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ACCOUNTING/CERTIFIED INTERNATIONAL PROFESSIONAL ACCOUNTANT (CIPA) PROJECT

FIFTH QUARTERLY REPORT

SEPTEMBER 2007 – NOVEMBER 2007

December 11, 2007

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INTRODUCTION

Highlights for the Quarter:

- During the week commencing October 8, 2007 the Developing Nations Committee of IFAC visited Almaty for the first time. This was also the first time that this committee had presided in the Former Soviet Union, and more than 30 countries of the world are represented by this committee.
- The Project's Regional Association Coordinator addressed the Parliament of The Government of Kazakhstan on the matter of accounting and auditing regulation.
- The Project was a speaker at a regional conference hosted by The Asian Development Bank and an IFRS conference in Tashkent hosted by UNDP and the Project as well as the DNC, the First Accounting and Auditing Conference hosted jointly by the Ministry of Finance, Kazakhstan and the World Bank.
- A total of 179 technical articles have appeared in the period from the start of the project written by the A/CIPA team in various publications across Central Asia.
- Three accounting student clubs were opened at universities during the quarter.
- Training of Trainers (TOT) of the Certified Accounting Practitioners (CAP) course in four countries of Central Asia began in September 2007 and is due to complete in December 2007.
- In the role of Testing Director and Grading Centre Director of CIPAEN the November 2007 exams, with more than 12,000 registrations, were developed and administered. Grading began in late November and results will be reported in January 2008.

KAZAKHSTAN

Implementation Issues

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 conference and meeting.

Training of University lecturers began in September (TOT CAP), through a contract with ATBD (The Association of Teachers of Business Disciplines, Tashkent). 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.

Almaty

9 November - TOT Certificate Award Ceremony and 78 teachers were given Attendance Certificates. Project received 6 Appreciation Letters.

Astana

13 November - TOT Certificate Award Ceremony and 20 teachers were given Attendance Certificates. Project received two Appreciation Letters.

Pavlodar

13 November - TOT Certificate Award Ceremony and 16 teachers were given Attendance Certificates. Project received one Appreciation Letter.

Shymkent

14 November - TOT Certificate Award Ceremony and 30 teachers were given Certificates. Project received three Appreciation Letters.

During the quarter we met with Ms. Tyrsynkhan Kusainova, Head of Department of State Standards and Coordination Activities and discussed general cooperation issues between the A/CIPA project and

RK Ministry of Education, and issues of participation of an international IFRS expert in state standards development.

We also met with Serik Irsaliyev, Director of Department for Strategy, Development and International Cooperation to discuss an opportunity for holding a joint conference.

Organized Accounting Student Clubs

- 5 October - Opened the first Students Club for young accountants at Kazakh Economic University named after Ryskulov (Almaty). Neil Wallace of ICAS spoke on Institute of Chartered Accountants of Scotland activities and described how student clubs work in Scotland and other countries.
- 22 October - Opened the second Students Club for young accountants at Caspian Social University (Almaty). Curtis Yates, Deputy COP spoke on the CAP/CIPA certification program.
- 13 November - Opened the third Student Club in Astana, at Kazakh University of Economics, Finance and International Trade.

Agreement between USAID and the Ministry of Finance was reached in November for the 2007 PED programme. Implementation by the project is expected to begin in December 2007.

Discussions were opened on the transfer of control of CIPAEN to ECCAA.

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	TOT will be completed in December with monitoring of courses to follow
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	Awaiting November exam results
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.	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	Nov 2007 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%	Nil
The CAP/CIPA syllabus will be reviewed, benchmarked and remodeled according to competency based approach.	At least 15 competencies identified	N/A	N/A	20	Nil
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	Discussions with ICAS have started and it is expected that the Scottish Institute have agreed to provide a template for the planning process. We expect ICAS to be in Kazakhstan next quarter.

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	Discussions with ICAS have started and it is expected that the Scottish Institute have agreed to provide a template for the planning process. We expect ICAS to be in Kazakhstan next quarter.
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	Negotiations continue with KZ MOF for IFRS courses

Deliverable	Measurement	1st Year Target	1st Year Actual	2nd Year Target	Progress
Participate in IFRS roundtable discussions	At least one roundtable	1 in KZ	1 roundtable	10 in KZ	Developing Nations Committee, Asian Development Bank Regional Conference And First Accounting Auditing Conference
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	20 Articles in the fifth quarter
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	144 Teachers received attendance certificates
Conduct teaching methods workshop for selected group of professors	Number of professors taught	N/A	N/A	25 in KZ	Planned for summer 2008

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	Planned for March
Replace existing MIS examination papers	At least 3 new exams	N/A	N/A	3 new papers	Nil
TOT in IFRS Teaching Methodology for MOF training center	Number of Trainers trained	N/A	N/A	10 trainers	Nil
TOT(IFRS) for MOF training center teachers	Number of Trainers trained	N/A	N/A	10 trainers	Nil

Obstacles encountered, possible delays in achieving the established benchmarks

1. The future of CIPAEN is being discussed by USAID and ECCAA and a number of strategic options are being actively considered. Once the strategic direction of CIPAEN has been agreed, the project will re-align its deliverables.
2. The MOF has issued new regulations on Accreditation of Accounting qualifications for Public Interest Entities and Professional Bodies.
3. ECCAA has a staff of 3; the ED, an Accountant and an Assistant and until its human resources are added to, the progress on capacity building is limited.

Proposed Changes to the Work Plan

- A year 2 work plan has been submitted to USAID and is under active consideration.

Forecast of Activities for the Quarter December 2007 to February 2008

- TOT (CAP) in December.
- At least three articles published in the accounting and auditing press.
- TOT (EXAMS) commences in January 2008
- PED training for the MOF commences in January 2008.
- STTA on Information Systems Strategy for CIPAEN completed.
- STTA for Examinations and Education Expert for CIPAEN progressed.
- ICAS to work with ECCAA

KYRGYZSTAN

Implementation Issues

The work of the working group to develop a pilot educational standard in accounting is ongoing and we are monitoring the numerous meetings of the group at the final stage of their work. Experts have been involved including John McDonagh to discuss the results of the work, address the group's questions and issues, and advise on further steps to take.

We participated in the Soros Foundation's working group meeting on education standards and discussed group's progress and plans for the round table/seminar to present standards to the Ministry of Education and Science of the Kyrgyz Republic. It was decided to organize conference and round table by invitation to the Ministry of Education, academia, experts, and mass media to present the Pilot State Education Standards based on the competence approach on December 4, 2007 and that each group will submit a short presentation on the problems they encountered and their vision on solving them. We met with Mr. Botobekov Arstanaly Botobekovich, Head of accounting department at the Kyrgyz National University and member of Economics Educational and Methodological Department of the Ministry of Education of the Kyrgyz Republic to explain and discuss the pilot state accounting education standard and results of the work of the working group.

TOT (CAP):

Tax and Law course successfully finished and monitored.

Methodology course successfully started at the Kyrgyz National University (KNU) and lasted for 5 work days.

All 4 TOT courses successfully carried out and completed with a closing ceremony with certificates presentation. All certificates were given strictly according to the percentage of participation in the particular course.

In total

FA-I - 24 participants

MA-I - 15 participants

T&L - 19 participants

TOT Methodology - 31 participants.

- Met and talked with Ms. Gulnara Djunushalieva, Program Manager of the University of Central Asia, about progress on the competition on CAP training materials development. UCA finalized the list of people/applicants to develop training materials (all except for Tax and Law

of Tajikistan). Information on finalists to develop training materials along with schedule of materials development was sent. A/CIPA project gave them recommendations on the structure of training materials, topics to be included, and other information on learning outcomes, competencies, and Bologna accord. We signed Memorandum of Cooperation between UCA and our project on the development of CAP training materials.

- Met with Ms. Sherbekova Anara Amankulovna, head of accounting department at the Kyrgyz State University of Building, Transport and Architecture to discuss ways for cooperation, to request information on the CAP/CIPA courses they teach, and to get course outlines and list of students to include in our reporting.
- Met with Mr. Israilov Mukash Israilovich, head of accounting department at the Kyrgyz Russian Slavic University, to discuss further ways for cooperation and curriculum of the department. Obtained their curriculum and list of potential students. Numbers will be reported next quarter.
- Met with John McDonagh and discussed development of pilot accounting education standard, group's progress, clarified the difference between learning outcomes and competencies, and talked about writing progress report on the work accomplished. Also discussed CAP training materials development (UCA's initiative) and arranged meeting with Ms. Djunushalieva.
- Took part at an "Enhancement of Management and Transparency in Higher education of the Kyrgyz Republic" Conference organized by Eurasia Foundation and OSCE on November 8, 2007.

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	TOT will be completed in December with monitoring of courses to follow
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	Awaiting November exam results
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.	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%	Nil

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	At least one roundtable	1 roundtable in KG	1 roundtable held in February 2007	3 roundtables in KG	"Enhancement of Management and Transparency in Higher education of the Kyrgyz Republic"
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	8 articles in the fifth quarter
Conduct teaching methods workshop for selected group of professors	Number of professors taught	N/A	N/A	10 in KG	Planned for summer 2008
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	Planned for March
Exam question quality control team recruited and trained	Team members recruited and trained	N/A	N/A	4 members	Nil

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	Nil
Post IFRS in Russian on a website downloadable for free.	Number of hits on website	N/A	N/A	100 hits	Nil

Obstacles encountered, possible delays in achieving the established benchmarks

- The future of CIPAEN is being discussed by USAID and ECCAA and a number of strategic options are being actively considered. Once the strategic direction of CIPAEN has been agreed, the project will re-align its deliverables.
- Political uncertainty with Government Agencies has made progress in all areas slower than we would have expected, however we continue to progress our contacts with the State Regulatory Body and UCA.

Proposed Changes to the Work Plan

- A year 2 work plan has been submitted to USAID and is under active consideration.

Forecast of Activities for the Quarter December 2007 to February 2008

- Draft pilot standard to be presented to the MOE
- STTA on Information Systems Strategy for CIPAEN will be completed.
- TOT (EXAMS) to begin in December 2007.
- Articles to be published in accounting press
- 1st National Conference on Accounting and Auditing in December 2007.

TAJIKISTAN

Implementation Issues

- As a result of the management difficulties with CIPAEN Virginia, the online and banking payments system pilot was suspended until the CIPAEN bank account in the US could be managed and authorised to receive these payments.
- Opened the T&L course and a total of 6 Universities are participating in the TOT.
- We met with Gulmira Hamrakulova, Head of Methodology Department of Tajik Ministry of Finance. She explained that the Ministry issued a Decree according to which all enterprises will have to transfer to IFRS gradually from January 1, 2008 to 2010. Then she showed us an MOU signed between government of Tajikistan and USAID on IFRS implementation for the period of July 1, 2002 to December 2005, and added that there are items that still need to be done. She explained that they understand the importance of IFRS, followed the previous governmental decrees that specified the dates for IFRS transfer, and made IFRS legally binding for all enterprises in Tajikistan, showing a publication in a newspaper. Having lack of resources they would like USAID to assist them in IFRS implementation and gave bullet points of suggested activities:
 - Pay for the translation of IFRS and IAS to Tajik language;
 - Pay for design, formatting of IFRS and IAS in English-Russian-Tajik languages;
 - Provide technical assistance (PCs, Xerox, etc.) to Tajik Ministry of Finance to develop legal normative documents (changes to Accounting and Auditing law, recommendations...);
 - Assist in organizing a PR campaign promoting IFRS implementation (TV, mass media) in all regions of Tajikistan;
 - Deliver seminars on explaining IFRS and IAS in all regions of Tajikistan (Dushanbe, Hatlon, Sugd and GBAO);
 - Conduct Round Tables and conferences using international experts via mass media.
- We met with Jamoldin Nuraliyev, Tajik Deputy Minister of Finance along with Steve Kelly and Daler Asrorov, USAID-Tajikistan, Hamrakulova Gulmira, Head of Methodology Department of the Ministry of Finance, Abdjalil Rakhmonov, Head of Research Institute under the Ministry of Finance, Alfiya Valiyeva and Zebo Khasonova, A/CIPA representatives. The Deputy Minister explained that Tajikistan needs USAID and or/other donors assistance in transfer to IFRS. He wanted to know what has been accomplished under the MOU signed between government of Tajikistan and USAID, asked for the final report. He was also interested in SOW (Work plan) of the A/CIPA project for TJ. The Ministry of Finance will send a letter to USAID with a request to start a new project for Tajikistan assisting in IFRS transfer as it is critical for the country and it desperately needs financial and technical assistance.

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	TOT will be completed in December with monitoring of courses to follow
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	Awaiting November exam results
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; 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%	Payments system pilot will be run first and is on hold pending authorization of CIPAEN bank account to accept payments

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	At least one roundtable	1 roundtable in TJ	1 roundtable in Feb 2007	1 roundtable in TJ	Nil
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	4 articles in the 5 th quarter

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	TOT(CAP) to be completed in December
Conduct teaching methods workshop for selected group of professors	Number of professors taught	N/A	N/A	3 in TJ	Planned for Summer 2008
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	Planned for March

Obstacles encountered, possible delays in achieving the established benchmarks

- The future of CIPAEN is being discussed by USAID and ECCAA and a number of strategic options are being actively considered. Once the strategic direction of CIPAEN has been agreed, the project will re-align its deliverables.
- Management of Tajikistan activities from Almaty

Proposed Changes to the Work Plan

- A year 2 work plan has been submitted to USAID and is under active consideration.

Forecast of Activities for the Quarter December 2007 to February 2008

- Articles to be produced for the accounting press
- Establishment of a working group on curriculum reform.
- TOT (CAP) in December.

TURKMENISTAN

Implementation Issues

- In October the Project was engaged in preparing the Memorandum of Understanding between UNDP and USAID project on reforming banking system of Turkmenistan. With that end in view the UNDP Project “Improvement of the Accounting System” and A/CIPA Project prepared a workplan for 2008. The Project discussed the program with UNDP and Central Bank of Turkmenistan which approved incorporation of the program into the workplan for 2008. The workplan is to be considered and approved by the TM Government and after it is to be submitted to the Ministry of Foreign Affairs of TM as an official event to be arranged in TM. During the working meeting with UNDP the Project reviewed the draft memorandum. MOU is expected to be signed by UNDP and USAID next quarter.
- A meeting focusing on the opportunity of establishing cooperation among international organizations working in Turkmenistan was held in the building of the State Bank for Foreign Economic Activity of TM on November 7, 2007. The UNDP project “Support to Accounting System Modernization” and Central Bank of TM organized the meeting that brought together the representatives of the economic and financial sector of TM and representatives of international organizations. The issue of cooperation and coordination of efforts of different governmental institutions and international organizations in accounting system reform and transition to IFRS was considered during the meeting. The specialists of the Central Bank of TM, State Bank for Foreign Economic Activity of TM, Senagat Joint-Stock and Commercial Bank, the Ministry of Economy and Finance, State Tax Service, State Insurance Company and State Statistics Committee of TM represented the Turkmen government at the meeting. The International Organizations – UNDP, USAID, TACIS, World Bank, EBRD, Asian Development Bank, UNDP project and USAID A/CIPA Project took part in the meeting.
- The Project continues to work with the educational organizations on the opportunity of increasing the number of the CIPA courses students and those willing to participate in CIPAEN exams.

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%	Nil
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/CAS 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	Planned for May 2008
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	1 article in the fifth quarter
Conduct teaching methods workshop for selected group of professors	Number of professors taught	N/A	N/A	2 in TM	Planned for Summer 2008
Participate in IFRS roundtable discussions	At least one roundtable per month	N/A	N/A	1 in TM	Planned for next quarter

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	Planned for March
Conduct TOT(Audit) for Central Bank of TM	Number of bankers taught	N/A	N/A	10 people trained	Planned for 2008
Conduct TOT(FA-2) for Central Bank of TM	Number of bankers taught	N/A	N/A	10 people trained	Planned for 2008
Conduct presentations on CAP/CIPA to Universities and other government bodies	Number of presentations	N/A	N/A	4 presentations	Nil

Obstacles encountered, possible delays in achieving the established benchmarks

- Political changes making progress impossible.
- Visa difficulties.

Proposed Changes to the Work Plan

- A year 2 work plan has been submitted to USAID and is under active consideration.

Forecast of Activities for the Quarter December 2007 to February 2008

- USAID signing the MOU with UNDP
- IFRS expert confirmed as part of the Central Bank working group
- Discussions with the Central Bank on CIPA training for the Bank employees
- Assist in planning IFRS conference

UZBEKISTAN

Implementation Issues

- TOT (CAP) courses on MAI, FAI, and T&L finished.
- A total of 19 participants attended the FAI course:
 - Tashkent Financial Institute - 9 people
 - Tashkent State University of Economics - 3 people
 - Banking-Finance Academy - 7 people
- A total of 20 participants attended the MAI course:
 - Tashkent Financial Institute - 11 people
 - Tashkent State University of Economics - 3 people
 - Banking-Finance Academy - 6 people
- A total of 22 participants attended the T&L course:
 - Tashkent Financial Institute - 14 people
 - Tashkent State University of Economics - 3 people
 - Banking-Finance Academy - 5 people
- From September 17-21, 2007 Association of Teachers of Business Disciplines provided to its members continuing professional education training (CPE). That course included the following subjects:
 - Issues of professional ethics;
 - Legislation and law regulation;
 - Managerial accounting;
 - Changes in the tax law in 2007;
 - Changes in the National and International standards of accounting;
 - Changes in the National and International standards of auditing.
- On November 24, 2007 Uzbekistan Chamber of Auditors called its members for the general meeting. The agenda included the following questions:
 - Report on the previous years activities;

- Election of the Council of the Chamber of Auditors;
- Election of the Chairperson of Board of the Chamber of Auditors;
- Ratification of the changes and additions to the Charter;
- Ratification of the membership policy of the Chamber of Auditors;
- Ratification of the 2008 annual activities plan;
- Ratification of the Chambers of Auditors' budget for 2008;
- Training conception of the Chamber of Auditors;

Other issues

- Organization of the system of training and exams for Tax Consultants
- On November 9th, 2007 CIPAEN in Uzbekistan signed MOU with the Ministry of Finance of Uzbekistan. The purpose of the document is to promote formation of institutional base of development of tax consulting system in Uzbekistan. CIPAEN would develop tests and tasks of the exam modules on all subjects of unified teaching plan of training of tax consultants according to its own procedures of development of examination questions in cooperation with the Ministry of Finance. Also CIPAEN would carry out of the examination process for potential candidates. Based on the MOF approved teaching plan A/CIPA in cooperation with the Chamber of Tax Consultants selected trainers group who would train pilot group of the potential tax consultants, which would be selected according to the tax consultants law on the following disciplines:
 - a. Legal regulation of economic relationships
 - b. Accounting and reporting
 - c. Tax Law
 - d. Taxation of legal and physical entities
 - e. Legal bases, organization and methods of tax consultation
 - f. Economic analysis in tax calculations and planning
- Training will start in December, and progress will be reported in next quarter's report.
- On October 18, 2007 USAID – “Accounting/Certified International Professional Accountant (A/CIPA) Project”, in cooperation with the UNDP “Public Finance Reform in Uzbekistan” Project in the framework of mutual cooperation, organized round table – “Accounting Reform in Uzbekistan: Outcomes and Prospects”. Deputy Minister of the Finance, Mr. Sunatullo Bekenov, who officially opened the round table, underlined the importance of the roundtable and sent his gratitude to the organizers of the event including our project. Issues such as tendencies in development of accounting in Uzbekistan, introduction of consolidated financial reporting for the enterprises and organizations and accounting of investment liabilities were discussed during the round table. Representatives of the Ministry of Finance, Ministry of

Justice, entrepreneurs, practicing accountants, representatives of the international and public organizations and heads of the accounting and auditing departments of the higher education institutes received information and exchanged their knowledge, recommendations and ideas on further increasing efficiency of accounting system in Uzbekistan.

- On September 7, 2007 at Hotel “Le Grand Plaza” the award ceremony for “The Best Accounting Professional 2007” contest was held. Deputy Minister of Finance, Senatullo Bekenov sent warm gratitude to the professional associations, which found possible ways to cooperate into arranging such beautiful event. He also sent his thank you words to the business sponsors of the event. Mr. Bekenov said that he hoped that such competition among professionals would bring status of the social recognition of the accountant and auditor profession to a much higher level.

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	TOT will be completed in December with monitoring of courses to follow
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	Awaiting November exam results
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 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%	Nil

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	Assisting CIPAEN with courses to Tax Consultants
Support special methodological/pedagogical training to accounting professors in Kazakhstan, Kyrgyzstan, Uzbekistan and Tajikistan	Number of professors taught	N/A	N/A	15	TOT will be completed in December with monitoring of courses to follow

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	39 articles in fifth quarter
Conduct teaching methods workshop for selected group of professors	Number of professors taught	N/A	N/A	10 in UZ	Planned for Summer 2008
Participate in IFRS roundtable discussions	At least one roundtable	N/A	N/A	3 in UZ	"Accounting Reform in Uzbekistan: Outcomes and Prospects"
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	Planned for March 2008
Recruit trainers to produce tax consultant materials	At least 5 trainers	N/A	N/A	6 trainers	Trainers are being recruited
Deliver training to a pilot group of tax consultants	At least 25 tax consultants	N/A	N/A	35 tax consultants	First pilot to begin in December
Recruit MCQ question writers for CoTC exam	Writers that submit questions	N/A	N/A	6 writers	Initial questions will be produced in December
Assist CIPAEN to conduct CoTC exams during 2 sittings	Exams administered	N/A	N/A	60 exams	First pilot to begin in December

Obstacles encountered, possible delays in achieving the established benchmarks

- The future of CIPAEN is being discussed by USAID and ECCAA and a number of strategic options are being actively considered. Once the strategic direction of CIPAEN has been agreed, the project will re-align its deliverables.
- Grading Centre operations may be restricted or stopped by the Government.

Proposed Changes to the Work Plan

- A year 2 work plan has been submitted to USAID and is under active consideration.

Forecast of Activities for the Quarter December 2007 to February 2008

- TOT (CAP)
- TOT (Exams)
- Articles to be produced for the accounting press
- The pilot teaching course and pilot examinations for the Certificate of Tax Consultants.

APPENDICES

- A/CIPA Program Certification Candidates for Year 2 (Sept. 1, 2007 through Aug. 31, 2008): as of November 30, 2007
- A/CIPA Organizational Chart, November 2007

**A/CIPA Program Certification Candidates for Year 2
(Sept. 1,2007 through Aug. 31, 2008): as of November 30, 2007**

Country	Level	Current Quarter Candidates for Certification	Current Quarter Number of Female	Percentage Female	Current Quarter Number from Regions	Percentage from Regions
Kyrgyzstan	CAP	0	0	0.00%	0	0.00%
	CIPA	0	0	0.00%	0	0.00%
	CAP+CIPA	0	0	0.00%	0	0.00%
Kazakhstan	CAP	0	0	0.00%	0	0.00%
	CIPA	0	0	0.00%	0	0.00%
	CAP+CIPA	0	0	0.00%	0	0.00%
Uzbekistan	CAP	0	0	0.00%	0	0.00%
	CIPA	0	0	0.00%	0	0.00%
	CAP+CIPA	0	0	0.00%	0	0.00%
Tajikistan	CAP	0	0	0.00%	0	0.00%
	CIPA	0	0	0.00%	0	0.00%
	CAP+CIPA	0	0	0.00%	0	0.00%
Turkmenistan	CAP	0	0	0.00%	0	0.00%
	CIPA	0	0	0.00%	0	0.00%
	CAP+CIPA	0	0	0.00%	0	0.00%
Totals Central Asia	CAP	0	0	0.00%	0	0.00%
	CIPA	0	0	0.00%	0	0.00%
	CAP+CIPA	0	0	0.00%	0	0.00%

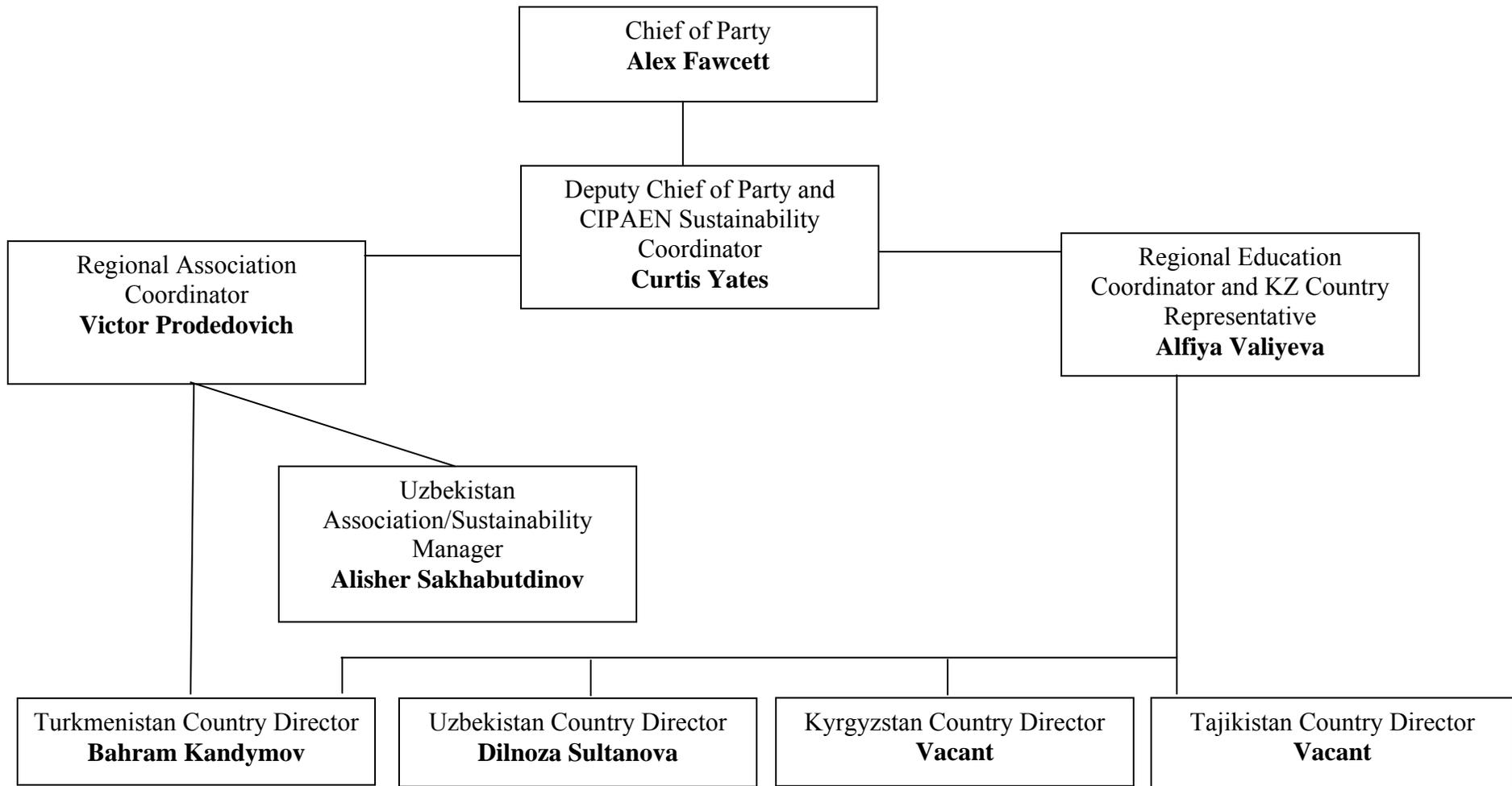
Certification Candidates include all candidates that have passed the required exams, whether they are fully certified or not. Certification Candidates are recorded when the final exam grade for that designation is issued.

**A/CIPA Program Certification Candidates for Year 2
(Sept. 1,2007 through Aug. 31, 2008): as of November 30, 2007**

Country	Level	Cumulative Candidates for Certification	A/CIPA Year -Two Targets	Year 2 Candidates for Certification	Over/Under Deliverable	Percentage of Deliverables
Kyrgyzstan	CAP	957	153	0	0	0.00%
	CIPA	18	7	0	0	0.00%
	CAP+CIPA	975	160	0	0	0.00%
Kazakhstan	CAP	3766	1,058	0	0	0.00%
	CIPA	32	12	0	0	0.00%
	CAP+CIPA	3798	1,070	0	0	0.00%
Uzbekistan	CAP	1024	319	0	0	0.00%
	CIPA	40	12	0	0	0.00%
	CAP+CIPA	1064	331	0	0	0.00%
Tajikistan	CAP	212	22	0	0	0.00%
	CIPA	9	3	0	0	0.00%
	CAP+CIPA	221	25	0	0	0.00%
Turkmenistan	CAP	130	35	0	0	0.00%
	CIPA	0	2	0	0	0.00%
	CAP+CIPA	130	37	0	0	0.00%
Totals Central Asia	CAP	6089	1587	0	0	0.00%
	CIPA	99	36	0	0	0.00%
	CAP+CIPA	6188	1623	0	0	0.00%

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 ORGANISATIONAL CHART NOVEMBER 2007



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