



USAID
FROM THE AMERICAN PEOPLE

CENTRAL ASIAN REPUBLICS

BUSINESS ENVIRONMENT IMPROVEMENT PROJECT

SEMI-ANNUAL REPORT #3

OCTOBER 2008 – MARCH 2009



April 14, 2009

This report is made possible by the support of the American people through the United States Agency for International Development (USAID). The contents are the responsibility of The Pragma Corporation and do not necessarily reflect the views of USAID or the United States Government.

**BUSINESS ENVIRONMENT IMPROVEMENT PROJECT
SEMI-ANNUAL REPORT #3
OCTOBER 2008 – MARCH 2009**

Contract Number: 176-C-00-06-00007

CTO/USAID/CAR: Lora Kudaibergenova
John Irons
PROJECT MANAGER: Mohammad Fatoorechie
Chief of Party: Terence Slywka

DISCLAIMER

The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

TABLE OF CONTENTS

REPUBLIC OF KAZAKHSTAN	1
GENERAL	1
TECHNICAL	1
DOING BUSINESS.....	1
NON-DOING BUSINESS	5
UPCOMING EVENTS.....	8
KYRGYZ REPUBLIC	9
GENERAL	9
TECHNICAL	10
DOING BUSINESS.....	10
NON-DOING BUSINESS	14
UPCOMING EVENTS.....	15
REPUBLIC OF TAJIKISTAN	16
GENERAL	16
TECHNICAL	16
DOING BUSINESS.....	16
NON-DOING BUSINESS	19
UPCOMING EVENTS.....	20
VARIANCE AND WORK PLAN STATUS REPORT	21
VARIANCE.....	21
WORK PLAN STATUS REPORT	22
REPUBLIC OF KAZAKHSTAN	22
KYRGYZ REPUBLIC.....	36
REPUBLIC OF TAJIKISTAN	53
REGIONAL	63
BEI 2008 – 2009 WORK PLAN TABLE OF ABBREVIATIONS.....	64
SUPPLIMENTAL PROJECT RESULT I ECONOMIC IMPACT TABLES.....	65
REPUBLIC OF KAZAKHSTAN.....	65
KYRGYZ REPUBLIC	65
REPUBLIC OF TAJIKISTAN.....	66
ECONOMIC IMPACT TABLES (PROJECT RESULT 2).....	67
REPUBLIC OF KAZAKHSTAN.....	67
KYRGYZ REPUBLIC	74
REPUBLIC OF TAJIKISTAN.....	76
BEI PARTICIPANT TRAINING REPORT (OCTOBER 2008 – MARCH 2009).....	78

The Business Environment Improvement Project (BEI) is pleased to submit its semi-annual report to USAID detailing progress and achievements for the period October 2008 – March 2009.

REPUBLIC OF KAZAKHSTAN

GENERAL

During the past six-month period the economy of Kazakhstan has suffered from the effects of the global financial crisis and observed a severe decline in business and consumer activity with corresponding decreases in economic growth rates and increased unemployment. The Government of Kazakhstan (GoK) took measures to stabilize the economy and financial market of the country, and adopted in Decree #6 of January 13, 2009, a plan to stimulate economic activity, develop SME business, and further reduce administrative barriers. BEI's activities and recommendations on improving the WB "Doing Business" indicators and legislation regulating licensing and inspections were included in the "Joint Action Plan of the Government, National Bank, and Agency on Financial Surveillance on Stabilization of the Economy and Financial system for 2009-2010."

The March 10, 2009, Government session adopted Resolution #275, proposed by the Forum of Entrepreneurs of Kazakhstan (FEK), establishing an Anti-Crisis Committee. The Anti-Crisis Committee is tasked with consolidating efforts by Government and businesses, improving state and private partnerships, and creating improved conditions for business activity. BEI KZ Country Manager S. Pizikov is included in the activity of the Committee, and similar committees will be established in each region of Kazakhstan to deal with local issues and provide input to the state Committee.

On February 4, 2009, the National Bank of Kazakhstan ceased to support the KZT in its former trading range. This caused an immediate devaluation of the currency, which stabilized at approximately 150 KZT per US dollar in subsequent days, or a decline of about 25%. BEI expects the currency devaluation to potentially have a negative effect on the calculation of GNI per capita (previously \$5060 for DB 2009) and other cost calculations for the Doing Business 2010 report, and may negatively impact other aspects of Kazakhstan's ranking.

TECHNICAL

DOING BUSINESS

National Activity

- From March 9 – 13, 2009, experts from the WB DB Reform Team visited Kazakhstan to address questions raised during a series of virtual conference calls in February and March, and meet with representatives from government bodies, the DB working groups, Supreme Court, DB respondents, and BEI. On the 11th of March the DB team toured the Almaty PSC, and gave it high marks from their monitoring. As a result of the meetings with the working groups, the DB Team agreed to provide short-term experts on bankruptcy and international trade issues, who are expected to begin work in mid-April, to provide technical assistance to the MoF Anti-Crisis Manager's Association on "Reporting on Observation of Standards and Codes", and to provide the GoK with the WB's recommendations for reforming KZ indicators, in April. The DB team has also agreed that BEI consultants, Almaty PSC management, and Ministry of Justice should complete respondent survey

forms, and may include their results into the calculation for the DB 2010 Report. – **KZ 01, 02, 03, 04, 08, 09**

- BEI arranged a series of joint round-tables from January to March, 2009, with local justice departments, government bodies, sub-contractors and SME representatives in the in Shymkent, Oskemen and Almaty, where it presented the WB methodology for Starting a Business and reforms in-progress. As a result of feedback from the round tables BEI developed further recommendations for the registration of legal entities and related legislation, and submitted them to the Expert Group on Starting a Business. These recommendations include measures to:
 - eliminate document notarization requirements,
 - reduce the time required to register a businesses under a standard charter from 3 to 1 day and for other SMEs from 15 to 10 days,
 - simplify requirements for opening bank accounts, and
 - reduce charter capital requirements from about \$850 to \$85 and eliminate the obligatory payment of 25% of charter capital prior to registration.

These recommendations were incorporated by the Expert Group into the draft Law "On some Supplements and Modifications for acts of legislation of RK on questions of simplification of State Registration of Legal Entities and discounting registration for Representative offices and Subsidiaries", which was submitted for review by the Government in late March. – **KZ 01**

- Starting from January 1, 2009, Law #116-IV of December 29, 2008, comes into force, eliminating all fees for electrical connections by businesses and greatly simplifying and reducing costs for the process of construction permitting. This Law "On Making Amendments and Additions to Some Legal Acts of the Republic of Kazakhstan Related to Activity of Independent Sectoral Regulators" is estimated to save businesses in Kazakhstan annually an additional \$18.19 million above the impact of the June 2008 reform for small businesses, based on 2008 Government construction data. – **KZ 02**
- During the past period BEI consultants prepared a Regulatory Impact Analysis (RIA) for Law #242-II of July 16, 2001, "On Architectural and Town-Planning Activity in the Republic of Kazakhstan", and specifically for provisions regulating the annual extension of construction permits. The draft RIA for this legal act was submitted to the Construction Committee under the Ministry of Industry and Trade (MIT) and based on it BEI and the Committee developed recommendations to exclude the provisions requiring annual permit extension based on their economic impact. These recommendations were included in the draft amendments to the Law, which have been submitted to Parliament and will be reviewed prior to the summer recess. BEI has also posted the RIA for this law to its web site, and will use it in the future as an example for government and the public. – **KZ 02**
- During February 2009 BEI and the Construction Committee completed a package of draft amendments to Government Decrees #1328, #840, #918, #425 of October 15, 2001, July 29, 2002, August 19, 2002, and May 6, 2008, respectively, which regulate obtaining construction permits. The recommended amendments were approved by the Government in February and will be adopted in April. Adoption of these legal acts will shorten the list of objects requiring obligatory exams, reduce the members needed in the committee for final building approval, and reduce the number of inspections during construction, contributing toward the overall reform target for Dealing with Construction Permits of 11 steps (from 38) and 84 days (from 231). – **KZ 02**

- On February 10, 2009, BEI expert Victor Prodedovich presented BEI's experience on Getting Credit and liquidation of a business to the Anti-Crisis Management Conference in Almaty. Joint recommendations developed with the Working Group on the "Getting Credit" indicator, Association of Financiers of KZ, and the Ministry of Labor include best international practice on the priority of mortgage creditors, measures to address the inefficient, 25% asset recovery rate during bankruptcy in KZ, and protection for secured creditors and employees, the latter of which may imply allocations from the state budget. This conference hosted representatives of all KZ banks, the Ministry of Finance, Ministry of Justice, Ministry of Economy, other government bodies of Almaty city, business associations and the private sector, along with BEI partners the Association of Financiers and the RK Chamber of Commerce. The joint recommendations were also submitted to the Government and the Agency of Financial Surveillance and incorporated into draft concepts that are currently under consideration by government agencies, with finalization expected in May. – **KZ 03, 05, 08, 09**
- The recommendations developed in November and December by BEI and the Expert Group on Registering Property were approved by the Government in January, and currently draft normative-legal acts including them are being coordinated and agreed-on by relevant government agencies, with adoption during April and May, 2009. These NLAs are anticipated to reduce the number of procedures by 3, time required from 19 to 3 days, and cost by 6,000 KZT (about \$40) for the process of property registration. – **KZ 04**
- The working group on Protecting Investors developed at BEI's recommendation Decree of the Minister of Finance #586 of December 18, 2008, "On rules of presentation of financial reporting for the depository", containing specific provisions stipulating disclosure of information to joint-stock companies. This change is designed when adopted to improve the Disclosure Index by 2, and provide protection for minority investors in case of illegal use of company assets by managers. This Decree is expected to be signed by May, 2009, after coordination and agreement with relevant government bodies. – **KZ 08**
- During January 2009 WB experts provided the expert group on Protecting Investors with the legislation of Albania, a top reformer country. During the past period BEI and the expert group performed a comparative analysis of Kazakhstani and Albanian legislation with the WBDB Director's Liability Index. Based on this comparison and BEI's recommendations the Agency for Financial Control has drafted legislation providing for toughened liability of joint-stock company officials in case of illegal use of the company assets, and for a listing of managers' fiduciary duties and responsibilities. If adopted, these changes could improve the Director's Liability Index by 5. The draft legislation was given for review to the Working Group on WBDB Reform under the Agency for Financial Control in March, and is expected to be submitted to the Government by May, 2009. – **KZ 08**
- During January 2009 BEI and the Committee of Insolvent Debtors conducted a joint round table in Almaty for private-sector companies, DB respondents, and media on the WBDB "Closing a Business" (bankruptcy) methodology, and to solicit recommendations for improving the process in KZ. Problems reported on the bankruptcy process revolve around the time required for economic courts to review cases, and the associated recommendations will require amendment of the Civil-Procedural Code. BEI, the MoF, Supreme Court, and Committee of Insolvent Debtors are further studying the bankruptcy procedure to develop amendments, and at their request in March BEI presented US, Canadian, German, and Swedish bankruptcy-regulating legislation as comparisons. BEI expects to submit a set of initial draft concepts for amending NLA affecting this indicator to the Government, in May. – **KZ 09**

Sub-National Activity

As of January 15, 2009, BEI subcontractor the Independent Association of Entrepreneurs of West-Kazakhstan Oblast (IAE-WKO) resigned from the BEI project. From January to March 2009 BEI evaluated other potential partners in the oblasts of West Kazakhstan, Atyrau, Aktau, and Aktyubinsk, and identified 5 potential organizations or experts available for short-term contracts to conclude the remaining actions for the 2008-2009 Activity Plan in the west of Kazakhstan. The process of evaluation and choosing a new partner will be completed in April.

- During the past period BEI partner in Shymkent the Business Incubator “SodBi” (SodBi) analyzed the legislation and process for state registration of legal entities. Based on this analysis SodBi developed plain-language booklets on the registration and starting a business procedures, and distributed over 1,000 of them to entrepreneurs, PSCs, and the Department of Justice. These booklets will be posted to the regional Akimat website during April. SodBi also began developing in January a proposal to eliminate the requirement to submit notarized constituent documents when opening bank accounts, which would if adopted save 3,200 SKO entrepreneurs over \$32,000 per year when registering. The proposal will be sent in April to BEI and the Ministry of Justice in Astana for incorporation in national recommendations. – **KZ 01**
- From December 25, 2008, to January 25, 2009, BEI subcontractor in Oskemen the Foundation for Informational Support of Society Development (FIPRO) monitored of the work of PSCs in East Kazakhstan Oblast (EKO) on the starting a business procedure. During monitoring the following problems were revealed: issuing document took long periods of time, and the PSCs did not provide accurate information on documents needed or appeals procedures. At the January 16 meeting of the working group on WBDB reform in EKO FIPRO presented a new optimized process map for providing PSC services for starting a business that would reduce the time required for document review by the PSCs from 9 to 3 days. The recommended process was submitted to the Department of Justice, and it is pending a decision from the new Head. – **KZ 01**
- The Association for the Protection of Entrepreneur’s Rights in Astana (APER), BEI’ subcontractor in Astana, completed PSC monitoring and drafted a process map for starting a business in Astana. This process map will be submitted to the PSC departments in April, alongside final maps for the process in Karaganda and Kokshetau oblasts, and recommendations for the PSCs. – **KZ 01**
- From December 2008 to February 2009 BEI partners SodBi and APERA conducted monitoring in Shymkent and Astana of the revised procedure for obtaining construction permits and the implementation of Government Decrees #425 and #422. The monitoring showed that these Government Decrees are being implemented, with some points of variance based on respective city infrastructures. Monitoring results were submitted to the Construction Committee under MIT and the Antimonopoly Agency in February as input for further updates to the draft amendments to the Law, which are expected to be considered by Parliament before the summer recess. – **KZ 02**
- BEI partner APERA developed informational booklets during the past period on the new “one-window” system in the State Architecture and Construction Department for obtaining construction licenses. Use of these booklets will permit entrepreneurs to avoid unexpected expenses and loss of time during the process, and they have been approved in March by the Approved by Construction Committee for official posting on the APERA web site and distribution during April in printed form. – **KZ 02**
- On January 15, 2009, BEI partner FIPRO presented a draft process map for registration of immovable property to the oblast akimat working group. This map was further reviewed and updated with feedback from interested local government bodies, which revealed problems with the time-consuming process and a lack of information for entrepreneurs. The revised map reduces

processing times by 10 days and specifies documents required from the 3,000 entrepreneurs who register immovable property in the oblast each year. The map is currently being considered by the East-Kazakhstan Oblast Department of Justice for adoption by the beginning of April. After approval, the map of the new process will be posted on the websites of the oblast Akim, Department of Justice, and FIPRO. – **KZ 04**

- BEI partner APERA completed its analysis and map for the process of registration of property rights in Astana and submitted the map to involved government bodies in March. APERA's analysis takes into account changes to the Tax Code, and includes recommendations for creating an e-archive in the Department of Justice, establishing a Registration Unit to improve the registration system, and to consider uncompleted construction projects to be immovable objects, as uncompleted constructions on its legal nature meet all the legal features of immovable objects and should follow the legal status of the land they are on. BEI expects a decision on the process map during April, after which implementation phases will begin. – **KZ 04**

NON-DOING BUSINESS

National Activity

- During the past period BEI defined the content and scope for PSC employee training and submitted the plan to the MoJ for review and consideration. Despite GoK budget issues, the MoJ confirmed in its letter #15-12/14U of February 11, 2009, that it intends to continue cooperation on improving PSC work and in delivering PSC employee training. Subsequently BEI drafted a Joint Activity Plan with the Committee for Registration Services of MoJ for PSC employee training in 2009, and prepared a draft technical task for developing the training course on providing services regarding legal entity registration and registration of property rights and transactions with them. BEI identified the Laboratory of Social Psychological Measurements, in Astana, as a potential training partner for the PSC employee program, and due to the low cost the Government will not be required to perform a tender, should they select the Laboratory. Both the Activity Plan and technical task were sent to the MoJ for review and approval in March, and a reply is expected during April. – **KZ 04**
- On January 1, 2009, the Law #100-IV "On introduction of the Tax Code" of 10 December, 2008, (TC) came into force. The TC includes several improvements developed with BEI assistance for optimizing the voluntarily liquidation procedure:
 - Tax bodies may no longer delay the liquidation process as the TC regulates and stipulates time limits for tax inspections, including any suspended inspections;
 - Information about taxpayers in the process of business liquidation be posted on the website of the authorized tax body during 3 working days from the date of application submission, which will improve responsiveness of creditors and permit entrepreneurs to detect delays;
 - Article 45 provides amnesty to enterprises that have been in liquidation proceedings for more than 5 years, eliminating 2,671 legal entities and 94 entrepreneurs stuck in process and permitting their owners to legally start new businesses;
 - Article 43 requires the tax body to determine with other state bodies the presence or absence of debts, removing an average 1-month delay incurred in dealing with customs bodies.

Economic impacts for these changes are impossible to estimate due to a lack of good data, however they all have the potential to affect some proportion of the over 1 million businesses and individual entrepreneurs registered in KZ. Implementation monitoring for voluntary liquidation procedure

changes will begin in April, with the participation of BEI subcontractors, and partner business associations and government bodies. – **KZ 05**

- On February 17, 2009 the Government in Decree #176 instituted a new moratorium for business inspections until July 1, 2009, in order to complete development of risk-management systems and new rules for inspections. The terms of the new moratorium are identical to the President's 2008 decree, but the length is only 36.9% of a year. Estimated economic impact on the approximately 250,000 businesses affected by this new moratorium during its time-period is over \$30 million in salaries saved from time consumed by inspections, based on data from World Bank/EBRD BEEPS 2005 survey. – **KZ 06**
- During the past period BEI and the FEK jointly developed draft amendments to the Law "On Making Amendments and Additions to Some Legal Acts of the Republic of Kazakhstan on Private Entrepreneurship Issues" and to Articles 37 and 38 of the Law "On Private Entrepreneurship." These amendments implement measures to optimize inspections procedures according to the Concept on Inspections, including demanding that: all inspections must be registered prior to taking place, no double inspections are to be made, and inspections must be triggered based on a risk management system. The draft NLA and Law were submitted to the Government in March and are expected to be approved during April. Amendments to the Law "on Private Entrepreneurship" are currently under review by the Majilis, and expected to be approved prior to the summer recess. – **KZ 06**
- During January to February 2009 at the request of the General Prosecutor's office, BEI presented best international practice on risk management principles in surveillance systems. As a result, the Government changed the concept for the draft Law "On State Control and Surveillance" to introduce Risk Management Systems (RMS) and define its roles more clearly. On February 24, 2009, Vice Prime-Minister Orynbaev issued order #17-58/005-1401 instructing the MEBP to draft the RMS concept. During a March 16, 2009, round table on RMS, MEBP further approached BEI with a request to assist in drafting the Concept "On the Risk Management System of Government Bodies Exercising Controlling Functions with the Aim to Optimize Inspections of Private Entrepreneurship Subjects". This concept was submitted on March 25, 2009, and will form the foundation for implementing a risk-management system via either law or NLAs. – **KZ 06**
- BEI was included into the Inter-ministerial Working Group (IWG) established by Order of the Committee for Legal Statistics and Special Register under the General Prosecutor's Office #6/3-IP of March 5, 2009. The IWG is tasked with drafting the Law "On State Control and Surveillance" by the President's Office, however the Prosecutor's Office has formally requested that responsibility for drafting an inspections reform law be moved back to MIT. If the President chooses to reassign the task, that will delay completion of the Law from its current deadline of April 15, to some time in the fall. – **KZ 06**
- On November 27, 2008, the Prime Minister adopted Decree #1100 "On Concept of Improvement of Permitting System in Kazakhstan", which requires a reduction in licensing procedures (licenses and sub-licenses) by 50%, and subsequent reduction in permits, by 2011. During February and March, 2009, BEI STTA Igor Gutan developed draft charters for the ministerial working groups to implement the Decree, a draft charter for the Expert Group under the Prime-Minister, and a Methodology Guideline on conducting inventory and review of licensing documents. MEBP and the Economic Research Center (ERC) approved the draft Charters and draft Guidelines on March 12, 2009. BEI will assist the Expert Group and working groups to perform an inventory of licenses, which is planned to complete in the fall 2009. – **KZ07**

Sub-National Activity

- During February and March 2009 BEI subcontractors FIPRO and SodBi defeated several attempts by their respective local governments to levy increased quasi-taxes and fees on their business communities. These planned taxes totaled new burdens of almost \$109 million and included:
 - An attempt in February 2009 by the EKO Akim to raise environment emissions taxes for businesses, which would have cost about 4000 SMEs an estimated \$8 million in annual fees, and affected an additional 12 large companies to a significant degree (data pending);
 - An attempt by the SKO Environment Department to raise emission rates for businesses by a minimum of \$195,000, defeated by SodBi and the SKO Expert Council on March 5, 2009; and
 - A similar attempt during the same March 2009 meeting by the SKO Architecture Department to raise rates on entrepreneurs for street advertising objects by at least \$446,000.
- FIPRO and the WG under the EKO Akim developed a new process for obtaining an oil storage license, which was approved on February 25, 2009. The new process reduces the number of steps by 8, number of documents required from 70 to 60, overall time required for processing an application by 50 days, and stipulates information on the process, governing laws, and required documents be posted to the website of the Akim of EKO and other relevant state bodies. As a result the 200 businesses in this industry that are required by other changes to relicense during 2009 will save an estimated \$500,000 in salary costs.
- On February 25, 2009, the umbrella WG for Reduction in Administrative Barriers under the Akim of EKO decided to establish a sub-working group on reforming the construction licensing procedure in EKO, with FIPRO participation. At the sub-WG meeting in March members raised the issue that the current rules developed with BEI partners in 2006-2007 for obtaining land for business construction do not meet modern requirements and result in an excessively long process of 2.5-3 months. The WG developed new rules for obtaining land in EKO that streamlined the processes and limit it to a maximum of 3 weeks, saving at least 7 weeks time. The Deputy Akim approved these new rules and process map on March 22, 2009, and the Land Dept has distributed the revised documents. – **KZ 02**
- During January 2009 SodBi and SKO Committee on Land Issues reviewed the procedure for registering land rights and introduced the “one-window” principle for the Committee on Completing and Issuing Acts on Property Ownership and Land Rent. This change removes the step in which documents were sent from the Land Department to the local PSC, and will reduce the time for processing land registration applications by 2 days, saving an estimated 4,200 applications per year an annual estimated \$252,000 in lost time. – **KZ 04**
- On January 20, 2009, the WG under the EKO akimat on optimization of voluntarily liquidation of legal entities agreed with FIPRO’s recommendation to implement the new Tax Code by developing a revised process map showing the procedure for obtaining certificates from the Tax Committee confirming absence of debts, custom payments, and fees. This process map was completed in February 2009 and is under the EKO Department of Justice, with approval delayed due to the appointment of a new DoJ Head. After approval, the map will be posted on the websites of the oblast Akim, Department of Justice, Department of Entrepreneurship and Industry, virtual business-incubator, and FIPRO. – **KZ 05**
- BEI subcontractor APERA was included into the Inter-ministerial Working Group (IWG) tasked with drafting the Law “On State Control and Surveillance” and during March the IWG completed organization and APERA the initial round tables with government bodies in Astana, Karaganda,

Kokshetau. Draft proposals for the Law are currently due to be submitted to the IWG in April. – **KZ 06**

- On March 18, 2009, FIPRO organized a round table on the draft Law “On State Control and Surveillance” for the EKO Prosecutor’s Office, Tax Committee, and business community. Participants from the round table are developing proposals for the WG under the City Department of Entrepreneurship to review in detail the tax inspection procedure. These proposals will be submitted in early April directly to local government bodies and via BEI to the IWG to support national and regional activity linkages, with a subsequent June round table planned to discuss resulting recommendations with the Tax Committee, SES, and Financial Police. – **KZ 06**
- On February 5, 2009, SodBi and the Akim of SKO provided a training seminar for government bodies on the implementation of the “one-window” system for licensing procedure. As a result the Akimat established a working group to implement optimized, streamlined processes for obtaining permits and licenses without forcing entrepreneurs to visit each government body themselves. During March the work group developed proposals for a process map describing a new procedure for obtaining all licenses that reduces time processing time by 2 days using the “one-window” principle through the Department of Entrepreneurship and Industry (DEI). This process map has now been placed on-hold due to the transfer of the Deputy Akim head of the WG, and SodBi is exploring possibilities to pilot a new process directly with the DEI for their licenses and permits. – **KZ 07**

UPCOMING EVENTS

- BEI is planning a series of activities to explain Risk Management Systems to government bodies responsible for developing RMS in their areas and to develop recommendations for the RMS concept during April and May
- A series of round tables on changes in land allotment and construction permitting procedures is planned for April in Oskemen, Ridder, and Ziryanyovsk cities
- A presentation of good practices in registering legal entities is scheduled for May in Shymkent
- A seminar on RIA is planned for June in Shymkent

KYRGYZ REPUBLIC

GENERAL

A reorganization of the President's Administration was implemented from December 2008 through January 2009 as the first stage in reforming the state governance. Changes with this reorganization include reductions to the authority of the Head of the President's Administration and formation of a President's Secretariat, the main objectives for which are to improve the quality of information, analyses, and media coverage of the President's activities, and to introduce procedures for analysis in state governance. Oksana Malevanaya was appointed to lead the President's Secretariat, and following the resignation of Medet Sadyrkulov, former Vice Prime Minister Daniyar Usenov was appointed as the new Head of President's Administration.

The Government further reshuffled ministerial posts during January 2009, replacing the First Vice-Prime Minister, Head of the Prime Minister Apparatus, Minister of Finance, Minister of Social Protection and Labor, and Chair of the State Tax Committee. Despite this reshuffling, the BEI Project retains its close relationship with the Government and has established constructive cooperation with the new President's Secretariat.

The President's Secretariat requested BEI submit its recommendations on gradual reforms to the state governance system, and on incorporation of RIA into the process of devising and adopting state decisions. BEI will provide its recommendations prior to, and as part of, the announcement of the "President's Course to Renew the Country" that is expected to be detailed on April 11. BEI expects the President's "Course to Renew the Country" to form a key platform for Kurmanbek Bakiev's re-election campaign ahead of the planned July 23, 2009 elections.

The President's Decree "On Public Chamber" of December 1, 2008, formed a "Public Chamber of the Kyrgyz Republic" as a tool to foster interaction between citizens and President in setting key directions for foreign and internal policies, exercise public control over state and local self-governance bodies, and to examine with social experts draft laws and other normative acts. BEI KR Deputy Country Manager Sabyrbek Akymbaev was included in Chamber membership, appointed to the Chamber's Board, and elected as the chairperson of the Chamber's Standing Committee for Industrial Development, Small and Medium Business, Transportation, Communications, Construction, Architecture and Attracting Investments.

Despite the Kyrgyz Republic's low exposure to the global finance and economic crises, the Government is devising anti-recessionary measures. In December 2008, the President signed two decrees on improving state policies in the area of entrepreneurship, and took into account BEI recommendations to continue reforms within regarding the WBDB, reduce the number of licenses and permits by 30 percent, reduce the number of controlling bodies, and to provide immediate measures for legalization of capital and property to reduce the "shadow" economy.

The KR Investment Council and the Government held an enlarged meeting of the Investment Council on the issue of monitoring the implementation of the "100 Days of Reform" campaign reforms, of mid-term reforms for the WBDB 2010 report, and of the introduction of RIA. Detailed monitoring by BEI and partners identified deficiencies in government bodies' implementation due to improper performance of assigned duties and failure to implementation of the decisions of the Investment Council, the decrees of the President and decisions of Parliament. As a result the Prime Minister issued warnings and disciplinary actions for Gosstroj and the Ministry of Health as substandard implementers.

In February 2009, during negotiations between Kyrgyz and Russians Presidents held in Moscow a treaty was signed that Russia would provide a \$1.7 billion USD loan for the Kambaratinsk hydroelectric plant, grant financial aid of \$150 million USD, and write-off \$180 million of KR debt. Upon the Kyrgyz Parliament's ratification of the treaty in April, 2009, the financial aid will be used to sustain the KR budget and to finance investment projects. Following the February treaty signing, the KR Parliament and President signed an eviction law for the American air base at Manas. This decision has had no effect on cooperative relations between BEI and the Kyrgyz Government.

TECHNICAL

During the reporting period, as part of cooperation with the Prime Minister, BEI provided consultation for the Government's Apparatus on the structure and preparation of the Prime Minister's Report on Government's Work in 2008 for the Parliament. This report is due to be presented to Parliament and media on April 17, 2009.

At the request of Government Office of KR BEI prepared a proposal "On improving the system of refinancing, and support for the real sector" to be included in the report of the President on the development of the country's economy, which recommends enterprise refinancing via stock market mechanisms.

BEI also prepared analytical materials for the President's Secretariat, President's Apparatus, and the MEDT on Government activities needed to reduce the "shadow" economy and implement the corresponding President's Decree. These materials provide various strategies and models for a legalization campaign, risk assessments of specific actions, expected outcomes, and performance indicators. BEI also presented the experiences of Georgia, Moldova, Russia, Kazakhstan, and Tajikistan regarding key directions for and lessons from capital and property legalization campaigns and tax amnesties. Based on these international experiences BEI prepared a draft "On amnesty of undeclared tax liabilities, and the legalization of property" and submitted it to the Government for review in March. BEI expects the President's Secretariat and Government to establish a working group for the Law in April and to include it in the president's "Course to Renew the Country" paper.

Over the winter, due to the KR energy crisis, the Government continued rolling power cut-offs. BEI and partner the Union of Entrepreneurs were invited in January 2009 to facilitate private-sector business input to the working group the USAID/KEAS Project under the Ministry of Industry, Energy and Mineral Resources and to the Investment Council, on power limitation and electrical supply issues affecting SMEs. The working group and Investment Council approved in February 2009 a regulation "On the procedure for powering industrial and businesses of the KR", which is now being registered with the MoJ. This regulation is supposed to ease limitations on and provide mechanisms to ensure electrical supplies to businesses and industry under conditions of shortage.

DOING BUSINESS

National Activities

- During the past period BEI received permission from the WB to submit respondent forms alongside the RTLC and EREC projects, for consideration by the WBDB team, which may include their surveys during analysis for the 2010 report, during the summer. BEI expects to submit survey response forms in April, 2009.
- During the period January – March 2009, the KR Government continued to carry out reforms to eight WBDB indicators according to the approved Action Plan of December 5, 2008: Starting a

Business, Dealing with Construction Permits, Employing Workers, Registering Property, Paying Taxes, Protecting Investors, Getting Credit, and Trading Across Borders. With BEI support and participation the expert working groups under MEDT completed preparation of recommendations and draft laws each indicator for amending legislation. During February the 10 draft laws prepared for WBDB indicator reforms were approved by Government and introduced to Parliament. BEI, the profile committee, and the Government Representative Body in Parliament worked to clarify the draft laws for members of Parliament, ministers, interested business representatives, and the media. During March all 10 laws, plus two related draft laws initiated by Parliament members, were adopted by Parliament and signed by the President on March 31, 2009. – **KR 01, 02, 03, 04, 05, 06**

- During the past period BEI assisted the expert group for Starting a Business in drafting amendments for the KR Civil Code and the Law on Business Partnerships and Entities. BEI recommendations included in the draft amendments call for canceling the minimum initial charter capital requirement (100 KGS) and grant the opportunity to shareholders to form charter capital during the first operating year rather than at the moment of state registration. These changes have the potential to further improve KR standing in the WBDD 2010 Starting a Business indicator by up to 7 places, with a \$2.35 reduction in costs for the process as measured by the World Bank. – **KR 01**
- Government roll-out of an optimized database of legal entities for state registration bodies (KR 01.6.4), which was expected at the end of March, has been delayed due to technical reasons. It is now expected to be completed during the next period. – **KR 01**
- BEI assisted the expert group assigned the Dealing with Construction Permits indicator to develop procedures for issuing technical conditions and connections to engineering and technical networks, and for conducting architectural and construction oversight. Several additional amendments were prepared to regulations governing construction permits and related laws:
 - to the existing Procedure for Issuing of Permits for Design and Construction Works, and Procedure for Commissioning of Property approved by Regulation No252 of KR Government as of May 30, 2008;
 - to the existing Procedure for Carrying Out of State Certification of Construction Specialists approved by Regulation of KR Government as of April 3, 1997;
 - to the KR Law on Town Planning and Architecture,
 - KR Law on Natural Monopolies; and
 - KR Administrative Code.

Changes incorporated with BEI’s assistance are focused on reducing mandatory requirements and establishing a unified procedure for issuing technical conditions and for connections to engineering and technical networks. They also introduce the institution of private expertise through certification of experts, provide procedures conducting construction inspections using risk criteria, and increase the liability of officials when issuing construction permits. These changes have the potential to improve KR standing in the WBDB 2010 Dealing with Construction Permits indicator by up to 27 places, with a reduction of 47 days time and about \$860 in costs. – **KR 02**

- BEI and the expert group for Registering Property developed recommendations and the subsequent new Laws “On Amending the KR Law on State Registration of Property Rights and Transactions with it” and “On Amendments to the Civil Code (article # 416).” These Laws were signed by the President on March 31, 2009, and provide for streamlining of registering property rights by:

- revising requirements for technical (property) passport review only when the parameters of the passport are changing;
- implementing the “good-faith” principle for property holders when declaring changes to property technical parameters or the lack thereof, with a corresponding liability for truthfulness imposed on the holder;
- introducing voluntarily notary certification of agreements/contracts; and,
- reducing the time permitted for registering property rights by 3 days, with the capability to perform expedited 1-day registrations in emergencies.

These changes have the potential to improve KR standing in the WBDB 2010 Registering Property indicator by up to 48 places (to 4th), with a reduction in time from 8 to 2 days and cost from 3.9% to 0.9% of property value, with an estimated economic impact of over \$6.1 million for over 43,000 registrations per year. – **KR 03**

- The Paying Taxes expert group, EREC project, BEI and local partners are in consultation with WB experts regarding the methodology of assessing and a revaluation of KR tax law for the 2010 rankings, without amending legislation. A re-assessment of KR tax legislation has the ability to improve KR standing in the WBDB 2010 Paying Taxes indicator by up to 5 positions by reducing the number of payments and time spent on preparing and filing tax reports. – **KR 04**
- On February 27, 2009, the Investment Council approved the draft action plan to implement a risk-assessment system for tax administration prepared by the SCTC working commission consisting of USAID BEI and EREC Projects, IFC BEE Project, and the ADB Tax Administration Project. This action plan calls for:
 - developing a methodological framework to Analyze Risks of Non-Payment of Taxes,
 - developing mechanisms to optimally allocate Tax Committee resources in order to improve audit efficiency and provide for monitoring , and
 - training and improvement of the capabilities of tax inspectors.

BEI will continue to assist the will assist the working commission with methodological, informational, and training needs for their risk-assessment system, over the course of the next year. – **KR 04**

- During November 2008 the SCTC established a new Taxpayer Audit Administration, divided into Analysis and Planning departments. Under the new Administration all tax audits will be done based on the Risk Management System. During March 2008 BEI STTA Aleksi Aleksishvili shared with the SCTC Georgian experiences with reducing the number of payments, tax reporting, and tax rates, tax administration reform, and risk-assessment system implementation. Mr. Aleksishvili also researched the KR tax system and will provide recommendations on the tax administration, reduction of tax burdens, and anti-corruption procedures for the new Administration, in April. – **KR 04**
- At the request of First Vice-Prime Minister O. Babanov, BEI provided recommendations to the Interagency Commission concerning implementation problems with the new Tax Code that entered into force on January 1, 2009. Quick adoption of the Code without review of its implementation plan caused problems for the administration of sales and real-estate taxes, and adoption on December 30, 2008, of Government resolutions #733 and #735 that reduced the permitted activity types for voluntary tax patents by over 40%, increased tax rates for patents over 700%, and adopted a new, higher rate for the minimum calculation of income all violated the law on regulations “On the optimization of regulatory framework governing business” and the Tax Code itself. Based on BEI’s

recommendations, the Government restored the previous activities permitted under tax patents, amended both decrees to return some tax patent rates, and instituted a Presidential moratorium on property taxes. These changes are expected to produce significant savings for some 53,800 entrepreneurs per year (full calculations pending data), and based on the interagency commission's work, further changes are expected during the next period. – **KR 04**

- The BEI project similarly conducted negotiations through March between the expert group on Protecting Investors and WB experts regarding the methodology of assessing and a revaluation of KR law on investor protections for the 2010 rankings, without amending legislation. The re-assessment of KR legislation in this area was put on hold, however, as the WB shifted directly to implementing surveys for the DB 2010 report cycle. BEI continues to facilitate distribution and return of survey forms, which will be sent to the WB in April, and will assist as possible during interpretation phases of the survey, in the summer. This represents a slight delay in completion of KR 05.2.4. – **KR 05**
- The expert group on Getting Credit continues working with BEI facilitation with providers of utility services, retailers, and trade creditors on providing information about borrowers to credit information bureaus for its further circulation. The group has also developed draft amendments to the Civil Code and Law on Pledge, including BEI recommendations for granting companies non-possessory security interests without providing a detailed description of the pledged property. These draft amendments were signed by the President on March 30, 2009, as Law #96 “On amendments and additions to the Civil Code and Law of the Kyrgyz Republic” and #97 “On amendments and additions to the Law of the Kyrgyz Republic ‘On Pledge’”, and they collectively have the potential to improve KR standing in the WBDB 2010 Getting Credit indicator by up to 26 places (to rank 2). – **KR 06**

Sub-National Activities

- During the reporting period the BEI project monitored the functioning of streamlined processes for registering legal persons both in the southern region and Bishkek, and surveyed over 30 companies. Based on the results of this monitoring, BEI recommended banning the territorial authorities from their practice of requiring the re-appearance of applicants before each government body, and of requiring applicants to bring additional, extraneous documents for registration. The MoJ and GKNS concurred and in a Joint Order of the MoJ and GKNS on January 29, 2009, forbade local authorities from so complicating the registration process. This change will save entrepreneurs in Bishkek alone an estimated over \$120,000 annually in time and additional fees, and was also widely publicized through the media. – **KR 01, 02**
- In January 2009, a four-month program of trainings on provisions of the new version of the Tax Code was completed through roundtables and workshops for representatives of state bodies and the commercial sector. These trainings were initiated by the SCTC and supported by the USAID BEI and EREC projects in Kadamjay, Naryn, Osh, Jalalabat, Bishkek, Tokmok, Cholpon-Ata, and Talas cities in the regions of Chuy, Osh, Jalal-Abad, Talas, Naryn, and Issyk – Kul oblasts, where over 900 persons participated in the trainings. In regions outside of Chuy Oblast, trainings were organized and managed by the BEI/Osh office. The trainings included distribution of leaflets explaining new provisions of the Tax Code and CDs with copies of intra-agency normative acts and the new Tax Code itself. These materials will be posted on the website of the Tax Committee, in April. During these sessions over 400 questions were raised, and the SCTC is expected to complete a special brochure with answers during June-July 2009. – **KR 04**

NON-DOING BUSINESS

National Activity

- During the past period BEI supported the Inter-Agency Commission implementing the Law on Improvement of the Legal Framework for Entrepreneurial Activities of April 5, 2008, to review permitting documents and identify and abolish redundant, illegal and duplicate ones. As a result, at the end of March 2009 the Commission had completed 30% of the review and proposed to reduce the total number of issued:
 - licenses and sub-licenses by 76, and
 - permits by 31.

The licenses and permits to be abolished were issued by the: State Geology Agency, Ministry for Emergency Situations, Ministry of Healthcare (MoH), Ministry of Agriculture and Water Resources, National Institute of Standards and Metrology, State Customs Committee, Ministry of Industry and Energy, State Agency for Environment Protection and Forestry, Ministry of Transport and Communications, State Agency for Antimonopoly Policy and Promotion of Competition, and Bishkek Mayor's Office. Work with the MoH is unrelated to other USAID health initiatives in KR, as it focuses purely on the licensing and inspections aspects of MoH work. Elimination of these licenses and permits will be implemented through appropriate Government resolutions from the Ministry of Economic Development and Trade, expected to be issued in April 2009. This represents a slight delay in completion of KR 07.1.4. – **KR 07**

- During February 2009, the Government approved draft amendments on inspections, developed by the BEI-assisted Prime Minister's working group, to 14 different laws to bring them in line with the existing Law on Inspections. Adoption of these amendments will enhance the accountability of the controlling-body officials, limit their ability to make unscheduled inspections, and require that suspension of business activity be applied only by the courts. These amendments were reviewed and adopted by parliament and have been submitted to the President, who is expected to sign them in April. – **KR 08**
- The working group on inspections implementation approved criteria in February for reducing the number of controlling bodies by 30%, in accordance with Presidential Decree #435 of December 9, 2008. These criteria and associated questionnaire were developed by BEI and have been sent to all monitoring bodies. Based on their responses, the MEDT and BEI are preparing final recommendations for reducing their number, which is expected to be sent to the Government in April. – **KR 08**
- At the March 5, 2009, regular meeting of the Advisory Council under the Prosecutor's Office the Prosecutor's Office report on inspections in 2008 was presented and a statement prepared by the Kyrgyz Mountain Association with BEI assistance detailing numerous inspections violations by various local Jalal-Abab and Batken Oblast controlling bodies was discussed. The Prosecutor's Office agreed to present in April further information on inspections conducted during 2008 and to examine evidence provided in the Association's statement. – **KR 08**
- During March 2009 Parliament passed in its first reading the draft Law on Normative Legal Acts prepared by Member of Parliament Kurmanov. Based on initial discussions of draft, BEI assisted in developing amendments to the law and presented its recommendations, including to the appropriate Parliament department for subsequent review during the law's second reading, in May. Key recommendations include canceling old Soviet NLAs, removing application of Analogies of Law and

Right, and to exclude from the draft Law the article “Adoption of the draft law for the purpose of approbation.” – **KR 09**

- In late March the Government decided to postpone formation of a working group to develop a new Reglament until after the Law on NLAs is passed in its final form. This will delay items KR 09.1.9 to KR 09.1.12 of the work plan until later in the year, depending on how quickly final stages are accomplished after the law’s second reading, in May. – **KR 09**

Sub-National Activity

- During January and February 2009 BEI assisted working committees in the Mayor’s offices of Bishkek, Osh and Jalal-Abad to inventory all normative legal acts and identify and repeal redundant, illegal, and duplicate permits regulating entrepreneurial activities. The Bishkek and Osh Mayor’s Offices identified legal acts to be repealed, and in Osh the Mayor cancelled two illegal commissions duplicating alcohol inspections activities of KyrgyzAlco, saving an estimated over \$438,000 per year for local businesses. For Bishkek BEI prepared a new resolution to resolve illegal issuances of licensing for the installation of light construction facilities, which was adopted in February and is estimated to save city entrepreneurs over \$86,000 a year. Complete working committee results were submitted to the Inter-Agency Commission, in March. – **KR 07**
- During October 2008 to February 2009 a series of 7 training seminars were held for subdivisions of the Department of the State Sanitary and Epidemiological Oversight (DSSEO), covering all regions of KR. These seminars discussed implementation and monitoring of the Law on Inspections within DSSEO, and hosted a total of 264 participants. – **KR 08**

UPCOMING EVENTS

- The Round Table “Debates on KR Law on NLAs” organized by the Parliamentary Committee on Constitutional Law, State Structure, Legality and Human Rights under the aegis of the EU/UNDP is scheduled for April 6, 2009
- Simeon Djankov, World Bank Group Chief Economist for Finance and Private Sector, plans to visit the Kyrgyz Republic for a series of assessments and meetings with Government on DB reforms, during May or June, 2009
- Review of the Law on NLAs in its second reading before Parliament is planned for May, 2009
- The next meeting of the Investment Council under the President of the Kyrgyz Republic is scheduled for June, 2009

REPUBLIC OF TAJIKISTAN

GENERAL

During the December 18, 2008, session of the President's Consultative Council on Improving the Investment Climate, the President issued an order to the Government to collaborate with private sector and donors and prepare a draft program of "200 Days of Reforms", which will be focused in improving investor protections and simplifying administrative procedures for key business activities. BEI is engaged in assisting with this reform program, and with the Investment Council, international organizations, and the State Committee on Investments and State Property Management (SCISPM) developed the following Presidential Decrees:

- "On Implementation of Specific Measurements for Improving the International Rating of Tajikistan based on the World Bank 'Ease of Doing Business report" was approved during the second session of Consultative Council, and will become a fundamental part of 200 Days of Reform program after its approval during the April session of the Council;
- "On Reforming the Permitting System in the Republic of Tajikistan", signed on March 7, 2009; and
- "On measures for Improving Administrative Procedures Dealing with implementation of Constructing Activities in the Republic of Tajikistan", signed on March 18, 2009.

The SCISPM, supported by BEI, arranged an important meeting of the Chairman of the SCISPM with about 90 private sector and international organization representatives on March 18, 2009, in Dushanbe. This meeting introduced the "200 Days of Reforms" program and gathered additional suggestions from the private sector for inclusion into this program. Further workshops were held to explain reforms underway for the Doing Business survey in RT, and present the new investment promotion website (www.tajinvest.tj), developed with a grant from BEI to the Public Union "Mushovir." BEI RT Country Manager Nuralil Shukurov presented ongoing WBDB-related reforms, explained all changes and improvements taken place to date, and solicited suggestions from participants. These suggestions for the 200 Days of Reforms program will be taken into consideration during the drafting of the program.

TECHNICAL

DOING BUSINESS

National Activities

- From March 16-19, 2009, the WB conducted its second DB Reform Team mission to RT with experts Stefka Slavova, Cemile Hacibeyoglu and Andrea Dallolio. The purpose of this mission was to provide a more detailed inspection of the various reforms and to submit the Reform Memo-2010 to the Government of RT. BEI worked closely with the DB team and provided information regarding all reforms dealing with improving RT rating in the DB survey. During the mission the DB team heard from high-ranking government officials, international organizations, and private sector representatives challenging various data, arranged with BEI several focus group on the DB indicators, and participated with IFC in a special seminar on DB reforms and data collection with BEI staff. As a result the DB team agreed to research BEI's concerns and take them into consideration during analysis of the survey results for the 2010 report. The WB also agreed to accept via the IFC DB respondent forms completed by BEI's consultants, and may consider them for the 2010 report. The

next WBDB mission to Tajikistan is planned for May 2009.

- On February 27, 2009, the Government approved draft amendments to the Law “On Joint Stock Companies” developed by the working group on Protecting Investors with support from BEI. These amendments were sent to the Lower Chamber of Parliament for consideration during April, with Presidential signing expected by June. Implementation of these amendments will increase the WBDB director liabilities, disclosure of information, and shareholders rights indexes, and increase transparency for operation of joint-stock companies. BEI also developed a series of informational newsletters in Russian and English on Protecting Investors reforms and distributed them via the 9,000-strong information network. – **TJ 01**
- The exhaustive financial and economic analysis of the Tax Code of RT, developed by National Association of Small and Medium Business (NASMB) experts was further supported by an informational campaign to encourage adoption of recommended amendments to the Tax Code. These amendments were approved on March 12, 2009, by the Upper Chamber of Parliament and signed by the President of RT on March 28, 2009. The amendments incorporate some of the recommendations BEI and the NASMB called for:
 - reduced time for obtaining a taxpayer identification number to 3 from 10 days,
 - implementation of a regressive scale for profit taxes ranging between 8% and 25%, and
 - cancellation of the 2% road tax from entrepreneurs (legal entities) that are operating under the simplified tax system.

These changes after implementation will improve the DB Paying Taxes indicator, and reduce the time required for obtaining a tax identification number as part of the Starting a Business procedure. BEI expects the cancellation of the road tax on SMEs operating under the simplified tax system will yield significant impact, and calculations are pending full data from the Tax Committee. Due to the financial crises the NASMB, local entrepreneurs, and other BEI partners are working with Government officials and Parliament deputies to reach agreement rapidly for developing a new, replacement Tax Code. – **TJ 02, 04**

- During the reporting period the NASMB with the Tax Committee and BEI support developed a plain-language guide for SMEs on paying taxes and a calendar of tax payments for 2009 in accordance with existing tax legislation. This guide was submitted in March to the Tax Committee and is expected to be approved and published in May 2009. It will be updated in accordance with new amendments to the Tax Code. – **TJ 02**
- As part of the “200 Days of Reforms” program BEI developed a draft Presidential Decree “On measures for improving administrative procedures dealing with implementation of construction activities in Republic of Tajikistan.” This decree was submitted to the Investment Council and approved by the President on March 18, 2009. Adoption of the Decree launches construction business simplification reforms in Tajikistan and establishes a streamlined process for obtaining construction permits. When implemented the reforms will reduce time and cost for obtaining construction permits, and is expected to improve the WBDB indicator from 178 to 118th place. BEI, the Agency on Architecture and Construction and the SCISPM further developed and submitted to the Government a draft implementing Regulation “On order of passing through administrative procedures dealing with implementation of construction activity and order of acceptance to exploitation objects, completed constructions in RT.” BEI expects the draft regulation to be issued during April, 2009, and it will provide legislative support for establishing streamlined processes for obtaining construction permits and reforming the construction industry as a whole. – **TJ 03**

- The NASMB, in collaboration with BEI continues to promote adoption of the new Instruction of the National Bank of Tajikistan, which will cancel the requirement for notarization of founding documents when opening bank accounts for a business. The adoption of the new instruction is expected by May 2009, and will shorten the time required for Starting a Business by 1 day and reduce the cost for the WBDB indicator. – **TJ 04**
- The working group on Starting a Business developed a draft Law “On State Registration of Legal Entities and Individual Entrepreneurs” with the support of the BEI project. Following the successful Azerbaijan study tour (December, 1-5, 2008), where the participants were introduced to a streamlined registration process, the working group with support from both the IFC and BEI projects finalized the draft. It included lessons learned from the trip, such as a call for establishing business registration through streamlined processes, and BEI’s recommendation for the process of closing a business to be implemented by one body (the tax authorities) without additional Ministry of Justice involvement. The final draft of the Law was approved by the Government on March 31, 2009, and was sent for Majlisi Namoyandagon (Lower Chamber of Parliament) consideration during April. The Government intends to enforce the new Law starting July 1, 2009, and BEI will support development of necessary implementing amendments to harmonize other Laws and Regulations with the new Law on State Registration. – **TJ 04, 05**
- During the past period several amendments to the Law “On Bankruptcy” developed by BEI and partner the Trustees Association were approved by all necessary Ministries and agencies and sent to the Government for consideration. Simultaneously these amendments were submitted for review by deputies of the Lower Chamber of Parliament in order to speed up the process of consideration and approval. The proposed amendments were reviewed by the DB Reform Team during their March visit to RT, and when adopted will significantly improve bankruptcy procedures in Tajikistan by:
 - shortening the time-period required from 3 years to at most 2 years,
 - decreasing the cost for bankruptcy from 9% to 5% of estate, and
 - increase the recovery rate from 25,4 to 35 cents per dollar.

These changes have the potential to improve the WBDB “Closing a Business” indicator from 97 to 60. BEI expects final adoption of the amendments to take place in May 2009. – **TJ 07**

- During the past period BEI, in close collaboration with IFC and the Government, developed a draft Law “On credit histories” that between January and March 2009 completed all review steps by the Government and the Public Council under the President, was approved by the Lower and Upper Chambers of Parliament, and signed by the President on March 25, 2009, with implementation to follow immediately. The law when implemented will:
 - allow for the creation of private credit bureaus,
 - allow for voluntary disclosure of a borrower’s credit decisions to private bureaus,
 - provide for a back up system to be maintained by the National Bank of Tajikistan, and
 - provide for essential confidentiality of credit history by storing data on secure software using certified computer equipment.

The law further permits credit consumers to check their credit history free of charge once per year to confirm accuracy of the reports, and gives the credit consumer the right to dispute information found in the report. Once a credit bureau is established with customers these changes will significantly increase WBDB measurements for the Getting Credit indicator. – **TJ 10**

- During the WB DB Reform Team visit BEI submitted data correction information to the DB team on the Getting Credit indicator for review relevant to revising the DB 2009 report, which did not consider some legislation designed to improve the Getting Credit process. The DB Reform Team accepted BEI's input and will review the data and update their reform memo for submission to the Government in June 2009. After a credit bureau is operational per the Law on Credit Histories and corrections accounted for by the WB, these changes are expected to improve the RT's rank in the WBDB "Getting Credit" indicator from 172 to within the top 50. BEI also developed a series of informational newsletters in Russian and English on Getting Credit reforms and distributed them via the 9,000-strong information network. – **TJ 10**
- The BEI project, in close collaboration with IFC and deputies of the Lower Chamber of Parliament, also developed amendments to the Law "On licensing of separate types of activities" for incorporation into the Law "On credit histories" with regard to obtaining a license to open a credit bureau. BEI and partners will submit these amendments to licensing legislation for Government consideration, in April. – **TJ 10**

NON-DOING BUSINESS

National Activities

- Following requests from the SCISPM the BEI project reviewed and developed recommendations for following draft laws:
 - "Moratorium on all types of activities for small and medium entrepreneurship," for which BEI recommended using the moratorium for all types of inspections without restrictions, and
 - "On State support and protection of small and medium sized businesses", for which BEI recommended to fully update the draft Law and remove contradictions with existing legislation on "State Support of Entrepreneurship" or combine both laws in a new edition.
- During January, 2009, BEI successfully concluded, with the WB and SCISPM, the review begun in October 2008 of all relevant legal and normative acts (by-laws), application forms, and licenses and permits of ministries and agencies for contradictions with the Law and Regulation "On Licensing of separate types of activities." All the contradictions found in NLAs were corrected or eliminated and all unregistered acts were registered with the MoJ. Every ministry and agency reviewed all of their normative acts and implemented each of BEI's recommendations with any necessary amendments to them. The completed review and corrections simplify the licensing process by eliminating illegal or unnecessary act such as in pharmaceutical regulation, where the elimination of an unnecessary requirement by the licensing body to obtain a certificate of accommodation conformity will save over 1,200 businesses an estimated over \$110,000 per year. – **TJ 06**
- The World Bank in collaboration with BEI completed implementation monitoring for the Law on Licensing in two licensing bodies: the Agency on Architecture and Construction and the Agency for State Control in Pharmaceutical and Medical Activities. This included a review of over 80 documents regulating license issuance by these bodies, and a survey of entrepreneurs who received licenses from these agencies. Survey results and monitoring recommendations are being prepared and will be submitted to the Government sometime in 2009, after submission of the World Bank expert's analysis. – **TJ 06**
- A presentation of Special Economic Zones in RT was arranged by the Ministry of Economic Development and Trade (MEDT) and BEI on March 17, 2009, for 77 participants from public and private sectors, the international community, and media organizations. This presentation was the public culmination of cooperation between BEI, MEDT, and Sogd Oblast local administration on the

creation of special economic zones in RT, including development of the SEZ Regulation “Sogd” #1156 and draft Charter for SEZ “Sogd” administration that were adopted on October 29, 2008, approved by the Government, and expected to be registered with the MoJ in April 2009. During the presentation Deputy Minister of Economic Development and Trade L. P. Kislyakova expressed appreciation for BEI’s assistance and her interest in further close collaboration with the project. – **TJ 08**

- BEI, MEDT, and the SEZ administration of Sogd are promoting further amendments developed during May-October 2008 into the Law “On free economic zones in RT”, which will simplify the process of state registration for SEZ occupants according to the new Law “On state registration of legal entities and individual entrepreneurs”, state financial-currency regulations, and other regulations. These amendments are expected to be considered by the Government during the next period. – **TJ 08**
- During the past period BEI and IFC continued work on the introduction of the regulatory guillotine reform method for eliminating the estimated over 400 negative or unnecessary permitting acts in RT. The SCISPM and Consultative Council introduced on December 18, 2008, a draft decree “On reforming of the permitting system in the Republic of Tajikistan” that has now been signed by the President on March 7, 2009. This decree includes recommendations from BEI and IFC that call for establishing a Government commission to review all permitting documents and implement rules for cancellation that will be stipulated by Government Regulation. IFC will manage the Commission, which will include private-sector representation. BEI will manage the process of permitting system review, and assist IFC and the Government to develop measures during the next period for implementation of the President’s decree. – **TJ 09**
- In light of the recent President’s Decree on reforming the permitting system, IFC and the Consultative Council have suggested postponing the introduction of RIA for developing legislation, which was planned for the next council session. RIA introduction will now follow the completion of the guillotine review process, which itself is not dependent on the RIA process. Therefore BEI will wait until adoption of the 200 Days of Reforms program in which RIA introduction will be included. – **TJ 09**

Sub-National Activities

BEI continues to support bi-weekly meetings of the Consultative Council of Business Associations and Public Unions of Sogd Oblast with the Department on Investments and State Property Management of Sogd Oblast (DISPM), and to support the monthly meetings of the 24 business associations that make up the Coordination Council of Business Associations and Public Unions of Tajikistan. Both Councils were engaged with BEI facilitation this past period in the development of recommendations for improving the business environment within the “200 Days of Reforms” program. BEI further supported the Consultative Council of Business Associations and Public Unions of Sogd Oblast and the DISPM by conducting seminars with the public in 6 regions of Sogd Oblast to explain the newly-adopted amendments to processes of registration, tax, licensing, permitting and other significant legislative changes, observe implementation of the moratorium on inspections, and gather suggestions for the 200 Days of Reforms program.

UPCOMING EVENTS

- Next sessions of Consultative Council of Business Associations and Public Unions of Sogd Oblast and the DISPM are scheduled for April 7 and 21, 2009

- The next meeting of business associations with the Chairman of the SCISPM on joint cooperation issues is planned for April 2009
- A round table with entrepreneurs of Sogd Oblast on business support reforms and information-gathering for 200 Days Reforms is planned for April 2009, in collaboration with the SCISPM
- A series of 5 round-tables with construction companies to discuss draft amendments to the Law “On Ecological expertise” are scheduled for April 23 to June 25, 2009
- The next WBDB Reform Team mission to Tajikistan is planned for May 2009

VARIANCE AND WORK PLAN STATUS REPORT

VARIANCE

On March 26, 2009, BEI’s work plan was approved in its revised form, accounting for changes in Government schedules, action plans, and directions since the beginning of the project year. BEI’s variance calculations for this semi-annual report are made against the revised work plan.

During the past periods BEI’s approved work plan had 247 activities scheduled for final completion. Of these, 2 activities were scheduled regionally for the project, 88 activities were scheduled for Kazakhstan, 84 for the Kyrgyz Republic, and 73 for the Republic of Tajikistan. Kazakhstan completed all 88 activities as scheduled. The Kyrgyz Republic completed 80 activities as scheduled and 4 activities were not completed or delayed. The Republic of Tajikistan completed all 73 activities as scheduled. The 2 regional activities were completed as scheduled. Reasons for respective activity non-completion or delay during the past period are discussed in the report narrative.

Total project variances for the October – December 2008 period are therefore:

- Kazakhstan – 0%
- Kyrgyz Republic – 4.8%
- Republic of Tajikistan – 0%
- Total BEI Project – 1.6%

The majority of variance is explained by changes in Government schedules. Notably:

- Technical issues are delaying KR Government roll-out of an optimized database of legal entities for state registration bodies (KR 01.6.4).
- The Government of KR decided in late March to delay work on a new Reglament until later in the year. This will delay items KR 09.1.9 to KR 09.1.12 of the work plan.
- Other items were expected to be completed at the end of March, but are now expected to conclude in the first weeks of April. These are KR 05.2.4 and KR 07.1.

These issues are discussed in greater detail in the KR country narrative section, above.

WORK PLAN STATUS REPORT

		Responsibility	Potential Resource Utilization					2008									2009					Status
			EB	OM	KS	STTA	Media	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep			
REPUBLIC OF KAZAKHSTAN																						
KZ 01: Reduce the Time and Cost of Starting a Business																						
1	Monitor and assist in implementation of regional changes to Law on State Registration of Legal Entities, according to Law #54-IV																					
1	Respond as needed to WB requests and questions to clarify issue for future DB process assessment	BEI	X					P												X		
2	With subcontractors conduct monitoring of Law #54-IV and Develop a roadmap and report on the registering legal entities procedure according to practice	C, MoJ						P												X		
3	Present monitoring report and recommendations at the MoJ Seminar, with participation from PSC directors and heads of Department of Justice registering departments	BEI, MoJ																		X		
4	With PSPs, develop a "Guide to Starting Your Business in Kazakhstan" including updated procedures, and distribute	BEI	X			X														O		
2	Further reform legislation governing registration of a legal entity																					
1	Complete an initial draft analysis with recommendations for legislation on registration of legal entities, and submit to Government	BEI, C																		X		
2	Organize and hold a seminar on registration of legal entities with regional partners, present Doing business methodology and scheduled legislation's changes	BEI, MoJ																		X		
3	Revise final report and submit final document with recommended legislative reforms to state bodies	C, BEI																		X		
4	Prepare PSPs as needed to participate in working group on registration of legal entities	BEI																		X		
5	Create inter-branch WG with PSPs on reforming legislation in the area of registering a legal entity, identify chief facilitator for WG	BEI, MoJ, PSP																		X		
6	Prepare report on BIP process among of registration of legal entities, and submit to Ministry of Justice	C																		X		
7	Present to WG experience of best-practice country-reformers in registration of legal entities	BEI				X														X		
8	Based on expert analysis recommendations and BIP international reforms, WG drafts amendments for legislation and corresponding	BEI, WG																		X		

	Responsibility	Potential Resource Utilization					2008												2009					Status				
		EB	OM	KS	STTA	Media	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep										
1	Select and properly prepare PSP monitoring team as needed with BIP methodology	BEI																										
2	Develop construction monitoring plan and survey questionnaire	BEI, PSP																										
3	Facilitate GoK - World Bank information clarity on construction process																											
1	For processes defined with incorrect information, facilitate clear publication of required process info by respective agencies	BEI, GoK					P																					O
2	Based on WB meeting with PM, WB and GoK harmonize process	GoK, WB					P																					X
3	Monitor changes to WBDB process by WB in DB 2009 (2008 data) for further facilitation opportunities	BEI	X																									X
4	Develop and deploy Regulatory Impact Analysis training programs based on construction permitting in Kazakhstan																											
	In cooperation with construction committee identify target areas for RIA and Guillotine focus, and develop draft RIA training material and program for government agencies dealing with construction permitting on effective use of impact analysis based on international and KZ experiences	BEI			X																							X
2	In cooperation with the construction committee identify target area and select 1 normative act or law for RIA	BEI			X																							X
3	Develop RIA sample based on identified section of construction permitting system in Kazakhstan	Gov			X																							X
4	Present sample RIA materials to Construction Committee	BEI			X																							X
KZ 03: Improve Credit Bureau Information, Access, and Data Quality (Getting Credit)																												
1	Develop improvements to legislation affecting the Depth of Credit Information Index																											
1	Develop comparative analysis of WBDB Getting Credit methodology and KZ regulations for lending, collateral, and bankruptcy	C, BEI			X		P																					X
2	Form public-private inter-branch Getting Credit WG for legal and regulatory reforms	BEI, Gov					P																					X
3	Present analysis of Getting Credit and KZ Regulations, to working group and Government partners	BEI																										X
4	Publish Getting Credit analysis and distribute through PSPs	BEI				X																						X
5	Prepare analysis of best-practice country-reformers in WBDB Getting Credit Index with recommendations for KZ reforms, and present to	BEI					P																					X

		Responsibility	Potential Resource Utilization					2008					2009					Status	
			EB	OM	KS	STTA	Media	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul		Aug
3	improvements according to developed plan for print, radio, TV	Moj						■	■	■									
	3 Develop concept, plan, and budget for second informational campaign													■	■				
	4 Conduct second info-campaign on property registration and recommended improvements according to developed plan for print, radio, TV													■	■	■	■		
	3 Monitor implementation of changes to the process of Registration of Real Property and implementation by PSCs of the Law on Registering Real Estate																		
	1 Select and properly prepare PSP monitoring team as needed with BIP methodology	BEI	X											■	■				
	2 Monitor changes of Law on Registering Real Estate implementation in pilot research cities through visits, interviews	BEI	X											■	■	■			
3 Based on monitoring results, draft analysis on implementation of standards and introduction of regulations for providing services in PSC	BEI, Moj														■	■			
4 Arrange round table and present monitoring results to regional PSPs and local government	BEI, Moj															■			
5 Hold the Round Table on PSC operation in the Ministry of Justice with participation of the state bodies-providers of the state services	BEI, Moj																■	■	
KZ 05: Improve Procedures for Voluntary Liquidation of Legal Entities																			
1	Improve legislation on liquidation of legal entities																		
1	Conduct analysis of BIP international experience in WB-related liquidation of legal entity reform, with WBDB assessment process explanation	C				X			■	■	■								X
2	Presents analysis and recommendations based on WBDB process explanation and BIP international experience	C				X			■	■	■								X
3	Government accepts analysis on WBDB BIP experiences in liquidation of a legal entity	Gov							■	■	■								X
4	Organize and hold seminar for state bodies and Tax Committee on findings of analysis on WBDB BIP experience	BEI, Gov, C				X			■	■	■								X
5	Organize analysis presentations at round tables for local state bodies, business associations in regional cities	BEI, C				X			■	■	■	■							X
6	Present recommendations on liquidation of legal entities legislation changes to Ministries and working group	BEI, C				X			■	■	■								X
7	Facilitate incorporation of recommendations in the working group on the new Tax Code	BEI							■	■	■	■							X
8	Present recommendations to the commission of the Prime-Minister	BEI							■	■	■								X

	Responsibility	Potential Resource Utilization					2008					2009					Status	
		EB	OM	KS	STTA	Media	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul		Aug
a legal entity																		
1 Prepare participating PSPs as needed with BIP monitoring and survey methodology	BEI	X																
2 Prepare questionnaires for conducting the monitoring survey	BEI, PSP																	
3 Conduct monitoring survey of businesses and authorized government bodies with respect to adopted provisions (5-6 regions)																		
4 Using PSP and survey feedback, monitor initial implementation of the new law by PSCs and state bodies and draft initial report	BEI, PSP					X												II
KZ 06: Reduce the Number of and Time Required for Inspections																		
1 Improving existing legislation and sub-normative acts relating to inspections																		
1 Harmonize recommendations with new Concept on Inspections and submit to Government, revise as needed based on feedback	WG, C, MIT																	
2 Via focus groups, gather input from PSPs and public in regions on draft recommendations in normative legal acts	BEI, PSP																	
3 Revise complete NLA and package as needed based on Government feedback, and resubmit	WG, MIT																	
4 Government approves draft recommendation package, submits to Parliament	Gov																	
2 Introduce comprehensive new concept of inspections in Kazakhstan based on international best practice																		
1 Present draft Concept and changes and amendments in normative legal acts, to round table with state supervisory bodies and business community	MIT, BEI					X												
2 Harmonize draft Concept with amendments to inspections NLAs developed by WG, and revise based on initial Government and round table feedback	BEI, MIT																	
3 Present draft Conception to regional focus groups and distribute to media	BEI, PSP					X												
4 Finalize draft Concept and changes and amendments in normative legal acts on inspections and submit to Government's Commission on Administrative Barriers Reduction for approval	MIT, BEI																	
5 Government approves draft Concept, changes and amendments in normative legal acts on inspections and submits to Parliament for adoption	Gov																	
6 Draft Concept of inspections system of small business entities and	MIT																	

	Responsibility	Potential Resource Utilization					2008					2009					Status		
		EB	OM	KS	STTA	Media	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul		Aug	Sep
reform																			
1	BEI	X				X	P											12	O
2	BEI	X				X	P												X
3	BEI	X					P												X
4	BEI	X				X													X
5	BEI, PSP, Gov	X																	X
6	PSP, Gov	X				X													O
7	BEI, PSP	X																	O
8	BEI						P											12	O
9	BEI																		O
6																			
1	BEI																		X
2	BEI, Gov					X													X
3	BEI																		X
4	BEI, Gov																		O
5	BEI, WG,																		O

	Responsibility	Potential Resource Utilization					2008					2009					Status		
		EB	OM	KS	STTA	Media	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul		Aug	Sep
9	Companies" and other relevant legal acts Organize and conduct post-reform information campaign and celebrate success and inform public	BEI, PSP	X																
10	Inform WB of changes	BEI		X															
11	Respond as needed to WB requests and questions to clarify issue for future DB process assessment	BEI		X															
12	BEI validation of improvements for WBDB indicator impact and review for further implementation assistance	BEI																	
KZ 09: Improve Bankruptcy Process (Closing a Business)																			
1	Reform the process of bankruptcy in view of the WB methodology																		
1	Analyze the process of bankruptcy in KZ in comparison with the WB methodology for Closing a Business, and identify any discrepancies	BEI																	X
2	Present the WB methodology for bankruptcy to the MoF and collect feedback for questions to the WB	BEI, MoF																	X
3	Facilitate formation of an expert group under the Government on improving the bankruptcy process	BEI, MoF																	X
4	Present to GoK and WB justification for the KZ's indicator calculation and recommendations for reevaluation of the process	BEI, MoF																	X
5	Conduct of round table with respondents on the MoF calculations for the indicator	BEI																	X
6	Negotiate between WB, MF and BEI changes for indicator calculations via VC and official requests to WB	BEI, MoF																	O
7	Facilitate round table with WB experts and KZ partners on Closing a Business regarding explanations and assistance in methodology	BEI, MoF, WB																	X
8	Conduct round tables for Supreme Court on timings, efficiency for bankruptcy cases and WB methodology	BEI, Gov, PSP																	
9	Present BEI survey on bankruptcy results to the expert group under the Government	BEI, MoF																	
2	Improve the position of secured creditors in bankruptcy proceedings																		
1	Form public-private working group on secured creditors in bankruptcy legislation and NLAs with participation of MoF and other partners	BEI, PSP, MoF																	X
2	Develop amendments to the Law on Bankruptcy and NLA package amending social security and labor during bankruptcy proceedings	BEI, WG																	
3	Submit draft amendments and NLA package to Government for	WG																	

		Responsibility	Potential Resource Utilization					2008					2009					Status	
			EB	OM	KS	STTA	Media	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul		Aug
	"Regulation on Procedure for Cooperation among State Bodies in Registration of Legal Entities under the One-Stop Shop Principle" (streamlined processes)	MoJ																	X
10	Government adopts package of order and Resolution to improve implementation of streamlined processes	Gov																	X
11	Inform WB of changes	BEI	X																X
12	Respond as needed to WB requests and questions to clarify issue for future DB process assessment	BEI	X																
3	Train officers of state bodies involved in the registration of businesses in new methods of work based on streamlined processes principles																		
1	With Ministry of Justice conduct ongoing assessment of training needs of responsible officers of registering bodies	BEI, MoJ					P												O
2	In consultation with MoJ, develop training materials to meet the needs of responsible officers	BEI, MoJ					P												
3	BEI and MoJ, provide training seminars and round tables as needed for responsible officers and business association experts on the new procedure for cooperation among state bodies in the registration of legal entities under streamlined processes	BEI, MoJ					P												
4	Ensure media coverage of the new procedure for registration of legal entities																		
1	Revise and reissue leaflet and media announcements in accordance with legal changes	BEI				X													
2	Conduct one or more TV shows on new procedures for registration of a business	BEI				X													
3	With media partners, publish continuously articles on reforms and reform activities, monitoring results for registration of legal entities	BEI	X			X	P											I	O
5	If Government approves, study and facilitate movement of registration of legal entities responsibility to the district level																		
1	If approved, perform a functional analysis of the State Committee for Taxes and Charges, National Statistical Committee, and Ministry of Justice for opportunities to perform streamlined processes registration of legal entities at the district level	Gov, BEI, C																	
2	Present report and recommendations to Government	BEI, C				X													
3	If Government's support is secured, prepare appropriate working group with BEI, MOJ, State Tax Committee, PSP participation, on this issue	Gov, BEI, C				X													
4	Educate working group members and PSP on methodology and issues	BEI, C	X																

	Responsibility	Potential Resource Utilization					2008					2009					Status		
		EB	OM	KS	STTA	Media	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul		Aug	Sep
5	with local self-government registration Working group develops a Plan to bring the function of registration of legal entities down to the district level, and submits to Government	C, WG, Gov																	
6	Government adopts plan to bring the function of registration of legal entities down to the district level	Gov																	
7	Working group, BEI PSPs, develop NLAs related to bringing the function of registration of legal entities down to the district level	WG, C																	
8	NLA package is submitted to Government, revised as needed, and approved	WG, Gov																	
9	The function of one-stop shop registration of legal entities is implemented at the district level	Gov																	
10	Based on final plan and NLAs, BEI and PSPs render consulting assistance in the implementation of the streamlined system within at least 4 districts to the state body performing registration on the district level	BEI																	3
11	Prepare regional PSP with BIP monitoring methodology and coordinate monitoring plan	BEI, C	X																10
12	Monitor and evaluate effectiveness of district-level registration of legal entities	BEI, C																	3
6	Improve and optimize the state registering body's electronic database of legal entities																		
1	Develop analysis with recommendations and implementation plan on optimization of online access to state registering body's database	C, BEI																	
2	With expert assistance, state registration body implements BEI recommendations for database optimization and online access	C, BEI, Gov																	
3	Synchronize Moj and Tax Committee databases in cooperation with USAID EREC Project	BEI, BP																	
4	Government rolls-out optimized database and online access to the database of legal entities for applicants	Gov																	
7	Render assistance in acceding to the Hague Convention that repeals the requirement of legalization of foreign official documents																		
1	Prepare analysis of the implications and economic benefits for KR of ratification of the Hague Convention, including international experiences of countries that ratified, and RIA	C, BEI																	
2	BEI submits analysis to Government	BEI																	
3	If Government approves acceding to the Convention, prepare	Gov	X		X														

	Responsibility	Potential Resource Utilization					2008					2009					Status		
		EB	OM	KS	STTA	Media	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul		Aug	Sep
4	participating PSPs as needed for working group and educate on issues BEI and PSPs render assistance to appropriate working group developing NLAs to bring legislation into compliance with provisions of the Convention, and appropriate decision ratifying the Convention	BEI, PSP, Gov																	O
5	Working group submits draft package of NLAs to Government, to bring legislation into compliance with provisions of the Convention	WG																	O
6	Government adopts NLA package and Parliament ratifies the Hague Convention	Gov				X													O
7	Experts provide assistance in developing a database to account for the issuance of apostillized documents related to the registration of legal entities	C																	O
8	Assist ministry assigned the task of issuance of apostille to develop NLAs regulating the procedure of apostillization	BEI, Gov																	O
9	BEI and PSPs assist in increasing public knowledge of state measures aimed at simplifying the procedure for legalization of official documents	BEI, PSP, Gov	X			X													
10	Together with the responsible ministry, BEI holds round table dedicated to the issue of further simplification of the procedure for legalization of official documents in the process of state registration of legal entities	BEI, Gov	X	X		X													
KR 02: Improve Procedures for Construction Permitting and Oversight																			
1	Improve the process of issuance of construction permits																		
1	Working group drafts improved construction resolutions regulating the procedure for issuance of permits	WG, BEI					P												X
2	Draft resolutions submitted to Government	WG																	X
3	Government approves resolutions and submits draft laws to Parliament	Gov																	X
4	Parliament passes the laws and President signs	Parl, Pres																	
5	Inform the business community about amendments in legislation adopted	BEI				X													
6	Inform WB of changes	BEI		X															
7	Respond as needed to WB requests and questions to clarify issue for future DB process assessment	BEI		X															
2	Introduce new procedures for issuance of construction permits																		
1	Conduct pilot monitoring project on implementation of new procedures for issuance of construction permits, in Bishkek and Osh,	C, Gov					P												

	Responsibility	Potential Resource Utilization					2008			2009					Status			
		EB	OM	KS	STTA	Media	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May		Jun	Jul	Aug
KR 03: Reduce Time and Cost Required to Register Land and Real Estate Objects																		
I Optimize (simplify) procedures for registration of titles to land plots and objects of real estate in the State Agency for Registration of Titles to Real Estate																		
1 Assist upcoming WB project to develop draft amendments for NLAs regulating the registration of titles to real estate, aimed at reducing procedures, time, cost of services	WB, WG, MEDT						P											X
2 Submit draft NLAs to Government	WG																	X
3 Government approves resolutions	Gov																	X
4 Parliament passes the laws and President signs if needed	Parl																	X
5 Inform the media and business community about amendments in legislation	BEI, Gov					X												X
6 Inform WB of changes	BEI		X															X
7 Respond as needed to WB requests and questions to clarify issue for future DB process assessment	BEI		X															X
KR 04: Reduce Time and Cost Required to Pay Taxes																		
I Improve tax legislation																		
1 Prepare PSP's with BIP methodology as needed and plan media campaigns to promote knowledge of the new version of the TC	BEI	X	X				P											X
2 In collaboration with EREC, conduct a media campaign to promote the draft new version of the TC	BEI, EREC, PSP		X			X	P											X
3 With prepared PSPs, plan and conduct second-phase media campaign with PSPs and EREC to promote the draft new version of the TC	BEI, EREC, PSP																	X
4 Monitor results of first-phase media campaign to promote the new version of the TC	BEI, EREC, PSP																	X
5 Identify and develop amendments to normative legal acts to bring them into compliance with the new version of the TC, and submit to Government	WG, C		X		X													X
6 Government approves amendments	Gov																	X
7 Inform media and the private sector	Pres																	X
8 Inform WB of changes	BEI		X															X
9 Respond as needed to WB requests and questions to clarify issue for future DB process assessment	BEI		X															X
2 Facilitate public-private dialog on taxation																		

	Responsibility	Potential Resource Utilization					2008			2009					Status			
		EB	OM	KS	STTA	Media	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May		Jun	Jul	Aug
KR 05: Improve Protecting Investors Ranking																		
1 Improve legislation related to protection of investors (Track 1)																		
1 Consult with WB and MEDT to identify outcomes of previous changes and negotiate new reforms if needed based on DB methodology, in accordance with the agreement between the WB and GoKR	BEI, Gov, WB																	X
2 Amend work plan as needed based on agreed reform tasks	BEI																	X
2 Improve recognition of KR legislative changes related to protection of investors (Track 2)																		
1 Negotiate inclusion of GoKR/BEI reform results in Protecting Investors area into DB 2010 surveys to ensure full accounting of changes	BEI, Gov, WB																	X
2 World Bank develops new survey for Protecting Investors KR that includes GoKR reforms, and provides to BEI and MEDT	WB																	X
3 BEI and MEDT distribute and facilitate responses to survey among a wide base of Government , businesses , and previous DB respondents	BEI, Gov																	X
4 DB Protecting Investor survey forms returned to WB for analysis	BEI, Gov																	N
5 WBDB team assesses forms and develops ratings for KR Protecting Investors	WB																	
6 Facilitate audit and review visits as needed by WBDB team to KR , with interviews of Gov and private-sector respondents	BEI																	
7 WBDB team revises rating as needed and publishes	WB																	
3 Assist with implementation and monitoring of the Law "On Corporations"																		
1 Analyze implementing subordinate regulatory acts for correspondence with the Law "On Corporations" regarding amendments introduced to improve the WBDB Protecting Investors rating	BEI																	
2 Develop report on implementation of amendments to the Law "On Corporations" in subordinate regulatory acts, including judicial practice	BEI																	
3 Present report on implementation of amendments to the Law in subordinate regulatory acts, to the Government and MEDT	BEI																	
4 Assist MEDT to implement the "Kolokol" hotline for implementation of amendments introduced to improve the WBDB Protecting Investors rating	BEI, MEDT																	
KR 06: Improve Getting Credit Ranking																		
1 Improve legislation on collateral, bankruptcy																		

	Responsibility	Potential Resource Utilization					2008					2009					Status		
		EB	OM	KS	STTA	Media	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul		Aug	Sep
1	With Getting Credit expert group, create and prepare a draft Law on Pledge and Civil Code	BEI, WG					P												X
2	With PSP's conduct research in the area of Pledge and Civil Code and develop a report with recommendations on further improvement of the Getting Credit indicator	BEI, WG					P												X
3	Develop package of recommended amendments to legislation on Pledge and Civil Code to harmonize with recommendations by the Getting Credit Working Group	BEI, WG																	X
4	Submit to Government the draft law on Pledge and Civil Code and package of amendments	WG																	X
5	Government approves the Resolution and submits draft law on introduction of amendments to laws on Pledge and Civil Code to Parliament	Gov																	X
6	Parliament adopts amendments to laws on Pledge and Civil Code and submits to President	Parl																	X
7	President signs amendments to laws on Pledge and Civil Code	Pres																	O
8	Inform media and the business community on changes in the legislative framework by the law on Pledge and Civil Code	MEDT, BEI				X													
9	Inform WB of changes	BEI	X																
10	Respond as needed to WB requests and questions to clarify issue for future DB process assessment	BEI	X																
11	Inventory and prepare a list of sub normative acts affected by the Pledge and Civil Code to identify those acts subject to amendment or repeal under the new Law	BEI, WG																	
12	With PSPs and WBDB experts, develop recommendations on amendments into sub-normative acts with consideration given to the Law on Pledge and Civil Code	BEI, WG																	
13	Submit amendments to sub-normative acts to the Government for approval	WG																	10
2	Monitor enforcement of legislation on lending, collateral, bankruptcy and the Law "On Protection of Data Exchange"																		
1	Properly prepare PSPs as needed with BIP monitoring methodology	BEI	X																
2	Monitor with PSPs the enforcement of legislation on lending, collateral, and bankruptcy and sub normative acts	C, PSP				X													
3	Arrange public-private dialog dedicated to lending, collateral, and bankruptcy																		

	Responsibility	Potential Resource Utilization					2008					2009					Status		
		EB	OM	KS	STTA	Media	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul		Aug	Sep
		optimization of the inspections-related matters 5 Conduct a media and public communications campaign to cover the progress of implementation of provisions of the inspections legislation 1 Monitor and publish information about results of the "Kolokol" program in the media on a quarterly basis 2 Monitor inspections hotline maintained by the Union of Entrepreneurs of Kyrgyzstan business association 3 Arrange, and participate in, national and regional forums dedicated to the optimization of the area of inspections 6 Replicate experience of pilot projects in other State Controlling Bodies 1 Coordinate donor activities aimed at improving the inspections area (GTZ, IFC, etc) and agree upon a unified action plan 2 Render expert examination at request of donors as necessary 3 With PSP's disseminate training materials and brochures dedicated to inspections among and via other state controlling bodies and business associations																	
MEDT				X															O
BEI				X		P													O
BEI		X																	X
BEI		X																	O
BEI		X																	O
BEI		X				P												12	O
KR 09: Improve the Legal Drafting Process and Legal Hierarchy																			
1 Improve legislation regulating the drafting and adoption of Normative Legal Acts (hereinafter - NLA's)																			
1	Support the Inter-Agency Working Group to develop a new version of the Law "On Normative Legal Acts" (Law on NLAs), and submit to Government	BEI, WG					P												X
2	Government approves the draft Law on NLA's and sends it to Parliament	Gov																	X
3	Parliament adopts the draft Law on NLAs and passes to President	Parl																	O
4	Conduct media campaign on new procedures for drafting and adoption of NLAs	BEI	X																
5	President signs the draft Law on NLAs	Pres																	
6	Create and educate working group with PSP participation to develop draft normative legal acts aimed at introducing necessary amendments	BEI																	
7	Draft amendments to legislative acts to eliminate contradictions with the Law on NLAs, and submit to Government	WG																	
8	Government approves package of draft normative legal acts and submits to Parliament	Gov																	
9	Create and educate working group with PSP participation to develop a	BEI																	D

	Responsibility	Potential Resource Utilization					2008			2009					Status			
		EB	OM	KS	STTA	Media	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May		Jun	Jul	Aug
Investors																		
1	Develop amendments to the Law "On Joint Stock Companies" to improve investor protection																	
1	Provide education to PSPs involved in legal drafting review of amendments to Law "On Joint Stock Companies"	BEI	X				P											X
2	In collaboration with President's Consultative Council and private sector, and IFC/Corporate Governance, expert develops draft amendments to the Law "On Joint Stock Companies" and submits to Government	C, PCC																X
3	Based on Government review, revises draft amendments	C, BEI																X
4	Government approves draft amendments and submits to parliament	Gov																X
5	Parliament passes draft amendments and submits draft Law to President	Parl																
6	President signs Law "On Amendments to the Law on Joint Stock Companies"	Pres																
7	Inform WB of changes	BEI		X														
8	Respond as needed to WB requests and questions to clarify issue for future DB process assessment	BEI		X														
9	BEI validation of improvements for WBDB indicator impact and review for further implementation assistance	BEI																
2	Conduct public advocacy media campaign to support adoption of amendments to the Law "On Joint Stock Companies"																	
1	Educate participating PSPs in BIP public advocacy methodology	BEI	X															X
2	Based on recommendations and joint promotion plan, prepare action plan for public advocacy campaign on needed amendments	PSP, BEI, IFC	X															X
3	Conduct media advocacy campaign to highlight changes and support adoption of amendments to the Law on Joint Stock Companies	BEI, PSP, IFC	X			X												X
4	Organize and conduct post-reform knowledge campaign and celebrate success and inform public	PSP, BEI, IFC	X			X												
3	Facilitate framework for cooperation with public and private partners to further investment reform																	
1	Prepare PSPs and PCC and conduct advocacy campaigns as needed on issues identified for action	BEI, PSP	X			X	P											X
4	Based on existing BEI analysis, develop legal amendments to address barriers that disproportionately impact foreign investors																	

	Responsibility	Potential Resource Utilization					2008			2009					Status				
		EB	OM	KS	STTA	Media	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May		Jun	Jul	Aug	Sep
5	Government reviews draft amendments, experts revise as needed				X														
6	Government approves draft amendments, passes to Parliament, which adopts amendments																		
7	Parliament adopts amendments and passes to President for signing																		
8	President signs adopted amendments into law																		
9	Inform WB of changes		X																
10	Respond as needed to WB requests and questions to clarify issue for future DB process assessment		X																
11	Properly prepared PSPs conduct information campaign based on adopted recommendations to celebrate success and inform public	X				X													
4	Improve construction legislation through assistance to Agency for Architecture and Construction of RT in permits area																		
1	In consultation with the Agency for Architecture and Construction of RT, expert reviews the existing Provision on Orders																		X
2	Draft amendments to the NLAs simplifying obtaining of permits and submit to authority bodies																		
3	Revise drafts amendments to the NLA based on feedback and submit final versions																		
4	Authority bodies approves drafts amendments to the NLA																		
TJ 04: Reduce Cost and Time Required to Start a Business																			
1	Through PSPs create and implement reform strategy for simplification of business registration																		
1	Conduct media campaign on eliminating or reducing the initial charter capital requirements and create public support based on Best International Practice (BIP) on registration					X													X
2	With PSPs promote amendments to existing legislation and assist state bodies on promoting drafts for adoption					X													X
3	Government accepts amendments and passes to Parliament																		X
4	Parliament adopts amendments																		X
5	President signs amendments into law																		X
6	Inform WB of changes		X																X
7	Respond as needed to WB requests and questions to clarify issue for future DB process assessment		X																X
8	With PSPs, develop reform plan to advocate elimination of post-registration notary requirements by National Bank	X																	X

	Responsibility	Potential Resource Utilization					2008					2009					Status		
		EB	OM	KS	STTA	Media	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul		Aug	Sep
9	Prepare PSPs as needed with advocacy/media campaign BIP methodology	BEI, PSP	X																X
10	Create support team umbrella group with business associations, USAID, DFID, and SCISPM to promote notary reform to National Bank and Tax Committee	BEI, PSP	X																X
11	With support team umbrella group, draft internal orders for National Bank and Tax Committee to eliminate post-registration notary requirements	BEI, PSP																	X
12	Submit internal orders for review by National Bank and Tax Committee, revise as needed, and resubmit	BEI, PSP																	X
13	National Bank and Tax Committee adopt internal orders eliminating post-registration notary requirements	Gov																	
14	Celebrate and inform media and public	BEI																	
2	Amend relevant laws in accordance with reform and implementation strategy to establish streamlined registration																		
1	Collaborate with international organizations and develop strategy for introduction of Streamlined Processes (SP)	BEI, WB																	X
2	BEI and partners coordinate strategy with SCISPM within the framework of the Coordination Unit, revise as needed	BEI, SCISPM																	X
3	In collaboration with other international organizations and PSPs, working group develops draft package on legal and normative acts on introduction of SP, and submits to Government	BEI, PSP, WG																	X
4	Prepare and assist PSPs with BIP media/advocacy campaign methodology and facilitate cooperation with SP WG	BEI, PSP	X																X
5	In cooperation with WG, PSPs publish articles and develop TV programs supporting SP implementation	PSP, BEI, C	X																X
6	Working group revises draft amendment package as needed based on Government feedback, and resubmits	WG																	X
7	Government approves draft amendment package and submits to Parliament	Gov																	X
8	Parliament adopts amendment package implementing SP	Parl																	O
9	President signs amendments into law	Pres																	
10	Inform WB of changes	BEI		X															
11	Respond as needed to WB requests and questions to clarify issue for future DB process assessment	BEI		X															
12	Provide follow-on support and consultations to PSPs and Working	BEI	X																

	Responsibility	Potential Resource Utilization					2008			2009					Status						
		EB	OM	KS	STTA	Media	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May		Jun	Jul	Aug	Sep		
<p>group as needed to increase their ability to build demand for effective implementation and on-going monitoring of government reforms</p> <p>13 Inform media and celebrate success</p>	BEI, PSP					X															
TJ 05: Improve Clarity and Streamline Procedures for Re-registering or Closing a Business																					
<p>1 Develop and introduce legal acts to harmonize the existing legal regime and to introduce reforms identified by previous research</p> <p>1 Working group completes draft amendment package harmonizing existing legal regime and introducing reforms, and submits to Government for approval, in conjunction with business registration reform efforts</p> <p>2 Government reviews draft amendment package, WG revises as needed, and resubmits</p> <p>3 Government approves draft amendment package, submits package to Parliament</p> <p>4 Parliament passes amendment package, submits to President for signing</p> <p>5 President signs amendment package into law</p> <p>6 Inform WB of changes</p> <p>7 Respond as needed to WB requests and questions to clarify issue for future DB process assessment</p>	WG						P														
	Gov, WG																			X	
	Gov																			X	
	Parl																				
	Pres																				
	BEI	X																			
	BEI	X																			
<p>2 Conduct advocacy/media campaign with PSPs on re-registration and liquidation of businesses reforms</p> <p>1 Conduct closing a business reform media advocacy campaign according to plan</p> <p>2 Based on adopted recommendations prepare PSPs as needed and conduct knowledge campaign to celebrate success and inform public</p> <p>3 Prepare PSPs as needed on BIP advocacy campaign impact assessment and public promotion</p> <p>4 Assess campaign impact and revise plans for further public advocacy as needed</p>	PSP					X	P													O	
	BEI, PSP	X				X															
	BEI	X																			
	BEI, PSP	X																			
TJ 06: Support Implementation of the Licensing Law and Regulations																					
<p>1 Collaborate with the World Bank to support SCISPM in promoting pilot licensing reform</p> <p>1 With the SCISCPM and WB, complete a basic operational and</p>	BEI, SCISPM						P													X	

		Responsibility	Potential Resource Utilization					2008			2009					Status			
			EB	OM	KS	STTA	Media	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May		Jun	Jul	Aug
2	functional review of the licensing bodies previously identified	WB																	
2	Present operational review findings to the licensing bodies and the State Committee with recommendations	BEI, WB																	
3	Prepare PSPs and SCISPM as needed with BIP media campaign methodology and develop information campaign plan	BEI	X					P											
4	Conduct media campaign with SCISPM to inform the public of the analysis and results and to create demand for implementation of legal and operational improvement recommendations	BEI, SCISPM, PSP					X												
5	Prepare PSPs as needed on BIP necessary to promote and monitor adoption of reforms	BEI	X																
6	Monitor implementation of licensing reforms and develop associated report	PSP																	
7	Present monitoring report for SCISPM and WB	PSP, BEI					X												
8	With WB and PSPs, explore opportunities to replicate pilot program across other state licensing agencies	BEI	X																
TJ 07: Reduce Time and Cost Required for Bankruptcy Procedures (Closing a Business)																			
1	In collaboration with the Trustees Association, recommend and promote reforms to improve the Law "On Bankruptcy"																		
1	Trustee Association, in collaboration with other PSPs, conducts advocacy/media campaign to promote changes in the existing legislation on bankruptcy	BEI, C, PSP					X	P											X
2	Draft Law on amendments to the Law "On Bankruptcy" and shepherd it through acceptance process																		
1	Trustee Association develops amendments to the Law "On Bankruptcy" based on Trustee Association's recommendations	C						P											X
2	Trustee Association with BEI support submits the draft Law through the SCISPM to Government for review	BEI, C																	X
3	Government reviews, association revises draft Law as needed, and resubmits	Gov, C																	X
4	Government accepts draft Law and submits to Parliament	PSP																	
5	As needed, assist Parliament in review of the draft Law, via hearings and round tables	BEI, PSP, C																	
6	Parliament passes Law and submits to President	Parl																	
7	President signs amendments to the Law "On Bankruptcy"	Pres																	
8	Inform WB of changes	BEI	X																

		Responsibility	Potential Resource Utilization					2008					2009					Status	
			EB	OM	KS	STTA	Media	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul		Aug
9	Respond as needed to WB requests and questions to clarify issue for future DB process assessment	BEI		X															
10	Update brochure in accordance with new amendments, and re-release to public	C																	
3	Conduct advocacy media campaign to support adoption of bankruptcy law amendments																		
1	With PSPs plan comprehensive media/advocacy campaign to support adoption of the new Law "On Bankruptcy" and increase public knowledge	BEI, PSP	X																X
2	Conduct "On Bankruptcy" media advocacy campaign according to plan	PSP																	
3	Based on adopted recommendations prepare PSPs as needed and conduct knowledge campaign to celebrate success and inform public	BEI, PSP	X																
4	Prepare PSPs as needed on BIP advocacy campaign impact assessment and public promotion	BEI	X																
TJ 08: Support Government Implementation of Special Economic Zones																			
1	Developing recommendation to the draft Regulations on SEZ "Sogd"																		
1	Government reviews draft Regulation on SEZ "Sogd", the draft Regulation is revised as needed, and submitted for Parliament's consideration	Gov																	X
2	Parliament adopts draft Regulation on SEZ "Sogd"	Parl																	X
3	Celebrate success and inform media and public	BEI																	X
2	Develop draft amendments to the Law on Special Economic Zones																		
1	WG develops draft amendments to the Law "On Special Economic Zones" based on legal analysis and send to Government for review	WG																	X
2	Government reviews draft law on amendments, WG revises as needed, and resubmits	Gov, WG																	
3	Government accepts draft package and submits to Parliament	Gov																	
4	Parliament adopts draft amendment and sends to President	Parl																	
5	President signs amendments into law	Pres																	
6	Celebrate success and inform media	BEI																	
3	Provide assistance to the creation of local SEZ administrations																		
1	Experts develop charter on SEZ administration based on international best practice and existing materials	C																	X
2	Submit charter on SEZ administration and supporting materials to Government and oblast administrations	BEI, C																	X

	Responsibility	Potential Resource Utilization					2008			2009					Status				
		EB	OM	KS	STTA	Media	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May		Jun	Jul	Aug	Sep
TJ 09: Implement Impact Assessment and Improve Transparency in the Legislative Drafting Process																			
1 Develop and implement RIA Manual																			
1 Facilitate distribution and implementation of RIA manual to Government and private sector	BEI, PSP			X	X		P												X
2 Facilitate adoption of RIA and legal drafting transparency legislation																			
1 Prepare participating PSPs as needed with BIP advocacy campaign methodology and develop campaign plan	BEI, PSP	X					P												X
2 Assist IFC to develop the President's Resolution on Guillotine and submit to PCC	BEI, PSP					X	P												X
3 With PSPs, support adoption of President's Resolution on Guillotine in Tajikistan	BEI,PSP																		X
4 PCC submits draft President's Resolution on Guillotine for President's review	PCC																		X
5 President issues Resolution on Guillotine	Pres																		X
6 Develop draft President's Resolution on introduction of RIA in the legislative drafting process and submit to Secretary of PCC	BEI,PC C																		O
7 Secretary of PCC submits draft President's resolution for President's review and President issues Resolution on RIA																			
8 Based on issued resolution, working group develops a draft Government Regulation (on RIA methodology and the Guillotine)	SCISPM , PCC, BEI			X	X														
9 SCISPM sends the draft regulation to the Government for review	SCISPM																		
10 Government accept draft regulation of RIA methodology	Gov																		
11 Celebrate success and inform media	BEI, PSP					X													
TJ 10: Improve Access to Credit (Getting Credit)																			
1 Support development and approval of the law "On Credit Histories"																			
1 Develop recommended modifications to the draft Law "On Credit Histories"	C, BEI																		X
2 In collaboration with IFC present modified draft to working group developing the Law "On Credit Histories" and create harmonized version	C, BEI																		X
3 Submit draft law "On Credit Histories" to Government	C, BEI																		X
4 Based on Government feedback, revise and complete draft Law "On Credit Histories" and resubmit final version to Government	C, BEI																		X
5 Government reviews and approves draft Law "On Credit Histories"	Gov																		X

BEI 2008 – 2009 WORK PLAN TABLE OF ABBREVIATIONS

Within the BEI Work Plan abbreviations are used extensively to identify actors within the listed activities. The “Resource” column identifies the initials of BEI’s long-term expert Regional Technical Advisors: Ed Beaman (EB), Olga Moreva (OM), and Krassen Stanchev (KS). The “resp” (responsibility) column identifies the primary actors required to fulfill each activity (BEI, Government, specific ministry or agency, other counterpart, local consultant / expert / subcontractor, and etc.). The STTA column identifies use of international experts (short term).

Common abbreviations are:

X – Completed activity (Status)	D – Delayed activity in need of rescheduling (Status)
O – Ongoing activity (Status)	P – Activity begun during Previous project year (Gantt)
N – Not-completed activity scheduled this period (Status)	# -- (number) estimated completion month (Gantt)
AFC – Association of Financial Consultants (KZ)	NASMB – National Association of Small and Medium Businesses (RT)
AIC – Agency for Informatization and Connection (KZ)	NLA – normative legal act
AlkA – Almaty akimat (KZ)	NSC – National Statistical Committee (KR)
AoT – Association of Taxpayers (KZ)	Parl – Parliament
BA – Business associations	PCC – Presidents Consultative Council (RT)
BIP - Best international practice	PO – Prosecutor’s Office
C – Contracted expert consultant (local or international, individual or company)	PM – Prime Minister
CDS – Country Development Strategy (KR)	Pres – President
DB - Doing Business	PSA – public service announcement
DSSEO – Department of State Sanitary and Epidemiological Oversight (KR)	PSC - public service center
FEK – Forum of Entrepreneurs of Kazakhstan	PSP - private sector partner
GoK – Government of Kazakhstan	RIA – Regulatory Impact Assessment
Gov – Government (Office of the Government)	RT – Republic of Tajikistan
KR – Kyrgyz Republic	SACA – State Agency for Construction and Architecture (KR)
KZ – Kazakhstan	SCISPM – State Committee on Investment and State Property Management (RT)
LGRP – USAID Local Governance Reform Project/Urban	SCTC – State Committee on Taxes and Charges (KR)
LRP – USAID Land Reform Project/Chemomics	SEZ – Special Economic Zone (RT)
LK – Local Khukumat (RT)	SOW – scope of work
MEBP – Ministry of Economy and Budget Planning	TC – Tax Committee
MEDT – Ministry of Economic Development and Trade (KR)	TOT – training-of-trainers
MIT – Ministry of Industry and Trade	WB - World Bank
MoJ – Ministry of Justice	WG – working group

SUPPLEMENTAL PROJECT RESULT I (PR I) ECONOMIC IMPACT TABLES

(Estimated economic impact for PR I results provided for illustrative purposes only and not included in PR2 totals.)

REPUBLIC OF KAZAKHSTAN

No.	Initiative / City	Date Completed	Partner or Direct	Problem Details	Recommendations	Result	Impact Assumptions and Calculation	Reductions		% GNIPC	Total Combined Impact (\$)	Monitoring Ratio	Attribution (WB DBI)	National / Sub-national Change
								Steps	Days					
1	Elimination of electrical connection fees for medium and large businesses / Astana, KZ	Jan-09	Direct	During the process of obtaining permitting documents for construction one of the mandatory steps was participation in electrical sharing agreements to promote the development of the KZ electrical grid. This came as a charge assessed as an additional fee for connection to the electrical network. The fee was canceled in June, 2008, for small businesses, but remained a very large cost for medium and large businesses (about \$23,000 and \$91,000, respectively, for representative connection sizes).	BEI, in cooperation with Government partners from the Construction Committee of RK, recommended to Expert Group under the Ministry of Industry and Trade that payments based on the sharing agreement be cancelled for all business connections to the electricity network.	BEI's recommendation was approved by Vice Prime-Minister Orynbayev added to the Law of RK "On amendments and additions to some legal acts of RK in the area of independent branch regulator's operations" and signed by the President on December 29, 2008. According to the law, the payment for electrical power connection was canceled for all businesses.	Based on Government data, during January-September 2008, 6,497 permits for construction were issued in Kazakhstan, and of these 1,026 were planned as medium or large trade buildings, each of which need an average of a 50 kW connection. The total volume of electrical connections by medium and large businesses during the first three quarters is then estimated to be 51,300 kW, and for the year: 68,400 kW for 1,368 businesses. The average additional fee for connecting 1 kW was 39,913 KZT, or about \$266 USD. Estimated annual economic impact for eliminating the electrical connection fee for medium and large businesses is therefore 68,400 X \$266 = \$18,194,400 USD. Estimated GNIPC is 262.8%.	1	1	262.8%	\$ 18,194,400	Pending	Dealing with Construction Permits	National

KYRGYZ REPUBLIC

No.	Initiative / City	Date Completed	Partner or Direct	Problem Details	Recommendations	Result	Impact Assumptions and Calculation	Reductions		% GNIPC	Total Combined Impact (\$)	Monitoring Ratio	Attribution (WB DBI)	National / Sub-national Change
								Steps	Days					
1	Elimination of additional business registration process with Tax and Social Fund authorities / Bishkek, KR	Jan-09	Direct	During monitoring of the optimized company registration process frequent cases were reported in which an entrepreneur was required to repeatedly visit the tax authority and social fund. This violated streamlined processes principles and cost entrepreneurs an additional 2 days time and costs.	In BEI's monitoring results, it recommended the Government improve service quality in One-stop-shops, clearly post information about the registration process, cancel requirements by the Tax Authority and Social Fund for additional registration and issuance of permits.	The Government accepted BEI's recommendations and cancelled contact during registration between entrepreneur and the Tax Authority and Social Fund, saving 2 days time and the fee for processing tax registration forms. This step will now be handled	Every year approximately 3,100 companies register. Under the old system they each incurred 60 KGS in direct filing costs for the required tax forms, and an average of 16 hours preparation and about 100 KGS/hour in filing time costs for a tax lawyer to prepare	1	2	6.60%	\$120,789	Pending	Starting a Business	National

No.	Initiative /	Date	Partner or	Problem Details	Recommendations	Result	Impact Assumptions and	Reductions	% GNIPC	Total	Monitoring	Attribution	National /	
						through streamlined processes at the one-stop registration point.	the forms. Total estimated economic impact for the cancellation of this process is therefore $(16 \times 100 \text{ KGS} \times 3,100) + (60 \text{ KGS} \times 3,100) = \$120,789$ annually. Estimated GNIPC is 6.6%.							
2	Streamlining of the Registering Property process via introduction of voluntary technical surveys of property being exchanged / Bishkek, KR	Mar-09	Direct	Regulation of property certifications governed by Gosregistr in accordance with Article 25 of the Civil Code, which required Gosregistr staff survey real estate undergoing sale if it had not received a survey within the past 1 or 2 year, in order to identify any changes to the technical parameters of the real estate and collected associated fees. This survey took place even if the technical parameters did not change, and in practice all transactions resulted in surveys, costing entrepreneurs additional time.	BEI and the expert group on Registering Property recommended adoption of changes to shorten the property registration process by making inspection surveys mandatory only when changing the technical parameters of the property, or voluntarily initiated by the owner. This amendment would assign responsibility to the applicant for the authenticity of the information provided to Gosregistr.	The Government accepted the recommendations of BEI and the expert group, and the President signed them into law on March 31, 2009, as the Law on "Introduction of the Amendments and Additions to the Law of the Kyrgyz Republic on "Property registration and transactions with it." According to the law, the process of registering property will be shortened by 6 days, as visits by Gosregistr specialists will not always be required and neither will technical passport paper-work.	According to data from Gosregistr there were 84,040 certification surveys during 2008, each of which cost an average of about 450 KGS in fees and a total of 6 days processing time, including survey, technical certification, and notary certification, at a cost to entrepreneurs of an average of 400 KGS per day. Under the new process, Gosregistr expects the number of surveys required to decrease by roughly 43,000 per year. Estimated annual impact is therefore $(400 \times 6 + 450 \text{ KGS}) \times 43,000 = 122,550,000 \text{ KGS}$, or about \$2,876,760 USD. Estimated GNIPC is 11.3%.	1	6	11.3%	\$2,876,760	Pending	Registering Property	National
3	The Law of the Kyrgyz Republic on the "Amendments to the Civil Code" (article # 416)	Mar-09	Direct	In accordance with Article 416 of the Kyrgyz Republic Civil Code, notary verification of real-estate sales contracts was mandatory except in special cases. For each contract a state notary fee was assessed based on the type and location of property and the nature of the parties involved. Notarization of contracts also required a certificate confirming ownership and--in practice--state registration fees were also assessed.	BEI and the expert group on Registering Property developed amendments to the Civil Code designed to eliminate mandatory notary verification of property sale contracts and registration with the Gosregistr. Sellers would also not be required to obtain a certificate of ownership from Gosregistr for the notary or pay the state duty for notarization.	The Government accepted the recommendations of BEI and the expert group, and on March 31, 2009, the President signed the Law "On Amendments to the Civil Code (article # 416)." Under the new Law the notarization step with its required certificate of ownership are eliminated, leaving only registration of sales contracts with Gosregistr.	According to Gosregistr data during 2008 there were 80,196 property sales in the Kyrgyz Republic and according to the MoJ during 2008 notaries verified over 43,700 of these property contracts, at an average state fee for notarization of about 3,020 KGS. Each of these notarizations required an additional certificate of ownership from Gosregistr, costing 161 KGS for a non-expedited request. Under the new procedure sales contracts may be directly registered with Gosregistr, without need for notarization. Estimated annual economic impact is therefore $(43,700 \times (3,020 + 161)) = 139,009,700 \text{ KGS}$, or about \$3,263,138. Estimated GNIPC is 12.7%.	2	1	12.7%	\$3,263,138	Pending	Registering Property	National
REPUBLIC OF TAJIKISTAN														
No.	Initiative /	Date	Partner or	Problem Details	Recommendations	Result	Impact Assumptions and	Reductions	% GNIPC	Total	Monitoring	Attribution	National /	

	City	Completed	Direct				Calculation	Steps	Days		Combined Impact (\$)	Ratio	(WB DBI)	Sub-national Change
1	Reduction in initial charter capital required when starting a business / Dushanbe, RT	Oct-08	Direct	Minimum capital requirements are one of the most onerous barriers to business formation as they foster corruption and tie up limited capital required for operations. Registration of an LLC business in the Republic of Tajikistan (RT) inflicted a charge for minimum charter capital of 10,000 TJS, or about \$2,624 USD--a very large sum to entrepreneurs in a country with GNI per capita under \$500 per year.	The BEI project, over the course of two years, developed an analysis on re-registration, deregistration, and the formation of charter capital in RT demonstrating the negative impact of the high charter capital requirement and recommending it be eliminated or reduced. This analysis was strengthened by regional, private-sector recommendations for changing the requirements, and BEI submitted the collected recommendations for action to the State Committee on Investments and State Property Management and the Executive Office of the President.	As a result of BEI's recommendations on October 6, 2008, the President signed amendments to the laws "On Limited liability companies" and "On Joint Stock companies" reducing the charter capital required for registering LLCs and open and closed joint-stock companies. The changes are expected to lower initial required charter capital as estimated by the World Bank from 216.8% to 15.9% of GNIPC for LLC registration. LLC requirements are lowered from about \$2,624 to about \$146 USD, open joint-stock company requirements are lowered from about \$6560 to \$1,300 USD, and closed joint-stock company requirements are lowered from \$2,600 to \$260 USD.	Based on date from the Ministry of Justice of RT during 2008 there were about 100 LLC registrations in RT (open and closed joint-stock company data are not available). For each LLC registering per year, savings from reduced charter capital requirements will be about \$2,624 - 146 = \$2,478. Estimated economic impact in savings for LLCs is therefore 100 X \$2,478 = \$247,800 USD. Estimated GNIPC is 538.7%.	0	0	538.7%	\$247,800	Pending	Starting a Business	National

ECONOMIC IMPACT TABLES (PROJECT RESULT 2)

REPUBLIC OF KAZAKHSTAN														
No.	Initiative / City	Date Completed	Partner or Direct	Problem Details	Recommendations	Result	Impact Assumptions and Calculation	Reductions		% GNIPC	Total Combined Impact (\$)	Monitoring Ratio	Attribution (WB DBI)	National / Sub-national Change
								Steps	Days					
1	Reduced delays in registering a business / Oral, KZ	Oct-09	Partner - Independent Association of Entrepreneurs of WKO	Within the WKO Public Service Center (PSC), when processing an application for registration of a business was suspended due to filing errors the applicant was notified only on their next visit to the Center, as scheduled, 10-15 working days after filing and an average of 7 working days after processing was suspended. During those 7 days the entrepreneur could have corrected and	BEI Partner--the Independent Association of Entrepreneurs of WKO developed a process-map for registering legal entities at the regional level to identify problems and to simplify the procedure. Among the recommendations resulting from this analysis was to improve notification of applicants during the process, using their provided contact	The PSC accepted BEI's recommendations and decided to inform applicants of application processing suspension on the same day when the order to suspend is received. The PSC appointed responsible staff specialists to inform applicants in a timely manner, as of letter from the PSC of Oral city #1-24	According to the Justice Department of WKO, a minimum 850 applicants per year have a suspension in registration due to correctable errors. The period of time between issuance of the order suspending registration processing and date indicated for pickup on the applicant's receipt was an	0	7	5.50%	\$238,500	Pending	Local process reform outside "Starting a Business" assumptions as measured by WB	Sub-National

				resubmitted his application, and was instead delayed in his economic activity to his cost.	details. This recommendation was submitted to the PSC of Oral City in letter #245 of June 6, 2008.	of June 18, 2008. This change will permit entrepreneurs to recapture their investment of time and economic activity when starting their business, by rectifying errors in their application on the same day of process stoppage.	average of 7 working days delayed economic activity now reclaimed by this change. On average entrepreneurs in VKO earn approximately \$40 USD per day as income. Therefore the estimated economic in 850 x 7 days x \$40 = \$238,500. Estimated GNIPC is 5.5%.								
2	Increased information access on process of real-estate assessment while obtaining credit / Oskemen, KZ	Oct-09	Partner - Fund for Informational Support of Society Development	Entrepreneurs in Ridder lacked a means for obtaining information on the process of assessing real-estate while obtaining credit. As the result, businesses spent extra time and money on unnecessary steps and the cost for obtaining credit increased.	BEI's partner recommended arranging a working group to develop a process map as a reference for the public.	BEI's recommendations were accepted by the Ridder akimat, and the resulting process map was added to the information stands in the state bodies of Ridder and local banks, and published in the local media.	According to local surveys at least 110 credits are issued every year for businesses in Ridder involving a real-estate assessment for collateral purposes. For each credit the time required for the business to obtain information on the process for real-estate assessment was on average 15 working days, costing about \$30 USD per day for one person. Based on the thorough distribution of the assessment process map and information, the time required to learn about it has been reduced to 1 day (with the visit to the bank), saving 14 days time. Estimated economic impact is therefore 110 X 14 X \$30 = \$46,200 annually. Estimated GNIPC is 8.3%.	0	14	8.30%	\$46,200	Pending	Local process reform outside "Getting Credit" assumptions as measured by WB	Sub-National	
3	Increase of informational awareness of the licensing procedure/ Shymkent, KZ	Oct-09	Partner - Business-Incubator Sodbi	Information on obtaining licenses provided by the Enterprise and Industry Department and State Architectural and Construction Control Department was scant, and what was available included highly technical legal language requiring the assistance of persons with specialized legal or economic training. Neither department offered consulting assistance, forcing entrepreneurs to turn to commercial services or expend personal time researching the processes--both at extra cost.	BEI partner SodBi recommended the procedures for licenses be analyzed to develop step-by-step maps, identify and eliminate contradictions between practice and legislation, prepare recommendations for licensing-bodies on streamlined processes, and ultimately for information to be posted on the website of the Enterprise and Industry Department and in booklets in information stands.	The state bodies accepted BEI's recommendations and published plain-language information material on obtaining licenses, including qualification requirements, terms, necessary documents according to legislation, and etc.	Based on data from SKO state bodies, this change will affect approximately 1,700 entrepreneurs seeking to obtain licenses from the two Departments, per year. Estimates for economic impact, however, remain TO BE DETERMINED.	0	0	n/a	TBD	Pending	none	Sub-National	
4	Reduced time and cost for construction permits/	Oct-09	Partner - Fund for Informational Support of Society Development	The required process during construction of obtaining state ecological expertise from the Natural Resources and Subsoil-use Regulation Department of East	BEI's partner, the Fund for Informational Support of Society Development, recommended that the Department reduce the time	In response, on July 23, 2008, the Natural Resources and Subsoil-use Regulation Department signed a memorandum with the post	Based on oblast government data there are 3,200 applications for state ecological expertise per year. About 2,130 of these	0	6	6.3%	\$683,517	Pending	Local process reform outside "Dealing with Construction	Sub-national	

	Oskemen, KZ			Kazakhstan Oblast (EKO) was expensive due to travel to the Department's single location and time-consuming for entrepreneurs. Application processing could take up to 3 months, and approximately one-third of applicants were required to repeat the procedure after initial refusals.	and cost required for obtaining state ecological expertise by signing memorandums with appropriate organizations and enabling the opening of satellite document check-points throughout the region.	office ("Kazpochta" JSC). Based on the agreement, entrepreneurs now have the ability to submit applications and documents to the Department via mail parcels for a small (about \$1.60) fee. Further document check-points were established in Semey and Oskemen cities, where consultants check submitted documents for completeness at the time of submission.	applications are from outside of the Oblast Center of Oskemen, and previously had to travel to the city twice to file and retrieve each application. The minimum time required for traveling, submitting, and retrieving an application was 6 working days. Under the new mailing system this time is reduced to less than 2 hours (25% of a working day), with a \$1.60 USD fee. The average cost of 1 working day to an EKO entrepreneur is estimated to be \$30 USD. Direct travel expenses from the region to Oskemen are, on average, \$150 total for the four trips associated with application and pickup. Therefore estimated annual impact for the change is $(2,130 \times 5.75 \text{ days} \times \$30) + (2,130 \times \$150) - (2,130 \times \$1.60 \text{ cost}) = \$683,517$. Estimated GNIPC is 6.3%.						Permits" assumptions as measured by WB	
5	Reduced cost for one-day trade coupons / Shymkent, KZ	Nov-08	Partner - Business-Incubator "SodBi"	The price for a one-day trade coupon for operating city market boutiques in Shymkent was unreasonably high (1,600 KZT) when compared with the average income of one day's trade (1,625 KZT). Local entrepreneurs chose instead to register as individual entrepreneurs and incur the added expense in lost time, fees, accounting and inspections procedures, and legal obligations and risk.	BEI's partner in Shymkent, the Business Incubator "SodBi", recommended the city akimat reduce the cost of one-day trade coupons, arguing that doing so would decrease overall costs to entrepreneurs while raising directly contributions to the city budget.	The BEI partner's recommendations were adopted and introduced by the Decision of the Shymkent City Maslikhat #4/22-4c of October 22, 2008, "About cost of one-day trade coupons". Now the average cost for the coupon is set to 400 KZT.	According to official statistics from the Shymkent Enterprise Department 12,000 entrepreneurs work in city markets, running small boutique stores for which they may either pay for one-day trade coupons or yearly tax patents. Under the previous schedule, coupons would (for 2009) cost an entrepreneur 1600 X 248 working days, or 396,800 KZT. Registering as an individual entrepreneur costs about 40,000 KZT in direct fees and purchase of a cash register, plus consumes an additional 26 working days at a total average cost of 117,000 (157,000 KZT total), and obligates the entrepreneur to comply with more rigorous tax accounting, reporting, inspections, and (ultimately) liquidation procedures.	4	26	7.60%	\$4,624,000	Pending	none	Sub-national

							Under the new fee structure, one-day trade coupons cost an entrepreneur a total of 99,200 KZT per year. The estimated total impact for this change is therefore (157,000 - 99,200 KZT) X 12,000 businesses = 693,600,000 KZT, or about \$4,624,000 per year. Estimated GNIPC is 7.6%.								
6	Improved inspections terms when liquidating a business / Almaty, KZ	Jan-09	Partner - Forum of Entrepreneurs of Kazakhstan (FEK), Independent Association of Entrepreneurs	According to Article 535 of the Tax Code, the duration of a tax inspection should not exceed 30 working days. If an inspection is deemed complex, this allotted term may be extended up to 80 days for legal entities with subdivisions. In practice, however, almost all liquidation tax inspections were suspended indefinitely by the tax body, preventing completion of the liquidation process for a period of between 2.5 to 5 years.	BEI with partners recommended that the tax code stipulate definite terms for tax inspections during voluntary liquidation of legal entities and individual entrepreneurs as businesses. These recommendations were submitted to the Commission for Development of the Draft Tax Code under the Ministry of Economy and Budget Planning, the Association of Taxpayers, and the President's Administration.	Based on BEI's recommendations Article 629, Point 6, of the Tax Code of December 10, 2008, was amended to stipulate that the duration of inspection, including any suspensions, shall not exceed 60 working days for legal entities without structural subdivision, individual entrepreneurs and non-residents operating through permanent institutions with not more than one location in RK, and not exceed 180 working days for legal entities with structural subdivision, non-residents operating through permanent institutions with more than one location in RK or large taxpayers subject to monitoring.	According to the new procedure, tax bodies may not legally delay the process of liquidation of a legal entity, and a business wishing to liquidate will know exactly how long to expect the process to take. This change will affect an estimated roughly one-third of registered businesses in Kazakhstan, who have been widely regarded as inactive--yet persistent legal liabilities for their owners, due to the onerous lengths of time required to complete liquidation. Economic impact for this change, however, lacks good data to estimate and is TO BE DETERMINED.	n/a	n/a	n/a	TBD	Pending	n/a	National	
7	Improved notification and review processes during liquidation of a business / Almaty, KZ	Jan-09	Partner - Forum of Entrepreneurs of Kazakhstan (FEK), Independent Association of Entrepreneurs, and Association of Entrepreneurs of Karaganda	During the process of voluntary liquidation of a business public information on the liquidation taking place was available only in a "Legal Newspaper", and entrepreneurs undergoing the process had no information about the status of their liquidation. Additionally, the tax inspectorate had no instruction on how quickly to execute an inspection for a body undergoing liquidation, and so often took up to a year to start a final inspection and permit liquidation to proceed.	BEI and partners submitted recommendations on voluntary liquidation of a business, proposing that the list of possible printed media be expanded, and that information on the status and processing of liquidations be posted on the websites of relevant state bodies. These recommendations were submitted to the Commission on development of the draft Tax Code under the Ministry of Economy and Budget Planning of RK, the Association of Taxpayers, and to the President's Administration.	In response, the Government amended Article 580 of the Tax Code dated December 10, 2008, to require that information about taxpayers in the process of business liquidation be posted on the website of the authorized tax body during 3 working days from the date of submission of application with request to conduct document inspections in connection with liquidation.	With this change creditors will have additional opportunities to be informed about the status of legal entities and to submit claims before the final approval of a business' liquidation balance. Entrepreneurship will also be better informed as well on the process of their liquidation request, including acceptance and any delays in the associated tax inspection. Based on 2008 data from the Statistics Agency, this change will affect an estimated 283,744 enterprises and 738,272 individual entrepreneurs in Kazakhstan, however due to	n/a	n/a	n/a	TBD	Pending	n/a	National	

							the nature of business closure and a lack of good data, the economic impact of this change is TO BE DETERMINED.									
8	Amnesty for liquidated businesses enabling resumption of economic activity by former owners / Almaty, KZ	Jan-09	Partner - Forum of Entrepreneurs of Kazakhstan (FEK), Independent Association of Entrepreneurs	According to the Article 535 of the Tax Code of RK, the tax inspection of legal and physical entities during the process of voluntary liquidation of a business should be completed within 5 years of filing, and are registered as in liquidation by the tax bodies. In practice, despite having no identified tax debts, businesses neither had their tax inspections completed nor were removed from the register after the period of 5 years elapsed, leaving their owners unable to start other businesses or engage in activity as legal entities until liquidation is completed.	BEI and partners proposed to amnesty enterprises that do not have any tax debts, but remained in the state data base as being liquidated for more than 5 years. These recommendations were submitted to the Commission on Development of the Draft Tax Code under the Ministry of Economy and Budget Planning, the Association of Taxpayers, and the President's Administration.	BEI's recommendations were accepted, and Article 45 of the Law of RK "On Introduction of the Tax Code" of 10 December 2008 #100-IV provides amnesty for enterprises under liquidation for more than 5 years. They will be eliminated from the state data base and their cases will be closed.	Since 2003 2,671 legal entities and 94 individual entrepreneurs have been under liquidation proceedings for more than 5 years. After eliminating their cases from the state database, their owners will have the right to legally start new businesses--which they could not previously. Economic impact for this change is TO BE DETERMINED, as it cannot be estimated with any accuracy, as future behavior for the affected persons and their success as entrepreneurs cannot be known.	n/a	n/a	n/a	TBD	Pending	n/a	National		
9	Streamlining of voluntary liquidation process for individual entrepreneurs / Almaty, KZ	Jan-09	Partner - Forum of Entrepreneurs of Kazakhstan (FEK), Independent Association of Entrepreneurs, Association of Entrepreneurs and Karaganda	Individual entrepreneurs seeking to liquidate are required to apply to the Tax Committee for a tax inspection and to the customs bodies for a certificate of absence of debt, which takes 1 month to issue. In practice each region had different procedures for applying and interacting with the customs bodies, and entrepreneurs were required to undergo submission requirements the same as larger business entities, costing the IE time and money.	BEI and partners proposed introduction of a simplified procedure for entrepreneurs, using the application required by the Tax Committee. This recommendation was submitted to the Commission on Development of the Draft Tax Code under the Ministry of Economy and Budget Planning, the Association of Taxpayers, and the President's Administration.	Based on BEI's recommendation, Article 43 of the Tax Code of December 10, 2008, was amended to require that based on the application of an entrepreneur to liquidate his business, within 3 working days the tax body must send requests to other state bodies and organizations--including customs bodies--to confirm absence of debt.	The number of individual entrepreneurs in Kazakhstan who choose to liquidate their business each year varies widely in historical data however this change is estimated to affect at least 16,600 entrepreneurs per year (2008 data). No data exists on their rate of re-registration under other businesses, so economic impact for this change must remain TO BE DETERMINED.	n/a	30	n/a	TBD	Pending	n/a	National		
10	Streamlined and registration process / Shymkent, KZ	Jan-09	Partner - Business-Incubator Sodbi	According to procedure all documents for registering land acts were prepared in the Land Department in cooperation with other state bodies, but were then sent to the local Public Service Center for issuance to the involved parties. This final step increased the time required for registration.	BEI partner SodBi recommended the Land Department and Department of Justice of South Kazakhstan Oblast that the issuance of registered land acts be transferred from the PSC to the Land Department that had been previously handling the documents.	Both the Land Department and Department of Justice concurred with BEI's recommendations, and as of January 2009, land acts are to be issued by the Land Department, excluding the PSC from the final step.	Under the old procedure the final step of transferring documents from the Land Department to the PSC added an additional 2 days to the processing time of an estimated 14,000 land use acts issued per year. Of these, 30% (about 4,200) on average are issued to enterprises, with an average cost for an entrepreneur per day of \$30 USD. The estimated economic impact for this change is therefore 4,200 X 2 days X \$30 = \$252,000 USD. Estimated	0	2	1.2%	\$252,000	Pending	Local process reform outside "Registering Property" assumptions as measured by WB	Sub-National		

							GNIPC is 1.2%.									
11	Streamlined process for obtaining oil products storage license / Oskemen, KZ	Mar-09	Partner - the Fund for Informational Support of Society Development, East-Kazakhstan Trade Union of Small and Medium Business Employees	The procedure of obtaining a business license for oil product storage in East Kazakhstan Oblast was complex, requiring over 70 documents, and no information was available on the process or the required documents. Major expenses in the process were related to the time and cost of trips by regional entrepreneurs to Oskemen for information, submitting and receiving documents, obtaining approvals, and etc.	BEI's partners recommended the EKO akimat develop a reformed process, and for this purpose a public-private working group was formed, with technical assistance from BEI.	With BEI's assistance the working group developed a new process for obtaining an oil storage license, which was approved on February 25, 2009. The new process reduces the number of steps by 8, number of documents required from 70 to 60, overall time required for processing an application by 50 days, and stipulates information on the process, governing laws, and required documents be posted to the website of the Akim of EKO and other relevant state bodies.	Based on the EKO Department of the Agency for Natural Monopoly Regulation, there are 200 businesses (petrol stations, oil storages) subject to this license in East-Kazakhstan Oblast, and under the new licensing order all of them were required to re-license. The duration of the procedure was reduced by 50 days. The average estimated cost of one working day for entrepreneurs in this type of business is \$50. Estimated annual impact is therefore 200 people X 50 days x \$50 = \$500,000. Estimated GNIPC is 49.4%.	8	50	49.4%	\$500,000	Pending	n/a	Sub-National		
12	Environment emissions rate increase defeated / Oskemen, KZ	Feb-09	Partner - the FIPRO, East-Kazakhstan Trade Union of Small and Medium Business Employees, EK Association of Professional Builders	During budget planning for 2009 the Akimat of EKO planned an increase of 1.5 times for environmental emission payment rates for large, medium, and small businesses in order to increase budget revenues.	BEI partners performed a regulatory impact analysis for the rate increase and based on the results recommended the Akim of EKO make no changes to the payment rates.	The Akim accepted BEI's recommendations and cancelled the planned rate increase.	The rate increase would have affected at least 4000 small and medium businesses in EKO who could least afford the cost, plus several large industrial companies. The estimated average payment increase per small and medium business was \$20,000. Total estimated annual impact for small and medium businesses is 4,000 X \$20,000 = \$8,000,000 USD per year. Additional data is pending from the EKO Oblast Ecology Department on impact for the rate increase on the 12 large businesses in the region, and this impact result is expected to change during the upcoming period. Total economic impact for this change is therefore \$8 million USD. Estimated GNIPC is 39.5%.	n/a	n/a	39.5%	\$8,000,000	Pending	n/a	Sub-National		
13	Inspections, Almaty, KZ	Mar-09	Partner - Service Center for Entrepreneurs "Secret + Service"	Inspections in Kazakhstan suffer from a variety of regulatory issues that adversely affect businesses. Though the President declared a moratorium in 2008 on inspections non-essential to public safety some inspections were performed in contradiction to that decree. In all	BEI and partner developed an "Inspection is at the door" brochure to enable entrepreneurs to respond to inspections. The brochure includes a list of necessary documents, requirements for entrepreneurs, and normative	BEI distributed 5,000 copies of the "Inspection is at the door" brochure among entrepreneurs throughout Kazakhstan using the BEI partner's network. An electronic version is also posted on the websites of	Based on the data received from the Forum of Entrepreneurs of Kazakhstan, during the 2008 moratorium 427 illegal inspections took place, consuming an estimated over \$550,000 USD in	n/a	n/a	n/a	TBD	Pending	n/a	National		

				cases, entrepreneurs widely lack knowledge of the documents, rules, responsibilities and rights they hold during an inspections event, leading to higher rates of unofficial payments and increased time consumed during inspections.	and legal acts regarding business inspections.	BEI its partners.	employee salaries alone in order to manage. The Government of KZ has continued the moratorium on inspections, however no good data exists to estimate the number of future illegal inspections avoided through increased entrepreneur information on inspections. Impact for this change remains TO BE DETERMINED.								
14	Payment for emission to the environment, Shymkent, KZ	Mar-09	Partner - Business-Incubator "SodBi"	During the March 2009 meeting of the South Kazakhstan Oblast Expert Council, the Council planned to increase payments for environmental emissions by almost 30 million KZT from the business community.	Considering financial crisis consequences (decrease in production, risk of increase of unemployment), increase of payment rates for emission to the environment may cause rise of costs for products and services. Based on these facts, BEI partner opposed the change.	Members of the Expert Council supported BEI partner and the payment rate was not changed.	According to the Oblast Environmental Department proposal, the minimum economic benefit to the yearly budget would have been 29,474,437 KZT (about \$196,500 USD). Estimated annual economic impact in savings for SKO entrepreneurs is therefore \$196,500 USD. Estimated GNIPC is pending response from the Environment Department on further calculation details.	n/a	n/a	pending	\$196,500	Pending	n/a	Sub-National	
15	Increase of payment rates for outdoor advertisement, Shymkent, KZ	Mar-09	Partner - Business-Incubator Sodbi	During the March 2009 meeting of the SKO Expert Council, the Council planned an increase in fees for outdoor advertising. This was a proposal of SKO Architectural Department as one method to increase revenues for the local budget at the expense of local businesses, and advertising businesses in particular.	BEI partner SodBi recommended the Council cancel plans to increase advertising fees based on impact to advertising rates, advertisement company activities, and overall turnover in businesses.	During second review, the Expert Council supported BEI's recommendation and cancelled plans to increase advertising rates.	According to the proposal by the SKO Architectural Department, budget revenue would increase by an estimated 66,995,520 KZT (about \$446,637 USD) over the next year. Estimated annual impact in savings for SKO businesses is therefore \$446,637. Estimated GNIPC is pending response from the SKO Architectural Department on further calculation details.	n/a	n/a	pending	\$446,637	Pending	n/a	Sub-National	
16	Improved access to information reduces time required for obtaining and plots / Shymkent, KZ	Jan-09	Partner - Business-Incubator Sodbi	During their analysis of the land allotment procedure, BEI partner SodBi identified a range of informational barriers that considerably prolonged the complex process of obtaining land plots for commercial construction, wasting 3-4 days on average for entrepreneurs during direct consultation with the Land and Architecture Departments.	BEI partner SodBi recommended that complete information on the process and requirements be published at a minimum on the website of the Akimat of Shymkent.	The Akimat of Shymkent concurred, and opened a new section on its website called the "Land Department", which includes the process for land allotment, questions and answers, useful documents, service standards, and regulations. The new section was also publicized during the January 2009 annual report of the Akimat of Shymkent.	This change will affect the approximately 11,000 businessmen who apply annually for land allotment for commercial construction, reducing the time required to obtain all needed information on the process to approximately 1 hour if they use--or are referred by Land Department staff to, the online service, and saving them each an average of 3	0	3	1.8%	\$990,000	Pending	n/a	Sub-National	

							days search time. The estimated average income of a local entrepreneur is \$30 USD per day. Total estimated annual impact for this change is therefore $11,000 \times 3 \times \$30 = \$990,000$ USD. Estimated GNIPC is 1.8%.								
18	Second moratorium on business inspections / Astana, KZ	February, 2009	Partner - Forum of Entrepreneurs of Kazakhstan	According to the 2005 VWB/EBRD BEEPS, businesses are inspected an average of 11.7 times/year, requiring over 16.3 working days per firm. Businesses report inspections are excessive and provide opportunities for corruption. The 2008 moratorium on inspections was declared to provide time to reform KZ inspections procedures--reforms that were not completed within the given year.	After the 1-year moratorium on inspections in early 2008 had mostly expired, the Government realized under prompting from BEI's partners they needed more time to accomplish the stated goal of enabling inspections reforms and revising of sections of the Law "On Private Entrepreneurship" that allow excessive discretion by inspectorates.	On February 17, 2009, the Government issued Decree #176 and provided a new moratorium for business inspections until July 1, 2009, in order to complete development of risk-management systems and new rules for inspections. The new moratorium otherwise retains all terms and conditions of the 2008 version, including permitting "certain categories of businesses, which influence the safety and health of citizens."	Based on estimates from the 2005 BEEPS, and excluding fire and sanitation inspections, each business is estimated to undergo 7.3 fewer inspections this year, saving 3.3 days time. With an estimated 250,000 businesses affected by the moratorium and staff expenses per business at an average of \$50 per working day for 2 persons, this moratorium--if it lasted for a full year--would save an estimated 815,000 working days, or \$81,500,000. Since the moratorium is set to expire on July 1, 2009, after 36.9% of a year has elapsed, estimated economic impact is $36.9\% \times \$81.5$ million, or \$30,073,500. Estimated GNIPC is 2.4%.	7	3.3	2.4%	\$30,073,500	Pending	n/a	National	

KYRGYZ REPUBLIC

No.	Initiative / City	Date Completed	Partner or Direct	Problem Details	Recommendations	Result	Impact Assumptions and Calculation	Reductions		% GNIPC	Total Combined Impact (\$)	Monitoring Ratio	Attribution (WB DBI)	National / Sub-national Change
								Steps	Days					
1	Elimination of illegal Osh city mayor's alcohol trade-limiting commission / Osh, KG	Mar-09	Partner - Osh RIA working group	Osh Mayor's Decree #392-p of November 26, 2007, created a special commission to limit trade in alcohol under the Mayor's Department of Economic and Finance and the Department for Entrepreneurship Development and Customers' Rights Protection. Though the commission was empowered to establish zones excluding alcohol sales, in practice it duplicated inspections and licensing activities normally performed by the state KyrgyzAlco body, costing entrepreneurs' time and increasing costs.	The Osh RIA working group implementing Government Resolution #752 of December 31, 2008, and inspecting all NLA regulating business activities accepted by the Osh Mayor's Office and local city keneshe submitted Decree #392.p to the Inter-Institutional RIA Commission under MEDT for dismissal because the Mayor's decree was accepted in violation of Article 4 of the Law "On Entrepreneurs' Rights Protection" and Point 6 of the February 16, 2000, President's Decree "On measures on	The working group and Department of Entrepreneur Development under the Osh Mayor's Office prepared Resolution #752, of December 31, 2008, which eliminates several NLA. Based on the working group's recommendation the Osh Mayor adopted the resolution as Decree #465 of March 27, "On the improvement of the business activities", dismissing Decree #392-p "Creation of commission for establishing trade limitation of alcohol	According to KyrgyzAlco records there are 816 entrepreneurs in Osh City engaged in alcohol trade. The commission demanded that all alcohol traders submit annually to a time-consuming expertise process lasting an average of 3 days prior to permitting KyrgyzAlco to issue a license. During the inspection and document-review process each business was required to close, losing an average of about 1,750 KGS per day in sales, or an average of 3 x	1	3	20.8%	\$100,368	Pending	n/a	Sub-National

					perfection of state regulation of legal persons and individual entrepreneurs", because it contradicted the Law on Inspection, and was not registered in the Osh Department of Justice.	commodity" and eliminating the associated trade-limiting commission.	1,750 = 5,250 KGS per business, or about \$123 USD. Total estimated annual savings for the elimination of this commission is therefore 816 X \$123 = \$100,368. Estimated GNIPC is 20.8%.								
2	Elimination of illegal Osh city mayor's alcohol-inspections commission / Osh, KG	Mar-09	Osh RIA working group	Osh City Mayor's Decree #972 of June 12, 2007, created a public-private working commission under the Mayor of Osh city to spot-check businesses for illegal production, storage, and trade in alcohol and tobacco commodities and any attempts to conceal profits from taxation. The impromptu inspections generated by the commission cost entrepreneurs time and increased costs.	The Osh RIA working group implementing Government Resolution #752 of December 31, 2008, and inspecting all NLA regulating business activities accepted by the Osh Mayor's Office and local city kenesh submitted Decree #972 to the Inter-institutional RIA commission under MEDT for dismissal because the Mayor's decree was accepted in violation of Article 4 of the Law "On Entrepreneurs' Rights Protection" and Point 6 of the February 16, 2000, President's Decree "On measures on perfection of state regulation of legal persons and individual entrepreneurs", because it contradicted the Law on Inspection, and was not registered in the Osh Department of Justice.	The working group and Department of Entrepreneur Development under the Osh Mayor's Office prepared Resolution #752, of December 31, 2008, which eliminates several NLA. Based on the working group's recommendation the Osh Mayor adopted the resolution as Decree #465 of March 27, "On the improvement of the business activities", dismissing Decree #972 of June 12, 2007.	According to Osh Mayor's office data this commission could inspect 1,697 different traders in Osh City. Though the commission was established to spot-check, in practice inspections were performed regularly and during each inspection a business was required to close. According to traders surveyed in the Osh market, inspections took place at least twice per year with a cost in lost business activity and unofficial fees for these inspections was an average of \$100 per business per inspection. Total estimated annual economic impact is therefore 1,697 X \$100 X 2 = \$339,400. Estimated GNIPC is 33.9%.	I	I	33.9%	\$339,400	Pending	n/a	Sub-National	
3	Simplification of the application process for ease of city and for use by Light Construction Facilities / Bishkek, KR	Feb-09	Direct	Entrepreneurs in Bishkek when applying for land leases for small kiosk shops (light construction facilities) incurred substantial financial and time investments (average 30 days) to obtain the required permits, due to ineffective cooperation between government agencies, non-transparent and biased regional authorizing commissions, unaccountable technical service bodies, and the large number of visits required to apply.	BEI prepared a new resolution for the Bishkek Mayor's Office "On the procedure and conditions for granting land lease rights to legal and natural persons from municipal property land in Bishkek as a matter of (temporary) use for Light Construction Facilities." This resolution greatly simplified the authorization process for leasing Light Construction Facilities and included all interactions in the function of the streamlined process "One-stop-Shop" registration points.	The Mayor's office and Bishkek City Parliament fully supported BEI's recommended draft and adopted it on February 4, 2009, via Bishkek City Parliament Regulation #36 "On the procedure and conditions for granting land lease rights to legal and natural persons from municipal property land in Bishkek as a matter of (temporary) use for Light Construction Facilities."	The new resolution reduces direct costs for obtaining lease rights for Light Construction Facilities by limiting the number of visits for approvals--reducing time and transport costs. A RIA performed by the working group of the Bishkek Mayor's Office indicates that the 1,070 entrepreneurs in the city working with Light Construction Facilities will save about 6,906 KGS each per 2-year licensing cycle. Estimated annual impact is therefore 1,070 X 6,906 / 2 = 3694710 KGS, or about \$86,730. Estimated GNIPC is 27.5%.	I	I	27.5%	\$86,730	Pending	n/a	Sub-National	
5	Reversal of increased costs for entrepreneur	Mar-09	Direct	Under the KR Tax Code there were 121 activity types that qualified for voluntary tax patents costing an average of 577 KGS per	In response to the adoption of resolutions #733 and 735, and following implementation monitoring of the Tax Code,	Based on BEI's recommendations, the Government in Resolution #145 of March 3, 2009,	According GKNS, 89,417 entrepreneurs used voluntary tax patents in 2008, paying a monthly 577	0	0	n/a	TBD	Pending	n/a	National	

	s operating under tax patents / Bishkek, KR			month. Following the adoption of the new Tax Code on December 30, 2008, the Government passed resolutions #733 and #735, removing 49 types of tax patents and increasing the rate for the remaining 72 types by over 700% on average. This change greatly increased the tax burden on SMEs that operated under tax patents.	BEI recommended that the Interagency Commission review the list of economic activities that are subject to voluntary patenting, revise their the rates, and decrease the cost to SMEs.	restored the previous activities permitted under tax patents, amended both decrees to return some tax patent rates.	KGS. Full economic impact estimates for this change are pending additional data expected during the upcoming period, and for now are TBD.							
--	---	--	--	---	--	---	---	--	--	--	--	--	--	--

REPUBLIC OF TAJIKISTAN

No.	Initiative / City	Date Completed	Partner or Direct	Problem Details	Recommendations	Result	Impact Assumptions and Calculation	Reductions		Total Combined Impact (\$)	Monitoring Ratio	Attribution (WB DBI)	National / Sub-national Change	
								Steps	Days					
1	Simplification of licensing procedures for pharmaceutical companies / Dushanbe, RT	Jan-09	Direct	The Agency for Control and Regulation of Pharmaceutical and Medical Activities, under the Ministry of Health, required pharmaceutical companies and drug stores to obtain from them every year a "certificate of accommodation conformity" based on the conclusions of state sanitary bodies. The procedure duplicated the work of the state sanitary bodies, contradicted RT licensing legislation, and increased costs to businesses via lost time and a direct, 300 TJS (\$79 USD) fee per annual certificate.	The BEI project and World Bank, in accordance to their support for implementation of the Licensing Law and related regulations, identified the issuance of the "certificate of accommodation conformity" during a review of the Ministry of Health as an internal act contradicting legislation. Further surveys of entrepreneurs and feedback from the Union of Commercial Pharmaceutical Organizations highlighted the licensing procedure as unnecessary and BEI recommended the Government eliminate the certificate.	Based on BEI and the WB's recommendations, the Government adopted amendment #445 of August 27, 2009, to the Regulation on Licensing of Separate Types of Activities that eliminates the requirement for obtaining a "certificate of accommodation conformity", and as of January 1, 2009, licensing bodies stopped requiring the certificate of accommodation conformity.	According to data from the Union of Commercial Pharmaceutical Organizations and the Ministry of Health there are about 1,200 drug stores who were annually required to obtain the certificate of accommodation conformity, at a cost per certificate of 300 TJS, plus an estimated average of 50 TJS in overhead and travel expenses, for a total of about \$92 each. Total estimated savings for elimination of the certificate requirement is therefore 1,200 X 92 = \$110,400 USD annually. Estimated GNIPICS 20%.	1	1	20%	\$110,400	Pending	n/a	National
2	Cancellation of road tax payments for businesses operating under the simplified tax regime / Dushanbe, RT	Mar-09	Partner - National Association of Small and Medium Business (NASMB)	The Tax Code of RT was amended in March 2008 to impose a 2% road tax payment on entrepreneurs operating under the simplified tax regime (turnover under 600,000 TJS). This amendment imposed additional costs and payments on businesses.	NASMB and other BEI business association partners organized several round tables and collected recommendations for the SCISPM that the Government stop imposing additional taxes on the simplified regime, as they impact SMEs in particular and facilitate growth of the shadow economy. NASMB included recommendations and economic justifications into a Financial-Economic Analysis of the Tax Code prepared with support from BEI, and during the second half of 2008 NASMB worked closely	In September 2008 the Tax Committee developed an additional amendment for the Tax Code, in which the NASMB's recommendations were included. This amendment was signed by the President on March 28, 2009, and according to the amendments all businesses operating under the simplified system will no longer pay the 2% road tax, but all income after the first 200,000 TJS will be taxed at 5% rather than the	According to data from the Tax Committee of RT the number of legal entities working under the simplified tax regime is around 8,300, with an average turnover for each business of about 419,100 TJS (\$110,000 USD). The cancellation of the road tax saves each business 2% of turnover, however all income over 200,000 TJS is taxed at an additional 1%. Estimated economic impact for the road tax removal and counterbalancing tax increase is pending	0	0	n/a	TBD	Pending	Process reform outside "Paying Taxes" assumptions as measured by WB	National

					several ministries, state agencies, and the Tax Committee to eliminate the tax.	previous 4%.	additional data from the Tax Committee, during the upcoming period, and for now is TBD.							
--	--	--	--	--	---	--------------	---	--	--	--	--	--	--	--

BEI PARTICIPANT TRAINING REPORT (October 2008 – March 2009)

Training Program Data					
Training Program Name:	Business Environment Improvement Project				
USAID Managing Activity (Funding Contract):	176-C-00-06-00007				
USAID Strategic Objective:	Strategic Objective 1.3, Improved Environment for the Growth of Small and Medium-sized Enterprises, and specifically Intermediate Result 1.3.3, Improved Implementation of Laws and Regulations				
Field of Study:	Business Legal and Regulatory Simplification/Reform				
Training Type:	Multiple				
Training Location:	Multiple				
Program Start Date:	10/01/2006				
Program End Date:	09/31/2010				
Program Status:	Ongoing				
Training Provider (Name, City, State, & Country):	Multiple				
Name of the Prime Contractor for the Activity.	Business Environment Improvement Project, implemented by the Pragma Corporation				
Street Address and country of the contractor.	17 Nauryzbai Batyr, Office 211, Almaty 050004, Kazakhstan				
TRAINING COMPONENTS: If the Training Program has multiple events, Please list all components:					
Component Name	Training Type	Training Provider (Name, City, State, & Country)	Start Date	End Date	Full-Time Equiv.
Conference "Improvement of Kazakhstan's positions in the World Bank "Doing Business" rating"	Info/training seminar	E. Orynbayev, Astana, Kazakhstan	12/10/2008	12/10/2008	3.3 hours
Round Table on voluntary liquidation issues	Info presentation	Paltasheva M., Astana, Kazakhstan	11/11/2008	11/11/2008	3 hours
Seminar on tax accounts	Info/training seminar	N. Ospanov, Shymkent, Kazakhstan	9/19/2008	9/19/2008	2 hours
Seminar on tax inspections	Info/training seminar	M. Mirzasaatov, Shymkent, Kazakhstan	11/10/2008	11/10/2008	2 hours
"Collaboration of executive power and business-community" forum	Info/training presentation	Arman Zhetpisbayev, Shymkent, Kazakhstan	11/27/2008	11/27/2008	2.5 hours
Round Table on starting a business	Info presentation	Tatyana Shpuling, Shymkent, Kazakhstan	12/12/2008	12/12/2008	2 hours
Presentation of Concept of inspection system	Info presentation	Tatyana Shpuling, Shymkent, Kazakhstan	12/12/2008	12/12/2008	2.5 hours
Presentation of permitting system concept	Info presentation	Tatyana Shpuling, Shymkent, Kazakhstan	12/24/2008	12/24/2008	1.5 hours

Round Table on transfer of licensing, accreditation and certification to competitive sphere	Info presentation	Tatyana Shpuling, Shymkent, Kazakhstan	12/24/2008	12/24/2008	1.5 hours
Round Table on improvement of registering real property procedure	Info presentation	Zhumina A.T., Oral, Kazakhstan	10/31/2008	10/31/2008	2 hours
Round Table on discuss Concept of inspections	Info presentation	Zhumina A.T., Oral, Kazakhstan	11/27/2008	11/27/2008	2 hours
Round Table on state regulation of enterprise	Info presentation	Paltasheva M., Astana, Kazakhstan	12/11/2008	12/11/2008	3 hours
Round Table on voluntary liquidation of legal entities	Info presentation	Muhambetkaliyev N.M., Oral, Kazakhstan	12/12/2008	12/12/2008	2.5 hours
Round Table on draft Concept of inspections	Info presentation	Samoylov A., Oskemen, Kazakhstan	11/18/2008	11/18/2008	1.5 hours
Methodological seminar with undergraduates on RIA methodology	Training seminar	Samoylov A., Oskemen, Kazakhstan	11/27/2008	11/27/2008	1 hour
Training on methodology for making administrative procedure schemes	Training seminar	Samoylov A., Oskemen, Kazakhstan	11/26/2008	11/26/2008	1 hour
Training on methodology for making administrative procedure schemes	Training seminar	Samoylov A., Oskemen, Kazakhstan	11/28/2008	11/28/2008	1 hour
Training on methodology for making administrative procedure schemes	Training seminar	Samoylov A., Oskemen, Kazakhstan	12/01/2008	12/01/2008	1 hour
Round Table on the World Bank "Doing Business" issues	Info presentation	Y. Krupochkina, Astana, Kazakhstan	11/14/2008	11/14/2008	3 hours
Presentation of methodology and goals of WB DB Registering Property and Starting a Business indicators in Almalinskiy region of Almaty city	Info presentation	Y. Krupochkina, Astana, Kazakhstan	11/25/2008	11/25/2008	1 hour
Presentation of methodology and goals of WB DB Registering Property and Starting a Business indicators in Bostandykskiy region of Almaty city	Info presentation	Y. Krupochkina, Astana, Kazakhstan	11/26/2008	11/26/2008	1 hour
Presentation of methodology and goals of WB DB Registering Property and Starting a Business indicators in Turksibskiy region of Almaty city	Info presentation	Y. Krupochkina, Astana, Kazakhstan	11/27/2008	11/27/2008	1 hour
Round Table on WB DB "Closing a Business" indicator	Info presentation	Adilhanov M.B., Almaty, Kazakhstan	12/19/2008	12/19/2008	2 hours
Round Table on Concept of permitting system improvement in 2009-2011 and inspections	Info presentation	Sapiev B.Sh, Almaty, Kazakhstan	12/19/2008	12/19/2008	1.5 hours
Theory and practice on methodology of RIA analysis under the development of draft NLAs	Training seminar	BEI and MEDT, Bishkek, Kyrgyz Republic	9/29/2008	10/7/2008	21 hours
Round table on the draft Law "On registration of legal entities, branches (representatives)"	Info presentation	BEI, Bishkek, Kyrgyz Republic	10/27/2008	10/27/2008	4 hours
Round table for Parliament Committee discussion of the draft Law "On registration of legal entities,	Info presentation	Parliament Committee for Constitutional Legislation, Bishkek,	11/4/2008	11/4/2008	4hours

branches (representatives)"		Kyrgyz Republic			
Improvement of GoKR legislative planning and increase of effectiveness of inter-agency interaction within the process of development and reconciliation of the Draft NLAs	Training seminar	BEI and Office of the Government KR, Bishkek, Kyrgyz Republic	11/20/2008	11/20/2008	3 hours
Round table on New Tax code	Info presentation	BEI and EREC and Tax office, Osh, Kyrgyz Republic	12/15/2008	12/15/2008	6 hours
Seminar on New Tax code	Training seminar	BEI and EREC and Tax office, Osh, Kyrgyz Republic	12/16/2008	12/16/2008	4 hours
Round table on New Tax code	Info presentation	BEI and EREC and Tax office, Jalalabat, Kyrgyz Republic	12/17/2008	12/17/2008	6 hours
Seminar on New Tax code	Training seminar	BEI and EREC and Tax office, Jalalabat, Kyrgyz Republic	12/18/2008	12/18/2008	4 hours
Doing Business Advisory Workshop in Kyrgyz Republic	Training seminar	BEI and WB-IFC, Bishkek, Kyrgyz Republic	10/6/2008	10/6/2008	6 hours
Round Table on New Tax Code KR	Info presentation	BEI and EREC and SCTC, Bishkek, Kyrgyz Republic	12/10/2008	12/10/2008	7 hours
Seminar on New Tax Code KR	Training seminar	BEI and EREC and SCTC, Bishkek, Kyrgyz Republic	12/11/2008	12/11/2008	3 hours
Round Table and Seminar on New Tax Code KR	Training seminar	BEI and EREC and SCTC, Tokmok, Kyrgyz Republic	12/12/2008	12/12/2008	5 hours
Establishing effective cooperation between public and private sectors in entrepreneurship development	Training seminar	BEI, Varzob, Republic of Tajikistan	10/10/2008	10/11/2008	16 hours
Round Table on New KR Tax Code	Info presentation	BEI and EREC and SCTC, Cholpon-Ata, Kyrgyz Republic	12/23/2008	12/23/2008	7 hours
Seminar on New KR Tax Code KR	Training seminar	BEI and EREC and SCTC, Cholpon-Ata, Kyrgyz Republic	12/24/2008	12/24/2008	4 hours
Round Table and Seminar on New KR Tax Code	Training seminar	BEI and EREC and SCTC, Talas, Kyrgyz Republic	12/26/2008	12/26/2008	7 hours
Seminar on the World Bank "Doing Business" methodology	Training seminar	Yelizaveta Krupochkina BEI, Astana, Kazakhstan	02/02/2009	02/02/2009	2 hours
Seminar on introduction of regulations for the "one-stop-shop" principle implementation in licensing	Training Seminar	Tatyana Shpuling BEI and Islam Abishev Deputy Akim SKO, Shymkent, Kazakhstan	02/05/2009	02/05/2009	2.5 hours
Presentation of the BEI Project activity in the area of the World Bank "Doing Business"	Info presentation	Yelizaveta Krupochkina BEI, Shymkent, Kazakhstan	02/05/2009	02/05/2009	1 hours
Training on inventory of legal acts in permitting system	Training seminar	Igor Gutan, Astana, Kazakhstan	03/05/2009	03/05/2009	2 hours
Training on inventory of legal acts in permitting system	Training seminar	Igor Gutan, Astana, Kazakhstan	03/13/2009	03/13/2009	3 hours

"Review of legislation updates and 200 days reform program support"	Training seminar	BEI, Chkalovsk, Republic of Tajikistan	3/11/2009	3/11/2009	4 hours
"Review of legislation updates and 200 days reform program support"	Training seminar	BEI, Asht, Republic of Tajikistan	3/12/2009	3/12/2009	4 hours
Presentation of SEZ in Tajikistan	Info presentation	BEI, Dushanbe, Republic of Tajikistan	3/17/2009	3/17/2009	4 hours
"Review of legislation updates and 200 days reform program support"	Training seminar	BEI, Dushanbe, Republic of Tajikistan	3/18/2009	3/18/2009	4 hours
Round Table on New KR Tax Code	Info presentation	BEI and EREC and SCTC, Naryn, Kyrgyz Republic	2/3/2009	2/3/2009	6 hours
Round Table on New KR Tax Code	Info presentation	BEI and EREC and SCTC, Karakol, Kyrgyz Republic	2/4/2009	2/4/2009	7 hours
Seminar on RIA	Training seminar	BEI, Bishkek, Kyrgyz Republic	2/2/2009	2/2/2009	11 hours
Seminar for the experts of the Department of the State Sanitary and Epidemiological Oversight "On implementation of the KR Law on the Inspections Orders of the Entrepreneurship"	Training seminar	BEI and Department of State Sanitary and Epidemiological Oversight, Kadamjay, Kyrgyz Republic	11/20/2008	11/20/2008	4 hours
Seminar for the experts of the Department of the State Sanitary and Epidemiological Oversight "On implementation of the KR Law on the Inspections Orders of the Entrepreneurship"	Training seminar	BEI and Department of State Sanitary and Epidemiological Oversight, Osh, Kyrgyz Republic	3/3/2009	3/3/2009	4 hours
Seminar for the experts of the Department of the State Sanitary and Epidemiological Oversight "On implementation of the KR Law on the Inspections Orders of the Entrepreneurship"	Training seminar	BEI and Department of State Sanitary and Epidemiological Oversight, Jalal-Abad, Kyrgyz Republic	3/4/2009	3/4/2009	4 hours
Seminar for the experts of the Department of the State Sanitary and Epidemiological Oversight "On implementation of the KR Law on the Inspections Orders of the Entrepreneurship"	Training seminar	BEI and Department of State Sanitary and Epidemiological Oversight, Cholpon-Ata, Kyrgyz Republic	12/17/2008	12/17/2008	4 hours
Seminar for the experts of the Department of the State Sanitary and Epidemiological Oversight "On implementation of the KR Law on the Inspections Orders of the Entrepreneurship"	Training seminar	BEI and Department of State Sanitary and Epidemiological Oversight, Bishkek, Kyrgyz Republic	12/16/2008	12/16/2008	4 hours
Seminar for the experts of the Department of the State Sanitary and Epidemiological Oversight "On implementation of the KR Law on the Inspections Orders of the Entrepreneurship"	Training seminar	BEI and Department of State Sanitary and Epidemiological Oversight, Talas, Kyrgyz Republic	12/19/2008	12/19/2008	4 hours
Seminar for the experts of the Department of the State Sanitary and Epidemiological Oversight "On implementation of the KR Law on the Inspections Orders of the Entrepreneurship"	Training seminar	BEI and Department of State Sanitary and Epidemiological Oversight, Bishkek, Kyrgyz Republic	12/23/2008	12/23/2008	4 hours

FUNDING DATA: (Line-1: Amount Budgeted; Line-2: Amount Spent)											
USAID			Host Country Government			Provider			Private		
Instruction	Trainee	Travel	Instruction	Trainee	Travel	Instruction	Trainee	Travel	Instruction	Trainee	Travel
<i>(All trainings not listed below have no separate, budgeted cost elements, and were provided as part of other work.)</i>											
\$0			\$0			\$0			\$0		
\$0			\$0			\$0			\$0		
Round Table on starting a business issues											
\$125											
\$125											
Presentation of Concept of inspection system											
\$125											
\$125											
Round Table on voluntary liquidation of legal entities											
\$250											
\$250											
Theory and practice on methodology of RIA analysis under the development of draft NLAs											
\$1392											
\$1392											
Round table on the draft Law "On registration of legal entities, branches (representatives)"											
\$254											
\$254											
Improvement of GoKR legislative planning and increase of effectiveness of inter-agency interaction within the process of development and reconciliation of the Draft NLAs											
\$3100											
\$3100											
Round table on New Tax code											
\$673											
\$673											
Seminar on New Tax code											
\$362											
\$362											
Round table on New Tax code											
\$773											
\$773											
Seminar on New Tax code											
\$462											
\$462											
Doing Business Advisory Workshop in Kyrgyz Republic											

	\$7,950											
	\$7,950											
Round Table on New Tax Code KR												
	\$3,732											
	\$3,732											
Seminar on New Tax Code KR												
	\$1,260											
	\$1,260											
Round Table and Seminar on New Tax Code KR												
	\$775											
	\$775											
Round Table on New KR Tax Code												
	\$1293											
	\$1293											
Round Table and Seminar on New KR Tax Code												
	\$757											
	\$757											
Seminar on the World Bank "Doing Business" methodology												
	\$250											
	\$250											
Seminar on introduction of regulations for the "one-stop-shop" principle implementation in licensing												
	\$250											
	\$250											
"Review of legislation updates and 200 days reform program support"												
	\$10											
	\$10											
"Review of legislation updates and 200 days reform program support"												
	\$87											
	\$87											
Presentation of SEZ in Tajikistan												
	\$354											
	\$354											
"Review of legislation updates and 200 days reform program support"												
	\$180											
	\$180											
Seminar on RIA												
	\$3613.15											

\$3613.15											
-----------	--	--	--	--	--	--	--	--	--	--	--

For In-Country Programs Only	
# of Males Attended	# of Females Attended
1406	1013

U.S. Agency for International Development

Central Asia Regional Mission

41 Kazibek Bi Street

Almaty, Kazakhstan 050010

Tel: (+7 327) 250-76-12

Fax: (+7 327) 250-76-35

<http://centralasia.usaid.gov>