

**USAID Accounting/Certified International
Professional Accountant (CIPA) Project
Implemented by The Pragma Corporation**

1st Quarterly Report
(for the period September 2006 to November 2006)

For the
U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

CTO/USAID/CAR
PROJECT MANAGER
CHIEF OF PARTY

Svetlana Golovatskaya
Mohammad Fatoorechie
Alexander Fawcett

TABLE OF CONTENTS

Introduction	3
Kazakhstan	4
Kyrgyzstan	11
Tajikistan.....	17
Turkmenistan.....	21
Uzbekistan.....	25
Appendices.....	31

Introduction

The contract was awarded on August 23, 2006 and with Pragma's in-country resources this project commenced immediately. The Chief of Party arrived in country in mid September and began work on the mobilisation plan, the work plan for the first twelve months. The reporting relationships were established but owing to enforced changes to the key personnel, we did not fully deploy in the field until November 2006. Offices in Almaty, Bishkek, Tashkent, Dushanbe and Ashgabat were established and operational during the period under review. At today's date, the work plan and PMP have been submitted to USAID. Both have been accepted and we are awaiting formal approval from USAID.

This project is an extension of previous accounting reform activities in Central Asia and is likely to be the final USAID participation in this area of economic activity. Almaty, Kazakhstan is the centre of the Pragma Corporation's USAID activities and is therefore the administrative and operational centre for the A/CIPA project.

CIPAEN is an independent examination network that operates in nine countries of the FSU with five of these countries representing Central Asia, namely, Kazakhstan, Kyrgyzstan, Uzbekistan, Tajikistan and Turkmenistan. The network is an examination and grading service to the CAP/CIPA qualification that is internationally recognised and follows the IFAC education standards on professional accountant training and education requirements. This examination system uses the Russian language as a standard for all participants. In February 2007 a management training programme will be introduced to assist and assess senior CIPAEN managers to progress the business towards sustainability and beyond.

Two of the project team attended the Seventeenth World Congress of Accountants in Istanbul in November 2006. This event is held every four years and is an excellent opportunity to learn about developments and problems in the profession across the world.

Kazakhstan

Implementation Issues

The main implementation issue was concerning two of our key personnel; Regional CIPAEN Sustainability Coordinator and Regional Association Coordinator. This hindered our initial progress with CIPAEN and ECCAA but we do believe that this will be corrected during the period December 2006 – February 2007 when we expect both organisations to be uppermost in the activities of the project.

We decided to delay the HEI initiative from the beginning of the education year in September because of the changes being proposed to the accounting curriculum and we have moved our target dates for University upgrades to early in 2007 because of the exam and holiday period of November 2006 to January 2007. The effect of this move is to reduce the number of attempts we can have to embed our qualification from two to one during the life of the project and we believe that we can be part of a wider initiative to achieve our aim. Our new initiative is the Accounting Education Alliance where we have asked HEI's to participate in a needs-analysis whilst encouraging the business community to assist the HEI's with much needed resources. This initiative will be on-going through the life of the project and will need constant publicity and events to promote the cause of the HEI's.

CIPAEN country offices will be separated from The Pragma Corporation during 2006 as a step towards the aim of a fully independent organisation, legally registered in the CIPAEN name with a fully separated payroll and premises. This separation process has proven to be lengthy and costly but is an essential part of having a CIPAEN transparent cost structure with clearly identified income streams. During this first quarter CIPAEN Inc appointed a new Executive Director and the project is looking forward to working with the new ED to achieve the aim of sustainability and extended international recognition. All activities, other than separation, have been suspended until the new ED meets with the project team in December 2006.

With regard to our Higher Education Initiative:

1) Build HEIs database

- Met with USAID's B&EE project implemented by Carana Corporation (Mickey Mullay, Deputy COP and Dinara Assanova, Program Coordinator) to discuss collaboration of HEIs and businesses, B&EE's achievements in this area;
- Received data from B&EE, received a list of 12 progressive universities in CAR that B&EE successfully cooperated with, reviewed it, sent it to all A/CIPA Country Directors; prepared a list of suggested 13 LEPs in KZ (see full list below) to start working with and sent it for review;

2) Survey all HEIs that have Accounting and Audit specialities, Finance and Credit and Management

- Received the survey from the previous EDP project under Accounting reform and distributed the survey to all A/CIPA countries to get their feedback and update it
- Hired Kz Education and Alliance Manager - Almaz Sandybayev
- Almaz updated the survey in KZ and drafted the first version for review
- Hired AEA manager for UZ, will start working in two weeks.

3) Needs assessment – in progress

4) Commitment letter from HEIs - met with Ryskulov University and discussed AEA opportunities

5) List of AEA opportunities - in progress

6) List of AEA candidates

- Reviewed the list of companies that signed the AEA letter prepared at the Proposal stage
- Requested Pragma/Astana office helping us to invite Exxon Mobil and other main businesses in Astana for the Round Table with IFAC on Feb 13, 2007 to start discussions on potential AEA cooperation

Progress towards Benchmarks

Deliverable	Measurement	Baseline	1st Year Target	Progress
A minimum of 10 universities substantially upgrade their Accounting Curriculum	Number of universities	0	4	Needs assessment questionnaires being prepared and tested for information collection.
A minimum of an additional 150 CAP courses, taught by qualified professors, are introduced in the HEIs throughout Central Asia	Monitored Courses	107 courses in KZ	45	Applications from faculties are being received and filtered to establish a candidate selection process
During the second year of A/CIPA, 1000 CAP exams are taken by students in Central Asia	Number of registered students	10 exams in KZ	N/A	N/A
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.	2779 CAP level; 24 CIPA level cumulative in KZ; 804 CAP level; 16 CIPA level in year 4 of EDP	1050 CAP level; 15 CIPA level	November examination sitting statistics from CIPAEN will be available for the next report
CIPAEN Country Offices are independent and financially sustainable for Central Asia related costs	Country Offices located in different building and do not require any deficit funding from A/CIPA.	Co-located with Pragma but not subsidized	KZ office sustainable and independently located	Physically separated, payroll separated, legally separate

Deliverable	Measurement	Baseline	1st Year Target	Progress
Online registration for CIPA exams in each country office is developed, implemented, marketed, and tracked for performance	Percentage of registrations done online	0	10%	Suspended
CIPAEN is ISO 9001-2000 certified	On hold until future strategy is determined.	Procedures written for most activities.	N/A	Suspended
ECCAA's Department on Training Materials is established and functioning	Manager hired, library of materials present, and procedure written and approved for renewal of documents	No department exists	DTM manager on ECCAA payroll, materials review procedure approved by ECCAA and A/CIPA, library list published on website	Discussions with ICAS have started and it is expected that the Scottish Institute will provide a template for the planning process.
ECCAA has adopted and adapted the version of the complete IFAC International Education Standards (IES)	IES adopted formally by board of directors	Nothing adopted	First 6 standards adopted and implemented	A study tour to ICAS has been planned for February/March 2007 to benefit from the experience of their Education Department
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	Some organizations have CAP requirement in charter	ECCAA charter audited	Association Coordinator and ECCAA will establish a work plan and timetable.

Deliverable	Measurement	Baseline	1st 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	No CPE program exists	ECCAA charter audited; Member charters audited; Course list published on website	ICAS will lead the initiative based upon their own experience with CPE and the importance of the income stream for sustainability.
By the second year, the Accounting Education Alliance (AEA) is providing focused material support to 25 progressive LEPs in Central Asia	Needs assessment matched with University commitment letter	40 organizations have expressed interest in the idea	N/A	N/A
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	0 courses	1 course in KZ	Discussions have opened with The Ministry of Finance
Design and hold workshops for LTP's to address sustainability	At least one workshop in Kazakhstan, Kyrgyzstan and Uzbekistan.	0 workshops held	1 in KZ	In February 2007 we plan to have an international expert design and lead the workshops
Host IFRS roundtable discussions	At least one roundtable in Kazakhstan, Kyrgyzstan and Tajikistan.	0 roundtables held	1 in KZ	The first course has been organised with speakers invited for December 2006.

Deliverable	Measurement	Baseline	1st Year Target	Progress
IFRS/ISA Technical articles are written for the accounting press	At least 12 articles per annum in Kazakhstan.	0 articles	12	3 in the quarter
Study tour to ICAS for at least 4 members of the accounting and auditing profession in Central Asia.	A five day trip to Scotland	No tour held	1	Planned for February/March 2007 to explore CPE, Education and Quality Assurance.

Obstacles encountered, possible delays in achieving the established benchmarks

1. CIPAEN restructuring has been seriously delaying the investigation into the opportunity to improve the efficiency and effectiveness of the CIPAEN activities.
2. The appointment of a new CIPAEN Executive Director in November 2006 and the possibility of a new strategic direction for the organisation have resulted in a suspension of all activities listed in the work plan. The restructuring continues until we achieve physical separation, legal separation and payroll separation.
3. A Ministry of Finance Draft Framework document for the Accounting and Auditing Industry in Kazakhstan was received in October 2006, discussed in Astana at the Ministry in November 2006 and responded to by A/CIPA in December 2006. The effect of this draft is still being considered by the Project and the Profession and we await further discussions and advice from the Ministry. If implemented, the role of ECCAA and the Chamber of Auditors will be in doubt. CIPAEN may also have some operational difficulties with the proposed accreditation process.
4. ECCAA will take dedicated effort because when we started the Project, ECCAA had a staff of 1 – the Executive Director. It now has a staff of 2, the ED and an Accountant, and until its human resources are added to, the progress on capacity building is limited.

Proposed Changes to the Work Plan

None are envisaged at this time, subject to changes within CIPAEN

Forecast of Activities for the Quarter December 2006 – February 2007

1. IFRS roundtable in Almaty
2. At least three articles published in the accounting and auditing press
3. Needs Assessments processed and analysed. AEA promoted.
4. Study tour to the Institute of Chartered Accountants of Scotland
5. Visit by Neil Wallace of IFAC

Kyrgyzstan

Implementation Issues

The main implementation issue was concerning two of our key personnel; Regional CIPAEN Sustainability Coordinator and Regional Association Coordinator. This hindered our initial progress with CIPAEN and ECCAA but we do believe that this will be corrected during the period December 2006 – February 2007 when we expect both organisations to be uppermost in the activities of the project. We also had a delay in the appointment of our Country Director for Kyrgyzstan who was unable to take up the appointment until December 2006.

We decided to delay the HEI initiative from the beginning of the education year in September because of the changes being proposed to the accounting curriculum and we have moved our target dates for University upgrades to early in 2007 because of the exam and holiday period of November 2006 to January 2007. The effect of this move is to reduce the number of attempts we can have to embed our qualification from two to one during the life of the project and we believe that we can be part of a wider initiative to achieve our aim. Our new initiative is the Accounting Education Alliance where we have asked HEI's to participate in a needs-analysis whilst encouraging the business community to assist the HEI's with much needed resources. This initiative will be on-going through the life of the project and will need constant publicity and events to promote the cause of the HEI's.

CIPAEN will be separated from The Pragma Corporation during 2006 as a step towards the aim of a fully independent organisation, legally registered in the CIPAEN name with a fully separated payroll and premises. This separation process has proven to be lengthy and costly but is an essential part of having a CIPAEN transparent cost structure with clearly identified income streams. Kyrgyzstan is presently the centre of CIPAEN's examination development and database management and we expect an increasing focus on the need for extended information whilst increasing the quality of the existing information to better understand the changes to CIPAEN's market and customer.

During this first quarter CIPAEN appointed a new Executive Director and the project is looking forward to working with the new ED to achieve the aim of sustainability and extended international recognition. All activities, other than separation, have been suspended until the new ED meets with the project team in December 2006.

Progress towards Benchmarks

Deliverable	Measurement	Baseline	1st Year Target	Progress
A minimum of 10 universities substantially upgrade their Accounting Curriculum	Number of universities	0	1	Needs assessment questionnaires being prepared and tested for information collection.
A minimum of an additional 150 CAP courses, taught by qualified professors, are introduced in the HEIs throughout Central Asia	Monitored Courses	37 courses in KG	20	Applications from faculties are being received and filtered to establish a candidate selection process
During the second year of A/CIPA, 1000 CAP exams are taken by students in Central Asia	Number of exams registered by students	155 exams in KG	N/A	N/A
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.	830 CAP level; 12 CIPA level cumulative in KG; 133 CAP level; 1 CIPA level in year 4 of EDP	175 CAP level; 2 CIPA level	Awaiting November exam results
CIPAEN Country Offices are independent and financially sustainable for Central Asia related costs	Country Offices located in different building and do not require any deficit funding from A/CIPA.	Co-located with Pragma and subsidized	KG office sustainable and independently located	In progress
Online registration for CIPA exams in each country office is developed, implemented, marketed, and tracked for performance	Percentage of registrations done online	0	10%	Suspended

Deliverable	Measurement	Baseline	1st 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	Some organizations have CAP requirement in charter	1 Member charter audited	In 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	No CPE program exists	All member charters audited;	To follow ECCAA/ICAS progress
By the second year, the Accounting Education Alliance (AEA) is providing focused material support to 25 progressive LEPs in Central Asia	Needs assessment matched with University commitment letter	40 organizations have expressed interest in the idea	N/A	N/A
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	0 courses	1 course in KG	Awaiting Country Director
Design and hold workshops for LTP's to address sustainability	At least one workshop in Kazakhstan, Kyrgyzstan and Uzbekistan.	0 workshops held	1 workshop in KG	Awaiting Country Director

Deliverable	Measurement	Baseline	1st Year Target	Progress
Host IFRS roundtable discussions	At least one roundtable in Kazakhstan, Kyrgyzstan and Tajikistan.	0 roundtables held	1 roundtable in KG	Awaiting Country Director
IFRS/ISA Technical articles are written for the accounting press	At least 2 articles per annum in Kyrgyzstan.	0 articles	1 article in KG	Awaiting Country Director

Obstacles encountered, possible delays in achieving the established benchmarks

1. CIPAEN restructuring has been seriously delaying the investigation into the opportunity to improve the efficiency and effectiveness of the CIPAEN activities.
2. The appointment of a new CIPAEN Executive Director in November 2006 and the possibility of a new strategic direction for the organisation have resulted in a suspension of all activities listed in the work plan. The restructuring continues until we achieve physical separation, legal separation and payroll separation.
3. Country Director appointment in December 2006

Proposed Changes to the Work Plan

None are envisaged at this time, subject to changes within CIPAEN

Forecast of Activities for the Quarter December 2006 – February 2007

1. Needs Assessments started at 4 Universities
2. Study tour to the Institute of Chartered Accountants of Scotland
3. Visit by Neil Wallace of IFAC
4. Articles to be published in accounting press
5. AEA to be promoted

Tajikistan

Implementation Issues

The main implementation issue was concerning two of our key personnel; Regional CIPAEN Sustainability Coordinator and Regional Association Coordinator. This hindered our initial progress with CIPAEN and ECCAA but we do believe that this will be corrected during the period December 2006 – February 2007 when we expect both organisations to be uppermost in the activities of the project.

We decided to delay the HEI initiative from the beginning of the education year in September because of the changes being proposed to the accounting curriculum and we have moved our target dates for University upgrades to early in 2007 because of the exam and holiday period of November 2006 to January 2007. The effect of this move is to reduce the number of attempts we can have to embed our qualification from two to one during the life of the project and we believe that we can be part of a wider initiative to achieve our aim. Our new initiative is the Accounting Education Alliance where we have asked HEI's to participate in a needs-analysis whilst encouraging the business community to assist the HEI's with much needed resources. This initiative will be on-going through the life of the project and will need constant publicity and events to promote the cause of the HEI's.

CIPAEN will be separated from The Pragma Corporation during 2006 as a step towards the aim of a fully independent organisation, legally registered in the CIPAEN name with a fully separated payroll and premises. This separation process has proven to be lengthy and costly but is an essential part of having a CIPAEN transparent cost structure with clearly identified income streams. CIPAEN activities are modest in Tajikistan and the organisation has been experience some difficulty appointing a new Country Director. This is not likely to be resolved before February 2007 with the resulting knock-on of delays for separation. During this first quarter CIPAEN appointed a new Executive Director and the project is looking forward to working with the new ED to achieve the aim of sustainability and extended international recognition. All activities, other than separation, have been suspended until the new ED meets with the project team in December 2006.

Progress towards Benchmarks

Deliverable	Measurement	Baseline	1st Year Target	Progress
A minimum of 10 universities substantially upgrade their Accounting Curriculum	Number of universities	0	0	Needs assessment questionnaires being prepared and tested for information collection.
A minimum of an additional 150 CAP courses, taught by qualified professors, are introduced in the HEIs throughout Central Asia	Monitored Courses	20 courses in TJ	15	Applications from faculties are being received and filtered to establish a candidate selection process
During the second year of A/CIPA, 1000 CAP exams are taken by students in Central Asia	Number of exams registered by students	48 exams in TJ	N/A	N/A
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.	200 CAP level; 7 CIPA level cumulative in TJ; 25 CAP level; 2 CIPA level in year 4 of EDP	40 CAP level; 2 CIPA level	Awaiting November exam results
CIPAEN Country Offices are independent and financially sustainable for Central Asia related costs	Country Offices located in different building and do not require any deficit funding from A/CIPA.	Co-located with Pragma and subsidized	CIPAEN located independent of A/CIPA	In progress
Online registration for CIPA exams in each country office is developed, implemented, marketed, and tracked for performance	Percentage of registrations done online	0	10%	Awaiting database upgrade in Kyrgyzstan

Deliverable	Measurement	Baseline	1st 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	Some organizations have CAP requirement in charter	1 Member charter audited	In 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	No CPE program exists	All member charters audited;	To follow ECCAA/ICAS progress
By the second year, the Accounting Education Alliance (AEA) is providing focused material support to 25 progressive LEPs in Central Asia	Needs assessment matched with University commitment letter	40 organizations have expressed interest in the idea	N/A	N/A
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	0 courses	1 course in TJ	N/A
Host IFRS roundtable discussions	At least one roundtable in Kazakhstan, Kyrgyzstan and Tajikistan.	0 roundtables held	1 roundtable in TJ	N/A
IFRS/ISA Technical articles are written for the accounting press	At least 2 articles per annum in Tajikistan.	0 articles	1 article in TJ	N/A

Obstacles encountered, possible delays in achieving the established benchmarks

1. CIPAEN restructuring has been seriously delaying the investigation into the opportunity to improve the efficiency and effectiveness of the CIPAEN activities.
2. The appointment of a new CIPAEN Executive Director in November 2006 and the possibility of a new strategic direction for the organisation have resulted in a suspension of all activities listed in the work plan. The restructuring continues until we achieve physical separation, legal separation and payroll separation.

Proposed Changes to the Work Plan

None are envisaged at this time, subject to changes within CIPAEN

Forecast of Activities for the Quarter December 2006 – February 2007

1. Needs Assessments started at 4 Universities
2. Separation to be achieved with Pragma
3. Local professional bodies supported with application to join IFAC
4. Visit by Neil Wallace of IFAC in connection with No. 3
5. Articles to be produced for the accounting press

Turkmenistan

Implementation Issues

The main implementation issue was concerning two of our key personnel; Regional CIPAEN Sustainability Coordinator and Regional Association Coordinator. This hindered our initial progress with CIPAEN and ECCAA but we do believe that this will be corrected during the period December 2006 – February 2007 when we expect both organisations to be uppermost in the activities of the project.

The lack of progress by CIPAEN on the separation from The Pragma Corporation during 2006 meant that at the beginning of November 2006 nothing had been achieved towards the aim of a fully independent organisation, legally registered in the CIPAEN name with a fully separated payroll and premises. The project is now collecting information and investigating the most appropriate legal structure although registration will be subject to political approval.

Progress towards Benchmarks

Deliverable	Measurement	Baseline	1st 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.	101 CAP level; 0 CIPA level cumulative in KZ; 44 CAP level; 0 CIPA level in year 4 of EDP	40 CAP level; 1 CIPA level	Awaiting November exam results
CIPAEN Country Offices are independent and financially sustainable for Central Asia related costs	Country Offices located in different building and do not require any deficit funding from A/CIPA.	Not registered, co-located with Pragma and subsidized	CIPAEN registered and located in different building	In Progress
Online registration for CIPA exams in each country office is developed, implemented, marketed, and tracked for performance	Percentage of registrations done online	0	10%	Awaiting database upgrade in Kyrgyzstan
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	Some organizations have CAP requirement in charter	1 Member charter audited	N/A
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	No CPE program exists	All member charters audited;	N/A

Deliverable	Measurement	Baseline	1st Year Target	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	0 courses	1 course in TM	Meeting with MINFIN where offer of assistance was made.
IFRS/ISA Technical articles are written for the accounting press	At least 2 articles per annum in Turkmenistan.	0 articles	1 article in TM	N/A

Obstacles encountered, possible delays in achieving the established benchmarks

1. CIPAEN restructuring has been seriously delaying the investigation into the opportunity to improve the efficiency and effectiveness of the CIPAEN activities.
2. The appointment of a new CIPAEN Executive Director in November 2006 and the possibility of a new strategic direction for the organisation have resulted in a suspension of all activities listed in the work plan. The restructuring continues until we achieve physical separation, legal separation and payroll separation.

Proposed Changes to the Work Plan

None are envisaged at this time, subject to changes within CIPAEN

Forecast of Activities for the Quarter December 2006 – February 2007

1. Visit by Neil Wallace of IFAC.
2. Production of accounting and auditing material in Russian for the Ministry of Finance.
3. Separation and registration information.

Uzbekistan

Implementation Issues

The main implementation issue was concerning two of our key personnel; Regional CIPAEN Sustainability Coordinator and Regional Association Coordinator. This hindered our initial progress with CIPAEN and ECCAA but we do believe that this will be corrected during the period December 2006 – February 2007 when we expect both organisations to be uppermost in the activities of the project.

We decided to delay the HEI initiative from the beginning of the education year in September because of the changes being proposed to the accounting curriculum and we have moved our target dates for University upgrades to early in 2007 because of the exam and holiday period of November 2006 to January 2007. The effect of this move is to reduce the number of attempts we can have to embed our qualification from two to one during the life of the project and we believe that we can be part of a wider initiative to achieve our aim. Our new initiative is the Accounting Education Alliance where we have asked HEI's to participate in a needs-analysis whilst encouraging the business community to assist the HEI's with much needed resources. This initiative will be on-going through the life of the project and will need constant publicity and events to promote the cause of the HEI's.

CIPAEN will be separated from The Pragma Corporation during 2006 as a step towards the aim of a fully independent organisation, legally registered in the CIPAEN name with a fully separated payroll and premises. This separation process has proven to be lengthy and costly but is an essential part of having a CIPAEN transparent cost structure with clearly identified income streams. Uzbekistan house CIPAEN's grading centre and the move to physically separate whilst preserving confidentiality and security examination materials and records has been difficult and time consuming.

The grading centre was relocated and operational to handle the November exam sitting and grading needs of the nine countries. During this first quarter CIPAEN appointed a new Executive Director and the project is looking forward to working with the new ED to achieve the aim of sustainability and extended international recognition. All activities, other than separation, have been suspended until the new ED meets with the project team in December 2006.

Progress towards Benchmarks

Deliverable	Measurement	Baseline	1st Year Target	Progress
A minimum of 10 universities substantially upgrade their Accounting Curriculum	Number of universities	0	1	Needs assessment questionnaires being prepared and tested for information collection.
A minimum of an additional 150 CAP courses, taught by qualified professors, are introduced in the HEIs throughout Central Asia	Monitored Courses	62 courses in UZ	30	ATDB discussions on monitoring and methods have been opened
During the second year of A/CIPA, 1000 CAP exams are taken by students in Central Asia	Number of exams registered by students	106 exams in UZ	N/A	N/A
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.	735 CAP level; 30 CIPA level cumulative in UZ; 175 CAP level; 10 CIPA level in year 4 of EDP	240 CAP level; 15 CIPA level	Awaiting November exam results
CIPAEN Country Offices are independent and financially sustainable for Central Asia related costs	Country Offices located in different building and do not require any deficit funding from A/CIPA.	Co-located with Pragma and subsidized	UZ office sustainable and independently located	In Progress
Online registration for CIPA exams in each country office is developed, implemented, marketed, and tracked for performance	Percentage of registrations done online	0	10%	Awaiting database upgrade in Kyrgyzstan

Deliverable	Measurement	Baseline	1st 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	Some organizations have CAP requirement in charter	1 Member charter audited	N/A
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	No CPE program exists	All member charters audited	N/A
By the second year, the Accounting Education Alliance (AEA) is providing focused material support to 25 progressive LEPs in Central Asia	Needs assessment matched with University commitment letter	40 organizations have expressed interest in the idea	N/A	N/A
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	0 courses	1 course in UZ	Discussions with MINFIN have been opened and assistance is being considered
Design and hold workshops for LTP's to address sustainability	At least one workshop in Kazakhstan, Kyrgyzstan and Uzbekistan.	0 workshops held	1 workshop in UZ	In February 2007 we plan to have an international expert design and lead the workshops

Deliverable	Measurement	Baseline	1st Year Target	Progress
IFRS/ISA Technical articles are written for the accounting press	At least 2 articles per annum in Uzbekistan	0 articles	1 article in UZ	N/A

Obstacles encountered, possible delays in achieving the established benchmarks

1. CIPAEN restructuring has been seriously delaying the investigation into the opportunity to improve the efficiency and effectiveness of the CIPAEN activities.
2. The appointment of a new CIPAEN Executive Director in November 2006 and the possibility of a new strategic direction for the organisation have resulted in a suspension of all activities listed in the work plan. The restructuring continues until we achieve physical separation, legal separation and payroll separation.
3. ECCAA will take dedicated effort because when we started the Project, ECCAA had a staff of 1 – the Executive Director. It now has a staff of 2, the ED and an Accountant, and until its human resources are added to, the progress on capacity building is limited.

Proposed Changes to the Work Plan

None are envisaged at this time, subject to changes within CIPAEN

Forecast of Activities for the Quarter December 2006 – February 2007

1. Needs Assessments started at 10 Universities
2. AEA meetings with major businesses
3. MINFIN discussions for further integration of CAP/CIPA into the public sector
4. Tax and Law exams in Uzbek
5. ATBD coaching sessions to be observed and applied to Central Asia
6. Articles to be produced for the accounting press
7. A database of CAP/CIPA materials is to be established with a view to cataloguing books, booklets and copyright issues. Ownership to be established and updating by CIPAEN/ECCAA.

Appendices

Appendix 1 – Year One list of activities for A/CIPA

Appendix 2 – List of Local Training Providers

Appendix 3 – Certification candidate numbers for CAP/CIPA

Appendix 4 – What is CIPA?

APPENDIX 1

A/CIPA LIST OF ACTIVITIES FOR YEAR ONE

1. Strengthening the System of Education and Training

Training in IFRS is integrated into the curriculum
Identify most progressive universities, through rankings, surveys, interviews, participation in USAID and other donor education projects
Complete needs assessment of all HEIs identified
Develop goals and objectives for academic workshops (pedagogy, peer activities)
Design and hold workshops including sponsors and other funding sources, textbook exhibitions, etc.
Evaluate workshop results, including written reports
Continuous follow-up with participants, with goal of repeating workshop activity in second year.
Form the Accounting Education Alliance (AEA)
Propose teacher trainer certification based on ATBD model
ATBD implementation teacher certification, where desired

Professional Training, Testing, and Certification Program Is Fully Compliant with Internationally Recognized Models and Requirements
Develop communication tools for CIPAEN
Work with CIPAEN on database development criteria
Develop statistical report templates from CIPAEN database for statistical reporting by exam session to all stakeholders including participants, LTPs, universities, etc.
Provide development support (expertise) for CIPAEN website development
Support CIPAEN's efforts in publishing a monthly newsletter
Design and hold a CIPA workshop for LEP and LTPs

Full Set of Adequate Materials and a Pool of Trainers Are Available For the CAP/CIPA Training
Encourage HEI teachers to be part-time trainers
Increase cross-border competition
Develop ECCAA's Department of Education Support, including materials update processes
Provide methodology to evaluate training materials.

2. Achieving Sustainability of the Examination and Certification Process

Independent and Financially Sustainable Examination Network
Negotiate a subcontract with CIPAEN Inc.
Develop the marketing plan for CIPAEN Inc. and Country Offices utilizing the EI Marketing Workbook/Plan
Mentor the country offices in fiscal responsibilities, including financial reporting and budgeting to head office
Negotiate the ISO 9001/2000 certification consultants
Work with the ISO 9001/2000 consultants and CIPAEN to ensure that progress is made toward certification
Mentor the database redesign project and website development, ensuring that targets are met
Mentor the website design project ensuring that grade reporting and online registration is implemented on a timely basis
Train Country Directors in Management Skills

3. Strengthening the Capacity of Progressive Professional Accountancy Associations

Professional Accounting Associations Are Self-Regulating and Self-Sustainable
Subcontract with ICAS
>ICAS to conduct an operational audit of ECCAA using IFAC tool kit
>Pragma to conduct an overview of the control environment, FM system and Grant policy in conjunction with the findings of USAID's FM Review
>Targets for non-compliance rectification are set and recommendations for compliance improvement are agreed with ECCAA
>Oversee the appointment of an ED and Accountant for ECCAA
>Design and hold two workshops for Associations to address issues of business planning, member services, IFAC's SMOs and IESs implementation
>Develop a mentoring plan to work with the associations during the life of the project
>Mentor ECCAA in establishing the Department of Education Support

APPENDIX 2 List of Training Providers December 2006

<p>1. * Institute of the Professional Accountants and Auditors of the Republic of Kazakhstan</p>	<p>Almaty, 6 microrayon, 56 a Phone: (3272) 28-15-81, 99-58-50, 99-60-12, 28-14-01, 28-19-57, 28-24-55, 28-46-21 e-mail ipaa@nursat.kz сайт: www.ipaa.kz</p>	<p>Oshepkova Margarita – manager of the study processменеджер по учебной работе</p>	<p>FA-1 FA-1 MA-1 T&L FA-2 MA-2 Finance Audit Предэкзаменационные консультации</p>	<p>FA-1 and MA-1: Капаева Е.В., Taipova R., Larionov D., Poltaranina N.A., Kosheleva T., Dyo I. T&L: Skorova L.Y., Blinova O. FA-2, MA-2, Audit, Finance: Капаева Е.В., Taipova R, Larionov D.</p>
<p>2. * “TrastFinAudit” Auditing Company</p>	<p>Almaty, 208 Rozikbaeva Street, kv. 4 (corner. Timiryazeva Str.) Phone: (3272) 75-18-67, 75-24-43 8-333-272-07-93 (Yuliya), 8-701-438-98-55 (Pavel) e-mail olgatfa@netel.kz</p>	<p>Ol’ga Inokentevna – Director Yuliya and Pavel – courses coordinators</p>	<p>FA-1 MA-1 T&L FA-2 MA-2 Finance Audit</p>	<p>Savchenko O.I., O O.I. Savchenko O.I., Kim I.V. Savchenko O.I., O O.I. O O.I. O O.I. O O.I. O O.I.</p>
<p>3. * «CARANA» Corporation</p>	<p>Almaty, 78 Kabanbay Batir Str., kv. 12 (corner of the Pushkin Str.,) Phone: (3272) 50-84-82; 50-84-83, 8-701-729-08-91 (Gulnara) e-mail training@carana.com</p>	<p>Bekbaeva Korlan, Buhanova Gul’nara – training coordinators</p>	<p>FA-1 MA-1 T&L FA-2 MA-2</p>	<p>Makhmutova G. Makhmutova G. Ибрагимов А., Baytemirov N. Makhmutova G., Taipova R. Makhmutova G., Taipova R.</p>

4. «UPGRADE» LLP	Almaty, 124 Farmanov Str., kv. 22 (corner of Vinogradov Str.) Phones: (3272) 72-78-87, 61-44-64 e-mail upgrade.kz@nursat.kz ; upgrade.kz@mail.ru	Lee Nadezhda Arsenovna		
5. Central Asian Personnel Consulting	Almaty, 65 Farmanov Str., office 400 (corner of Paster str.) Phones: (3272) 58-89-71 Fax: 58-89-74 e-mail capc@capc.kz , pq@capc.kz	Raushanov Almaz – Trening Coordinator		
6. UIB Consulting	Almaty, 8a Abay Str., office 137 (corner of the Farmanov Str.) Phones: (3272) 63-19-58; 63-15-69 Fax: 63-19-58 e-mail manager@uib.kz ; aboshayeva@uib.kz	Boshayeva Aliya – Director Aydagulova Akerke – manager	FA-1 MA-1 T&L FA-2 MA-2	Altaeva A.B. Altaeva A.B. Ибрагимов А., Yantsen N. Altaeva A.B., Shpiger Zh. Altaeva A.B., Shpiger Zh.
7. * “Satibaldina & Co.” Study Center	Almaty, 52 Abay str., Training place: Masanchi str., №36 school (corner of the Kalinin Str.), Mira str., school №39 (corner of the Tolebi str.) Phones: (3272) 67-47-91 8-701-738-87-68 e-mail slv@ok.kz	Satibaldina Lyudmila Vladimi rovnna – Director	FA-1 MA-1 T&L MA-2 Audit	Alimbekova A.P. Kim S.H. Ol’hovskaya S.V., Mityugina G.D., Kim S.H. Mikhaylenko T.M. O O.I.

8. * Central House of Accountants	Almaty, 89 Tole bi str., (corner of the Amangeldi str.) Phones: (3272) 59-71-26; 58-50-83 e-mail kenzogreen@mail.ru	Omarova Aliya – Coordinator of the courses	FA-1 MA-1 T&L	Michkina O.V., Arnabekov E.N., Savchenko O.I., Slyusareva N.V. Michkina O.V., Arnabekov E.N., Slyusareva N.V. Michkina O.V., Arnabekov E.N., Saginbekova A.K.
9. “Znaniye-sila” LLP	г.Алматы, пр. Абая 83/85 (corner of the Baysunova str.),KazAcademSport and Tourism building Phones: (3272) 72-78-05, 42-06-69 e-mail znaniye-sila@yandex.ru	Gulzhamal Shoshanova – Director	FA-1 T&L MA-2 MA- 1	Potaranina N. Bazarbekova K.B. Potaranina N.
10. Institute of Directors	Almaty, 29b Satpaeva str.,(corner of the Bayzakova str.) Phone: (3272) 71-96-60, 47- 83-91, 8-701-311-78-42, 8-700-40-30-057 e-mail kid@nursat.kz сайт: www.id.nursat.kz)	Filina Tatyana	Distance learning Day courses: FA-1 MA-1 T&L FA-2 MA-2 Finance Audit	Mikhayleva E.V. Mikhaylenko T.M. Khorina L.I., Issik T.V. Kapaeva E.B. Kapaeva E.B. Mikhaylenko T.M., Kapaeva E.B. Kapaeva E.B., Konovalova A.
11. «Global Education Provider» LLP	Almaty, 58a Abilay Khan, office 510 (corner of the Makataeva str.) Phones: (3272) 66-24-73, 73-80-73 (БН. 230) e-mail gep@nomad.kz ; gep_m@nomad.kz	Zhanna Musakhanova – consultant on finance programs	FA-1 MA-1 T&L	Slyusareva N.V. Slyusareva N.V., Rustemova M.T. Amirkhanova I.V., Ibragimov A.

12. Management Development Center	Almaty, 404 Seyfalina str., (bottom of the Mametov str.), office 202 Phones: (3272) 66-45-82, 66-45-83, 66-62-81 (82, 83, 84) e-mail mdc@ducatmail.kz	Sarbasova Lyazat – Director Aripova Aklima – managerial partner	FA-1 MA-1 T&L	Slyusareva N/V/ Rustemova M.T. Issik T.V., Mychkina O.V.
13. New Technologies Educational-Research Center	Almaty, 59 Tole bi str., office 234, 236 Phones: (3272) 50-45-51, 72-04-41, 72-04-45 Fax: 72-04-45 e-mail: info@ntc.kz ; ainur@ntc.kz	Bekdairova Aynur – project manager	FA-1 MA-1 T&L FA-2	Mikhayleva E.V. Taipora R., Makhmutova G.M. Amirkhanova I.V., Komanchuk T.N. Taipova R.K.
14. «KAZ Audit» Company	Almaty, 122 Tole bi str., (corner of the Shagabutdinov str.) Phones: 93-56-43, 93-55-90 e-mail: kzaudit@mail.ru	Irina Vasilenko – coordinator	FA-1 MA-1 T&L	Alimbekova A.P. Kim S.H. Olhovskaya S.V., Minyugina G.D.
15. TOO «Capital Line Consulting» LLP	Almaty, 24 Jzhandosova str., office 40, 44 Training place: 52 Abay str., office 1 (corner of the Bayzakov str.), Economic research Institute, room 305 Tel/fax. (3272) 69-90-68, 69-90-79, 699-100 e-mail: clc@ok.kz ; clc@mail.kz	Abdullaeva Gulnaz, Berdieva Gauhar – coordinators	FA-1 MA-1 T&L	Poltaranina N.A. Slyusareva N.V., Arnabekov E., Mychkina O.V. Sarbasova A., Abdildina A., Saginbekova A., Mychkina O.V.
16. Study Center “Sana”	Almaty 60a Jzhandosova str.,(corner of the Gagarin), office 108 Phone: (3272) 74-55-79, 8-333-287-60-40 E-mail: sana@yandex.ru	Nurahmetova Leyla – Director	FA-1 MA-1 T&L	Nurahmetova Leyla

17. «Modern Education Centre» LLP	Almaty, 258 B Gagarin str., office 603 Phone: 49-27-61	Amirkhanova Gazelya – Director, Dementeva Anastasiya – coordinator	FA-1 MA-1 T&L	
18. «BIKO» LLP Printing Huose	Almaty, 134 Murtabaev str., (corner of the Tole bi) Phone: (3272) 935810, 935 801 (add 135, 145, 159). Cell. 87004527389 (Ilyas) 87004507303 (Gulfira) e-mail forum2006@biko.in.kz	Khasanov Ilyas – senior specialist on seminars development	FA-1 MA-1 T&L FA-2 MA-2 Finance Audit	Shpigel Zh. G. Khegay I. V. Dzhondelbaeva A. S. Tuleshova G. K. Mahmutova G. M. Kovalenko G. S.
19. «1C:Franchise Eurasia Soft» LLP	Almaty, 13 Egizbaev str, korpus 54 b (between Jzhondosova and Satpaeva str.) corner of the Rozibakieva Phone 8-3272-63-91-92, 63-91-93, 63-91-94, 8-705-622-47-67 E-mail 1C@eas.kz Web page: www.eas.kz	Saribaev E.B. – Director Elena – head of the study center	FA-1	Nurakhmetova L.K.
20. * «Ahbutina & Co.»	Astana, 18 Seygalina str, kv. 17 Phone: (3172) 23-97-47, 8-701-571-45-59 e-mail: Ahbutina@mail.kz	Ahbutina Aygul - Director Tarbakova Shayzat - menedger	FA-1 MA-1 T&L FA-2 MA-2 Finance Audit	Ahbutina A. Ahbutina A. Ahbutina A., Baytemirova G.A. Ibraeva M.Sh. Ibraeva M.Sh. Vinnikova V.V. Adilzhanova L.K.
21. * Training Center of the «Tsesna Corporation» JSC	Astana 43 Beybitshilik Phone: (3172) 31-81-72 Fax: (3172) 31-82-90 E-mail: tsesna@kepter.kz ; ruslanrk@tsesna.kz	Aytzhanov Ruslan	FA-1 MA-1 T&L FA-2 Audit Finance	Sapanova M.T., Toleutaeva Z.K., Kenzheguzin S.M. Toleutaeva Z.K., Kenzheguzin S.M. Kenzheguzin S.M., Aytzhanov P. Sapanova M.T., Toleutaeva Z.K., Kenzheguzin S.M. Sapanova M.T.

22. * “Apex Group” LLP	Astana 23 Tashenova str., kv.1 Phone: (3172) 22-82-14 e-mail: appeksl@mail.kz	Taytleutov Marat – head of the department of CIPA program	FA-1 MA-1 T&L FA-2 MA-2 Audit Finance	Ischenko C.A., Torshaeva Sh.M., Nekrasova L. Abisheva T.Y., Nekrasova L. Daribekova A.S., Kairbekov B.Z., Agumbaeva G.K., Nekrasova L. Ischenko C.A. Ischenko C.A. Nekrasova L.
23. Chamber of accountants and auditors	Astana 29 Abilay Khan str., kv. 49 Phone: (3172) 33-58-10, 8-300-757-39-17 Fax: (3172) 28-35-11 E-mail palata_astana@rambler.ru	Eshmukhambetov a Orinbasar – President	FA-1 MA-1 T&L FA-2	Eshmukhambetova Orinbasar Beyseitova D.B., Ilyasova A. Alkenova A, Sitnikova I.G. Eshmukhambetova O.K.
24.*«Neyston» LLP	Astana 01 Gabdulin str., office31 Phone: (3172) 20-47-53, 24- 02-82, 8-701-222-60-00 Fax: (3172) 20-47-56 E-mail neiston@mail.ru	Gabdulina Asel	FA-1 MA-1 T&L	Torsheva Sh.M. Abisheva T.Y. Temirbekova L.A. Daribekova A.S., Kairbekov B.Z Netoskannaya N.A.,Edinbaev T.N. .
25. *«FEB Profit» LLP	Astana 18 Beybitshilik str., office 220. Phone/факс (83172) 91-00- 51, 8-701-5129718, 8-333- 27728855 Эл. почта ok.profit@mail.ru	Uspanova Oksana	FA -1 MA – 1 T&L	Sultanova Saule, Uspanova Oksana

26. * Atyrau region of accountants and auditors «Esepshi» LLP	Atirau, 4 Azattik str., office 16 Phone: (3122) 35-41-67, 8-701 754 19 38 e-mail: esepshy@mail.ru	Imangali Ulmeken	FA-1 MA-1 T&L FA-1	Lobas A.Y., Kleschevnikova I.P. Lobas A.Y., Amirova Zh.K, Turemuratova B.A. Sarkulova A.M., Arakilyan T.R. Zhksulikova A.K.
27. * Implementation Center «L&N»	Atirau, 20 Vladimirskogo str., kv. 38 Phone: (3122) 21-03-50, 8-701-742-37-10 E-mail eseny2002@mail.ru	Li Neva	FA-1 T&L	Kim R.V. Ten Z.G., Turemuratova B.A.
28. * «GoodwillActive» LLP	Karaganda 35 Boulevard Mira, office .318 Phone: (3212) 42-13-49, 42- 12-52, 8-701-390-21-25 (Olga) E-mail ipbia@mail.ru	Krivodanova Olga	FA-1 MA-1 T&L FA-2 Audit Finance	Popova L.A. Shurdina I.I. Razlivaeva L.V. Kairbekov B.Z., Kizina V.P., Kasimova K.M., Taldibaeva Z.M. Popova L.A. Taldibaeva Z.M. Abramovich A.L., Zhumasheva R.M.
29. * «Institute of the professional accountants of the Karaganda city»	Karaganda 37 Alikhanova str.,office 209 Phone/Fax: (3212) 51-89-41, 51-43-67, 8-701-349-17-56 (Timur), 8-701-623-63-99 (Elena) E-mail tramplin@mail.kz	Rahimjanov Timur Bernikova Elana	FA-1 MA-1 T&L	Shulgina I.I., Torshaeva Sh.M. Zhumatov M.K. Shulgina I.I., Kovalenko E.V.
30.* «Bugaets O.D.» IA	Karaganda 3 N Abdirova str., office 304 Phone(3212) 41-38-72, 8 700-452-03-78 E-mail nalog76@mail.ru	Bugaets Olga Dmitrievna Prokopeva Yuliya	FA-1 MA-1 T&L	Popova L.A., Torshaeva Sh.M. Popova L.A., Torshaeva Sh.M. Prokopeva Y., Kairbekov B.Z.

31. «League of trainers »	Kostanay, 125Chekhov str, 13 Phone: (3142) 53-83-78 8-701-342-71-39 8- 701-412-0431 Эл.почта tar_ser@mail.ru	Tarasov Sergey Hakimzhanova Saule- manager	FA-1 MA-1 T&L FA-2 MA-2 Audit Finance	
32. *Kostanay branch of the «511 Consulting firm» LLP	Kostanay, 52 Tolstoy str., office 404 Phone: (3142) 54-96-87 8 705 570 03 36 E-mail auditor511@mail.kz	Kovalenko Gulzhan Saparovna	FA-1 MA-1 T&L	Kovalenko G.S, Yanovshenko A.Y. Kovalenko G.S, Yanovshenko A.Y. Kovalenko G.S, Suhova T.A., Pomazova L.V.
33. * «Style» LLP	Pavlodar, 5 Pobeda str., Phone: (3182) 32-15-85, 32-24-76 E-mail style@eksi.kz	Radchenko Evgeniy Victorovich – Director	FA-1 MA-1 T&L FA-2 MA-2 Consultancy	Tretyakova O.A. Hristenko G.E., Smagulova R.I. Shaligina E.A., Popp L.A. Hristenko G.E. Khegay I.V. Lisikova E.A.
34. * «Business Association» LLP	Pavlodar, 202 K Marks str., Phone: (3182) 32-99-57, 32-48-81 Fax: (3182) 32-48-81 E-mail ab-pavlodar@nursat.kz	Kanzina Asiya – project manager	FA-1 MA-1 T&L	Popp L.A., Shaligina E.A.
35. «Institute of the professional accountants and auditors of the Petropavlovsk city»	Petropavlovsk, 40 Abay str., kv.1 Phone: (3152) 36-06-56, 8-333-324-62-51 (Зоя) E-mail mzoyam@rambler.ru ; Tynnym@mail.ru	Maksaymer Zoya – Director Шаймерденова Тыным	FA-1 MA-1	Shaymerdenova T Maksaymer Z.

36. SUIS LLP	Petropavlovsk, 28 Konstitutsiya str., rm. 23 Phone: (3152) 46-40-93, Факс (3152) 46-40-93 E-mail suisvega@mail.ru	Gureeva Tatyana Nikolaevna	FA-1 MA-1 T&L	Rashupkina V.I. Rashupkina V.I. Sviridova T.E., Kairbekov B.V.
37. «Techno park «Algorithm» LLP	Uralsk, 109 8-th of March str., Phone: (3112) 98-64-29, 8-333-563-49-27 E-mail acc_mail@mail.ru	Sermakov Askar Sagidenovich	FA-1 MA-1 T&L	Shulgina I.I., Zhumatov M.K.
38. * «Khegay & Co.» LLP	Ust-Kamenogorsk, 37 Metalurgov str., office.37a Phone/Fax: (3232) 52-30-45, 52-05-98, 8-705-502-00-45 (Irina Victorovna) E-mail iheday@ukg.kz	Hegay Irina Victorovna Sergeeva Vera	FA-1 MA-1 T&L Audit	Giganova E.V., Serdyuk N.Y. Shirokih L.A., Geganova E.V. Grigoryeva O.I., Kovshik E.A. Khegay I.V.
39. *«DAR-Consult» LLP	Ust-Kamenogorsk ,ул. 70-102 Ushanova str., Phone: (3232) 24-23-24, 8-700-450-41-17 Phone/Fax: (3232) 47-88-60 E-mail dar_consult@mail.ru	Bokenova Gulnur	FA-1 MA-1 T&L	Sapanova M.T. Bokenova G. Idrisheva S.
40. * «Institute of the professional accountants of the Shimkent city»	Shimkent, 15 Momis-ugli str., kv. 20 Phone: (3252) 30-02-33, 8-701-723-74-23 E-mail yun_kondratiy@mail.ru	Yun Kondratiy Nikolaevich Tatyana Vasilevna	FA-1 MA-1 T&L FA-2 MA-2 Audit Finance	Rahmatullaev H.B. Fayzieva U.P., Ryabova L.N. Vtorova I.A., Ibraev T. Rahmatullaev H.B. Kim A.B. Asfandiyarov R.R. Kamaldinova A.R.

41. * «Accountants house» LLP	Shimkent, 105 Tauke Khan Phone: (3252) 55-82-79, 53-77-52, 8-701-670-24-90 E-mail everestplus@rambler.ru	Suslova Natalya Alexandrovna	FA-1 MA-1 T&L FA-2 MA-2 Consultations prior to the exams	Rahmatullaev H.B., Savastova N.M Savastova N.M. Glavak L.V.
--------------------------------------	--	------------------------------	---	---

Those organizations which marked *, might register candidates for the exams

APPENDIX 3

A/CIPA Program Certification Candidates for Year 1

(Sept. 1, 2006 through Aug. 31, 2007): as of Dec. 31, 2006

Country	Level	Cumulative Candidates for Certification	A/CIPA Year -One Targets	Current Quarter Candidates for Certification	Over/Under Deliverable	Percentage of Deliverables	Percentage Female	Percentage from Regions
Kyrgyzstan	CAP	830	175					
	CIPA	12	2					
	CAP+CIPA	842	177	-				
Kazakhstan	CAP	2779	1,050					
	CIPA	24	15					
	CAP+CIPA	2803	1,065	-				
Uzbekistan	CAP	735	240					
	CIPA	30	15					
	CAP+CIPA	765	255	-				
Tajikistan	CAP	200	40					
	CIPA	7						

			2					
	CAP+CIPA	207	42	-				
Turkmenistan	CAP	101	40					
	CIPA	0	1					
	CAP+CIPA	101	41	-				
	CAP	4645	1,545					
Totals Central Asia	CIPA	73	35					
	CAP+CIPA	4718	1,580	-				

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.

APPENDIX 4

WHAT IS CIPA?

The Certified International Professional Accountant (CIPA) is a world-class, IFAC compliant, Russian language professional accountancy certification. The objective of the CIPA program is to substantially raise the quality of the accounting profession in several countries of the former Soviet Union (FSU) through promoting IFRS and ISA, and professional ethics.

WHY IS THE PROGRAM BASED ON IFRS?

IFRS is used because it has become the mandatory European accounting standard. In May 2002, European Parliament voted for the resolution which obliges all listing companies of Europe to generate consolidated financial statements in accordance with IFRS starting from January 2005. As IFRS requires comparative reporting (i.e., requires data from the previous year), most companies needed to use IFRS starting 2004.

Many companies transferred to IFRS even earlier because of the market's pressure (investors and lenders and sometimes foreign suppliers and consumers insist on IFRS-based reporting). Conversion to IFRS is a complicated process including several stages (such as complete change of the accounting policies of the company, analysis of all business transactions, extensive use of professional judgment in accounting, process of conversion, etc.). But the first stage is to train and certify the specialists: financial directors, accountants and auditors

WHO ESTABLISHED THE CIPA PROGRAM?

The CIPA certification was established in 2001 with the formation of the International Council of Certified Accountants and Auditors (ICCAA) - a federation of regional professional accountancy associations whose working language is Russian and whose goal is to attain the highest possible level of professionalism in its membership. The 13 founding associations from Russia, Central Asia and Ukraine agreed to adopt and mutually recognize the CIPA education qualification requirements, the exams, and the certification. In 2005 the Council was renamed as Eurasian Council of Certified Accountants and Auditors (ECCAA) and became an official regional grouping of IFAC. Currently, ECCAA unites 25 professional associations.

The goals of ECCAA are:

- to increase the status of the accounting and auditing profession
- to promote international standards and professional ethics developed by International Accounting Standards Committee Foundation and IFAC
- to develop unified qualification requirements to the accountant profession.
- to have unified system of testing and certification of accountants and auditors.

THE BOARD OF DIRECTORS

The CIPA program is governed by the Board of Directors who represents international professional organizations and other important stakeholders of the program.

At December 2006 composition of the Board was as follows:

Kurt Ramin, Global Chair, XBRL Steering Committee, Former IASB Commercial Director

Bobbe Barnes, CIPAEN Testing Director

Gregory P. Hemphill, The Pragma Corporation, Accounting Reform Specialist

Dennis Hopple, Vice President, Thunderbird, the Garvin Graduate School of International Management

Sapar Koshkimbaev, ECCAA Chairman

Yelena Morozova, President of Union of Accountants and Auditors of Kyrgyz Republic

Minovar Tulakhodjaeva, President of Association of Accountants and Auditors of Uzbekistan

WHO NEEDS CIPA?

FSU economies - to accelerate the accounting profession development and assure transparent, profitable enterprises, as well as FSU's overall economic growth and stability.

Local professionals - to obtain the opportunity for a high quality, internationally recognized Russian language certification at an affordable price.

International community - to assure full accounting harmonization with Eurasian economies as an enhancement to international trade and exchange.

SOURCES OF FUNDING

The major international supporter of the CIPA program has been the United States Agency for International Development (USAID). USAID views a reformed accounting profession as a prerequisite for economic growth through attracting domestic and foreign investors to the FSU.

The certificates given to successful participants bear the logo of IFRS, ECCAA, and a host country member association.

INDIVIDUAL COUNTRY RECOGNITION

There is an ongoing discussion within the FSU countries regarding the need for professional certification of accountants - these countries have nationally-prescribed certification of statutory auditors. Historically, there is a greater separation between accountants and auditors in the FSU than in the Western countries; and in many countries they are treated as separate professions.

The CIPA program's intent and structure was to create an independent, professional and market (as opposed to a government) recognized accounting certification. Even though all ECCAA members continue to work with their respective governments to obtain the country recognition and support for this IFAC-compliant certification program, they believe it is much more important to gain a true market and profession recognition.

CIPA provides invaluable service to every participating country by protecting the interests of the public and investors by raising the quality of financial reports and certifying the competence of those who prepare them.

CIPA training centers translate international textbooks and materials and develop supplemental material with input from local professionals and trainers. The examination process is best characterized as independent, comprehensive, uniform throughout the FSU, and is professionally monitored and secure. CIPA requirements include Continuing Professional Education (CPE) as a necessary part of the accounting profession.

CIPA founders believe that society's perception of accountants as skilled and trusted professionals in the FSU should be developed and maintained by the profession.

The CIPA program provides the methodology for measurement of an accountant's competency.

HOW DOES IT WORK?

STRUCTURE

The program consists of three parts:

TRAINING

Different people and legal entities can take part in training. Training can be provided by institutes and universities, training centers, professional associations and private teachers. There is training in groups, remote training, and self-preparation. All training centers teaching CAP/CIPA have access to training programs prepared by various USAID projects based on ECCAA qualification requirements. (See Training materials at www.capcipa.biz/icaedu_eng.htm)

TESTING

Exams are held simultaneously in all countries represented at ECCAA.

See [CIPA-EN website](#) for the dates, times, and exam center locations for 2007.

CERTIFICATION

The CIPA program has two levels of certification

CERTIFIED ACCOUNTING PRACTITIONER (CAP)

CAP qualification confirms basic knowledge of the candidate in fundamental principles and practices of accounting. The candidate should pass the following examinations with a score of 75 or greater:

- Financial Accounting 1
- Managerial Accounting 1
- Tax and Law (based on national standards)

The candidate also should be computer literate, have at least one year of work experience and a good reputation as a member of a professional association.

The CAP specialist should be able to create the standard financial reports for the organization using IFRS. A CAP can also manage the internal accounting system and analyze the financial reports and present information about profit and loss of the company. Moreover, a CAP can work with internal budgets and prepare tax declaration for the company.

CERTIFIED INTERNATIONAL PROFESSIONAL ACCOUNTANT (CIPA)

For CIPA certificate a candidate should pass the following examinations with a score of 75 or greater:

- Financial Accounting 1
- Managerial Accounting 1
- Tax and Law (based on national standards)
- Financial Accounting 2
- Managerial Accounting 2
- Finance
- Audit

The candidate should have higher education, at least three years of work experience and a good reputation as a member of an ECCAA member-body. They also should have a working knowledge of management information systems.

A CIPA qualified professional has proficient knowledge and analytical skills in financial and managerial accounting as well as in finance and audit.

EXAMINATION DEVELOPMENT

CIPAEN develop and moderate their own examination papers for each of the seven papers in the qualification by a small dedicated team of experts under the auspices of the Testing Director. International best practice is followed at all times in the preparation, consideration and publication to maintain security, consistency and integrity of each individual examination paper produced by CIPAEN.

The team of seven consists of:-

2 CIPA, 1 CAP and CPA and 4 CAPs.