uzbekistan and Tajikistan	Number of professors taught	N/A	N/A	10	30 attendance certificates were distributed. COMPLETE
Conduct teaching methods workshop for selected group of professors	Number of professors taught	N/A	N/A	3 in TJ	the activity became unnecessary because Train of Trainer methodology has been conducted in four countries of CAR earlier
Conduct exam site audits in March 2008 and July 2008	At least 8 audits in Central Asia	N/A	N/A	1 audit in TJ	2 Audits in March 2008 COMPLETE

TURKMENISTAN

Implementation Issues

The project's ambitions were very modest at the beginning of the two-year period because we foresaw a problem with entering the University structure and with trying to influence the government to further pursue accounting reforms and then to lead to auditing reforms. However, following the signing of an MOU with UNDP we were able to establish a relationship with the Central Bank.

Turkmenistan has a need for curriculum reform within the University system that is urgently required in order to modernise and introduce internationally accepted methods of preparing the undergraduate students for immediate use in the business environment. At the end of the project, we succeeded in receiving the Government of Turkmenistan's consent for implementation of the CIPA program in the HEI curriculum.

The situation with CAP/CIPA is comparable to Tajikistan although Tajikistan has 9 CIPA qualified individuals whereas Turkmenistan has just gained its first. Turkmenistan has no operational or management status within CIPAEN whereby services are supplied on behalf of the other ten countries in the network. The project assisted CIPAEN through all six exam sessions for implementation of exams.

Turkmenistan does not have any IFAC full or associate members and the bodies in existence have little or no cooperation between them and little or no influence with the Government Ministries. The ability of any project initiative to succeed in this environment is very difficult but in spite of the constraints A/CIPA did manage to conduct two TOT's in CIPA level courses for the banking sector, held the first international IFRS education conference, and established two working groups to improve the accounting in the banking sector. This was done through a joint approach with UNDP who had direct access to the Central Bank.

Constraint Resolution Suggestions

Introduce an education program of University Curriculum Reform that targets a single University for human and financial support and adopts the accounting and auditing faculty as a potential center of excellence. This center, when fully functioning, would then be charged with the responsibility to

cascade their expertise to other Universities in the country who have an accounting and auditing capability or desire.

Once the reform in the Universities is underway, based upon the CAP syllabus, this will reenergize the Professional Bodies to accept their role in shaping the profession. It will also help promote CAP/CIPA as the professional qualification for Turkmenistan and move towards Government recognition which in turn will raise awareness of the program and the speed of IFRS implementation will increase.

This new momentum could lead to an IFAC membership application by the strongest of the country's professional bodies so that the SMOs could then be implemented and cascaded to the others in time.

Progress towards Benchmarks

Deliverable	Measurement	1st Year Target	1st Year Actual	2nd Year Target	Progress
A minimum of an additional 3000 CAPs, 50 CIPAs are certified; certifications should be tracked by gender and capital city vs. regions	CAP+CIPA candidates meaning that participant has passed the 3 exams for CAP level or 7 exams for CIPA level.	40 CAP level; 1 CIPA level	29 CAP level; 0 CIPA level	35 CAP level; 2 CIPA level	See table in the Appendix
Online registration for CIPA exams in each country office is developed, implemented, marketed, and tracked for performance	Percentage of registrations done online	10%	0%	10%	activity was canceled and removed from the work plan because of lack of technical capacity of CIPAEN/ECCAA
All ECCAA full members in Central Asia have the CAP designation as requirement for full membership of individuals	Requirement listed in every charter; members have taken and passed at least all 3 CAP level exams	1 member charter audited	Member charter audited	COMPLETE	Completed in first year

Deliverable	Measurement	1st Year Target	1st Year Actual	2nd Year Target	Progress
All ECCAA full members in Central Asia have IFAC compliant CPE programs in place	Course list created and published on ECCAA website; requirement listed in every charter; members of member associations start taking courses	All member charters audited;	Member charter audited	At least 20 members trained	To follow ECCAA/ICAS progress
IFRS training to be made available to government officials, regulators and any other financial sector overseers.	At least one course in each year for a minimum of 10 officials in each country	1 course in TM	0 courses	2 courses in TM	2 courses completed - CIPA level FA-2 in March (35 participants) and Audit in September (18 participants) mostly from the Central Bank
IFRS/ISA articles are written for the accounting press	At least 1 article per year in Turkmenistan.	1 article in TM	0 articles	2 articles in TM	6 total in 2 nd Year
Conduct teaching methods workshop for selected group of professors	Number of professors taught	N/A	N/A	2 in TM	Activity was cancelled because of lack of TM government support
Participate in IFRS roundtable discussions	Provide or be speakers at, or participate in roundtables, conferences, etc on IFRS and education issues	N/A	N/A	1 in TM	First ever IFRS education conference held in Ashgabat in April. COMPLETE

Deliverable	Measurement	1st Year Target	1st Year Actual	2nd Year Target	Progress
Conduct exam site audits in March 2008 and July 2008	At least 8 audits in Central Asia	N/A	N/A	1 audit in TM	2 Audits conducted in March and July COMPLETE
Conduct TOT(Audit) for Central Bank of TM	Number of bankers taught	N/A	N/A	10 people trained	Conducted in September 2008 for 18 participants COMPLETE
Conduct TOT(FA-2) for Central Bank of TM	Number of bankers taught	N/A	N/A	10 people trained	Conducted in February to March, 2008 for 35 participants COMPLETE
Conduct presentations on CAP/CIPA to universities and other government bodies	Number of presentations	N/A	N/A	4 presentations	Total of 1 in the second year

UZBEKISTAN

Implementation Issues

The project's ambitions were very modest at the beginning of the two year period because we foresaw a problem with entering the University structure and with trying to influence the Ministry of Finance to further pursue accounting reforms and then to lead to auditing reforms. However, following the signing of an MOU with UNDP we were permitted by the Ministry of Higher Education to be part of a consultative group on curriculum reform for accounting and auditing. The problem of reform and retraining in the University system is as acute as the other counties of Central Asia. The UNDP MOU brought an even closer working relationship with the Ministry of Finance, who have strongly supported CAP/CIPA, and through this strengthening; the project was a contributor to the single standard adoption process by the Uzbek Government in their quest to create Uzbek accounting standards based on IFRS.

One of the three professional bodies of Uzbekistan is represented in IFAC and all three are members of ECCAA. Each body strongly promotes CAP/CIPA with ATBD taking a very strong lead on the production of CAP/CIPA teaching materials and having its own assessment and quality system for producing teachers of a consistently high standard.

The pilot exam session of the Certificate of Tax Consultants in December 2007 was successful to the extent that the project produced the teaching materials, created the exam bank, created the exam paper, administered the exam, graded the papers and produced the results to the appropriate Government body. A second pilot was conducted in March 2008, under the same conditions. There will be operational difficulties to overcome when the administration falls to the local Chamber of Tax Consultants and the syllabus needs to be benchmarked against international qualifications for an education pathway (the project had no part in determining the syllabus) but we have high hopes for the qualification in the medium to longer term.

Close cooperation with UNDP also brought useful exchanges with Russia (UNDP choice) and the Czech Republic (A/CIPA choice) to allow Uzbekistan to benchmark itself against these countries in terms of reform progress. Partnership networks were also established to bring cooperation in the future without donor involvement.

Uzbekistan has a key operational role within CIPAEN, similar to Kyrgyzstan, where the exam papers are graded and cut scores established for all CAP/CIPA examinations in all eleven countries. There is a risk issue of having only one grading center for the network and in a disaster planning scenario the risk is very significant on the political level (nationalisation by the Government), physical level (fire, flood earthquake) and on the intellectual level, for example, a lack of structure to the management of the graders exists and there are issues on the continuing professional education of the graders because CIPAEN does not have a continuous learning program for graders used each session. The training issue for graders is potentially more acute should CIPAEN agree to grade the new Certificate of Tax Consultants qualification in the future.

Constraint Resolution Suggestions

Introduce an education program of University Curriculum Reform that targets a single University for human and financial support and adopts the accounting and auditing faculty as a potential center of excellence. This center, when fully functioning, would then be charged with the responsibility to cascade their expertise to other Universities in the country who have an accounting and auditing capability or desire.

A second grading center should be located in Bishkek, Kyrgyzstan to mitigate the risk and CAP exams should be electronically graded, also in Bishkek. CIPA exams and if another level is introduced, should be graded in Tashkent. A program of education and training for the graders should be made compulsory.

Progress towards Benchmarks

Deliverable	Measurement	1st Year Target	1st Year Actual	2nd Year Target	Progress
A minimum of 10 universities substantially upgrade their Accounting Curriculum	Number of universities	1	2 universities	COMPLETE	Completed in first year
A minimum of an additional 150 CAP courses, taught by qualified professors, are introduced in the HEIs throughout Central Asia	Monitored Courses	30	12	45	A total of 16 courses monitored in 2 nd Year taught by UZ teachers that completed the TOT(CAP)
During the second year of A/CIPA, 1000 CAP exams are taken by students in Central Asia	Number of exams registered by students	N/A	N/A	350	410 student registrations for July 2008 CAP exams for a total of 1086 in Year 2
A minimum of an additional 3000 CAPs, 50 CIPAs are certified; Certifications should be tracked by gender and capital city vs. regions	A CAP + CIPA candidate meaning that a participant has passed the 3 exams for CAP level or 7 exams for CIPA level.	240 CAP level; 15 CIPA level	287 CAP level; 8 CIPA level	319 CAP level; 12 CIPA level	See table in the Appendix
Online registration for CIPA exams in each country office is developed, implemented, marketed, and tracked for performance	Percentage of registrations done online	10%	0%	10%	activity was canceled and removed from the work plan because of lack of technical capacity of CIPAEN/ECCAA

Deliverable	Measurement	1st Year Target	1st Year Actual	2nd Year Target	Progress
All ECCAA full members in Central Asia have the CAP designation as requirement for full membership of individuals	Requirement listed in every charter; Members have taken and passed at least all 3 CAP level exams	1 Member charter audited	COMPLETE	N/A	Completed in first year
All ECCAA full members in Central Asia have IFAC compliant CPE programs in place	Course list created and published on ECCAA website; Requirement listed in every charter; Members of member associations start taking courses	All member charters audited;	Member charters audited, 148 members trained	At least 50 members trained	To follow ECCAA/ICAS progress
IFRS training to be made available to Government officials, Regulators and any other financial sector Overseers.	At least one course in each year for a minimum of 10 officials in each country	1 course in UZ	0 courses	2 courses in UZ	2nd Certification of Tax Consultants exam held for 25 participants COMPLETE
Support special methodological/pedagogical training to accounting professors in Kazakhstan, Kyrgyzstan, Uzbekistan and Tajikistan	Number of professors taught	N/A	N/A	15	28 attendance certificates were distributed. COMPLETE

Deliverable	Measurement	1st Year Target	1st Year Actual	2nd Year Target	Progress
IFRS/ISA articles are written for the accounting press	At least 2 articles per year in Uzbekistan	2 articles in UZ	17 articles	6 articles in UZ	8 Articles in the quarter, 63 total in 2 nd Year
Conduct teaching methods workshop for selected group of professors	Number of professors taught	N/A	N/A	10 in UZ	the activity became unnecessary because Train of Trainer methodology has been conducted in four countries of CAR earlier
Participate in IFRS roundtable discussions	Provide or be speakers at, or participate in roundtables, conferences, etc on IFRS and education issues	N/A	N/A	3 in UZ	“Actual issues of accounting and audit under conditions of liberalization of the economy” for a total of 6 in second year
Conduct exam site audits in March 2008 and July 2008	At least 8 audits in Central Asia	N/A	N/A	1 audit in UZ	1 audit in March 2008 COMPLETE
Recruit trainers to produce tax consultant materials	At least 5 trainers	N/A	N/A	6 trainers	6 CoTC trainers recruited. COMPLETE
Deliver training to a pilot group of tax consultants	At least 25 tax consultants	N/A	N/A	35 tax consultants	Second Pilot for 25 consultants, total 61. COMPLETE
Recruit MCQ question writers for CoTC exam	Writers that submit questions	N/A	N/A	6 writers	6 writers recruited. COMPLETE
Assist CIPAEN to conduct CoTC exams during 2 sittings	Exams administered	N/A	N/A	60 exams	Second pilot completed for a total of 61 exams. COMPLETE

APPENDICES

- A/CIPA Program Certification Candidates for 8th Quarter
- Total A/CIPA Program Certification Candidates September 1, 2006 through September 30, 2008
- Cumulative A/CIPA Program Certification Candidates as of September 30, 2008

A/CIPA Program Certification Candidates for Quarter 8 June 2008 through August 2008

Country	Level	Current Quarter Candidates for Certification	Current Quarter Number of Female	Percentage Female	Current Quarter Number from Regions	Percentage from Regions
Kyrgyzstan	CAP	43	36	83.72%	4	9.30%
	CIPA	1	1	100.00%	-	0.00%
	CAP+CIPA	44	37	84.09%	4	9.09%
Kazakhstan	CAP	430	413	96.05%	241	56.05%
	CIPA	3	2	66.67%	2	66.67%
	CAP+CIPA	433	415	95.84%	243	56.12%
Uzbekistan	CAP	79	45	56.96%	17	21.52%
	CIPA	5	4	80.00%	-	0.00%
	CAP+CIPA	84	49	58.33%	17	20.24%
Tajikistan	CAP	4	2	50.00%	1	25.00%
	CIPA	-	-	0.00%	-	0.00%
	CAP+CIPA	4	2	50.00%	1	25.00%
Turkmenistan	CAP	5	3	60.00%	-	0.00%
	CIPA	1	1	100.00%	-	0.00%
	CAP+CIPA	6	4	66.67%	-	0.00%
Totals Central Asia	CAP	561	499	88.95%	263	46.88%
	CIPA	10	8	80.00%	2	20.00%
	CAP+CIPA	571	507	88.79%	265	46.41%

Certification Candidates include all candidates that have passed the required exams, whether they are fully certified or not. Certification Candidates are recorded when the final exam grade for that designation is issued.

A/CIPA Program Certification Candidates Sept. 1, 2006 through Sept. 30, 2008

Country	Level	Total Candidates for Certification	Total Number of Female	Percentage Female	Total Number from Regions	Percentage from Regions
Kyrgyzstan	CAP	265	220	83.02%	38	14.34%
	CIPA	11	10	90.91%	-	0.00%
	CAP+CIPA	276	230	83.33%	38	13.77%
Kazakhstan	CAP	2,172	2,045	94.15%	1,128	51.93%
	CIPA	22	18	81.82%	11	50.00%
	CAP+CIPA	2,194	2,063	94.03%	1,139	51.91%
Uzbekistan	CAP	593	355	59.87%	102	17.20%
	CIPA	18	14	77.78%	-	0.00%
	CAP+CIPA	611	369	60.39%	102	16.69%
Tajikistan	CAP	22	12	54.55%	5	22.73%
	CIPA	2	-	0.00%	-	0.00%
	CAP+CIPA	24	12	50.00%	5	20.83%
Turkmenistan	CAP	54	35	64.81%	-	0.00%
	CIPA	1	1	0.00%	-	0.00%
	CAP+CIPA	55	36	65.45%	-	0.00%
Totals Central Asia	CAP	3,106	2,667	85.87%	1,273	40.99%
	CIPA	54	43	79.63%	11	20.37%
	CAP+CIPA	3,160	2,710	85.76%	1,284	40.63%

Certification Candidates include all candidates that have passed the required exams, whether they are fully certified or not. Certification Candidates are recorded when the final exam grade for that designation is issued.

A/CIPA Program Certification Candidates Sept. 1, 2006 through Sept. 30, 2008

Country	Level	Cumulative Candidates for Certification	Total Year 1+2 Candidates for Certification	Deliverable	Over/Under Deliverable	Percentage of Deliverables
Kyrgyzstan	CAP	1,096				
	CIPA	23				
	CAP+CIPA	1,119				
Kazakhstan	CAP	4,962				
	CIPA	44				
	CAP+CIPA	5,006				
Uzbekistan	CAP	1,348				
	CIPA	49				
	CAP+CIPA	1,397				
Tajikistan	CAP	222				
	CIPA	9				
	CAP+CIPA	231				
Turkmenistan	CAP	157				
	CIPA	1				
	CAP+CIPA	158				
Totals Central Asia	CAP	7,785	3,106	3,000	106	103.53%
	CIPA	126	54	50	4	108.00%
	CAP+CIPA	7,911	3,160	3,050	110	103.61%

Certification Candidates include all candidates that have passed the required exams, whether they are fully certified or not. Certification Candidates are recorded when the final exam grade for that designation is issued.

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