



Financial Institutions Practice

*NIS Bankers' Training
Third Anniversary
Project Review*

Prepared 1/97

Supported by USAID

INTRODUCTION

- ◆ We are pleased to have the opportunity to present to you a Third Anniversary status report of the USAID NIS Bankers' Training Project
- ◆ We welcome your comments on the project and encourage your discussion of the issues to be presented
- ◆ We would also like to take this opportunity to express our appreciation for all of the support we have received from USAID/Washington and the Missions

PROJECT GOALS

THE NIS BANKERS' TRAINING PROJECT WAS INAUGURATED IN FALL, 1993 WITH TWO DISTINCT GOALS . . .

GOALS

- ◆ Train Maximum Numbers of Bankers
- ◆ Establish Self-Sustaining Banking Training Institutes

KEY CURRENT FINANCIAL AND CONTRACT DETAILS INCLUDES...

- ◆ \$17,585,468 or 79% of presently obligated funds has been expended through December 1, 1996
- ◆ The Total Current Obligation is \$22,377,252
- ◆ The contract end date of this project is June 27, 1997, and current funding levels will permit the operation of the project to at least June 1, 1997

THE GOAL OF TRAINING MAXIMUM NUMBERS OF BANKERS HAS BEEN MET . . .

- ◆ To date, over 8,300 bankers, representing nearly 325 institutions, have been trained in over 350 courses held in our Institutes across the NIS

NIS BANKERS TRAINED

	<i>Ukraine</i>	<i>Central Asia</i>	<i>Moldova</i>	<i>Russia</i>
<i>Target Numbers</i>	1,560	1,400	1,200	3,000
<i>Numbers Achieved</i>	2,205	2,283	1,435	2,236

- ◆ The training program in Armenia began in September, 1996 and 143 bankers have been trained to-date. In Georgia, the training program will launch this month. Training targets comparable to those achieved in our other Institutes are also expected to be realized in the Caucuses Region
- ◆ The shortfall in bankers trained to-date in Russia is attributable to three key factors:
 - A later than anticipated start-up
 - A change in Institute site and management turnover in Siberia
 - Unplanned logistical problems as a result of distances and weather east of the Urals
- ◆ The shortfall in Russian bankers trained should be met through 1997 operations

A SOLID FOUNDATION FOR SELF-SUSTAINABILITY HAS BEEN LAID . . .

- ◆ Financially Viable Institute Models have been Customized to the Operating Environments of each Country and Region
- ◆ An Excellent Curriculum, contextualized to the NIS, has been developed
- ◆ Good Office and Training Delivery Infrastructure has been established
- ◆ Skilled Trainers are being Identified and Trained in Customized Train-the-Trainer Programs across the NIS
- ◆ Capable Management has been Recruited and Trained

WE HAVE SUCCESSFULLY EMPLOYED A NUMBER OF DIFFERENT GOVERNANCE MODELS, REFLECTING THE LOCAL OPERATING ENVIRONMENT

- **Ukraine**
Partner: Central Bank and Bankers' Association
- **Central Asia**
Partner: Graduate level education Institution; Pending merger with the EU program will bring both donor programs together under the Bankers' Association
- **Moldova**
Partner: Bankers' Association under leadership of former Prime Minister
- **Novosibirsk and Vladivostok**
Shareholders: Commercial Banks are the owners of our Russian Institutes
- **Armenia**
Partner: Central Bank of Armenia and Armenia Banks' Association
- **Georgia**
Partner: National Bank of Georgia and Georgian Banks' Association

OTHER KEY COMPONENTS TO SUCCESSFUL INSTITUTE DEVELOPMENT:

- Strong USAID Resident Mission Support
- Coordination of Central Bank and Commercial Bank Assistance Programs
- Successful Country Program Launch to Build Support for the Institute, among donors, bank management and bank participants
- Minimized Competition from other Donor Supported Bankers Training Programs

SIGNIFICANT PROGRESS HAS BEEN MADE IN DEVELOPING A CURRICULUM RELEVANT TO THE NIS . . .

- ◆ 7 Courses Developed under the CEE Project Have been Delivered and Are Being Contextualized to the NIS:
 - Credit I, II, III
 - Human Resource Management
 - Branch Management
 - Asset Liability Management I, II

- ◆ 6 Courses have been Developed under the NIS Bankers Project specifically for the NIS:
 - IAS Accounting For Bankers
 - Internal Audit
 - Financial Institution Analysis
 - Trade Finance and Letters of Credit
 - Strategic Planning
 - Strategic Marketing

- ◆ We have dedicated one person toward contextualizing courses and believe our product is the most relevant in the market place

- ◆ Technologically advanced delivery mechanisms, such as interactive/self-teach course materials and simulations are under development

CURRICULUM CONCENTRATION

A MAJOR FOCUS OF OUR COURSE DELIVERY ACTIVITIES IN THE NIS HAS BEEN CREDIT ANALYSIS AND COURSES IN OTHER CORE BANKING AREAS. . .

COURSE

NUMBER OF WEEKS DELIVERED

CREDIT ANALYSIS	52
PROBLEM LOAN MANAGEMENT	16
FINANCIAL INSTITUTIONS' ANALYSIS	16
INTERNATIONAL ACCOUNTING	30
ASSET LIABILITY MANAGEMENT	18
BANK MANAGEMENT SIMULATION	39
FOREIGN EXCHANGE MANAGEMENT	24
INT'L BANKING AND TRADE FINANCE	30
STRATEGIC PLANNING	12
CUSTOMER SERVICE	12
HUMAN RESOURCE MANAGEMENT	14

INFRASTRUCTURE STATUS

SELF-SUSTAINING INFRASTRUCTURE IS IN PLACE IN ALL INSTITUTES . . .

- ◆ Strategic Plans and Financial Forecasts have been written
- ◆ Budgets and Expense management procedures are in place
- ◆ Office and Classroom Space and equipment is in place
- ◆ Libraries have been established
- ◆ Computer Training Laboratories have been established

THE QUALITY OF MANAGEMENT AND SHAREHOLDER SUPPORT VARIES BY INSTITUTE, BUT IS GENERALLY SOLID . . .

- ◆ Capable local partners are in place
- ◆ Institute Management has been recruited and trained
 - Shareholders are providing financial support
 - Steering Committees are providing guidance
- ◆ Management responsibility for day-to-day Institute operation has significantly migrated to local directors and staff

THE MAJOR HURDLE TO ACHIEVING SELF-SUSTAINABILITY IN OUR INSTITUTES IS A SHORTAGE OF QUALIFIED LOCAL TRAINERS TO CONDUCT COURSES ONCE USAID SUPPORT ENDS . . .

- ◆ A Train-the-Trainer Program was not a part of the original plan, but country specific programs have been launched with considerable success
- ◆ Local trainer identification and attraction initiatives have been successful from the outset of our program
- ◆ The development of local courses by our local trainers have increased the relevance of our programs and have supported local training efforts
- ◆ The development and introduction of interactive/self-teach and simulation-based curriculum is underway

IMPACT MEASUREMENT IS A VITAL TOOL FOR ASSESSING THE SUCCESS OF THE NIS BANKERS' TRAINING PROJECT...

- ◆ In addition to the total numbers of bankers trained, all of our Institutes have evidence of program success which is being systematically gathered and quantified
- ◆ Surveys and interviews demonstrate that, as a result of our training programs:
 - Bank operating practices have been changed
 - Bank policies and procedures have been amended
 - Internal training programs have been developed for commercial banks and Central Banks
 - Financial reporting, in accordance with IAS, has been improved
 - Local trainers are conducting training programs for the banks
 - Training materials are circulating throughout the banks, creating a multiplier affect to our programs
 - Forms and documents have been adapted and adopted by the banks
 - Graduate students have received a practical introduction to Western banking principles
 - Bank fraud has been prevented and losses have been avoided
 - Ethics Codes of Conduct have been adopted
 - Risk management approach to bank management and operations has been adopted
 - Strategic plans have been implemented by banks

THROUGH OUR EXPERIENCE OPERATING TRAINING INSTITUTIONS THROUGHOUT THE NIS OVER THE PAST THREE YEARS WE HAVE DEVELOPED A NUMBER OF LESSONS-LEARNED AND INNOVATIONS. . . .

- ◆ Start building sustainability as soon as possible
 - Train-the-Trainer programs should be initiated immediately
 - Identify and train institute management at the outset of the program
 - Minimize institute operation break-even point by limiting overhead
 - Maximize tangible shareholder support as early as possible, including strong institutional backing, permanent office and classroom space and local counter-party buy-in
 - Migrate Institute operations and responsibility to the Director as soon as possible
 - Include local staff in regional travel to successful training institutions as early as possible

- ◆ Training institutes must be managed as businesses
 - Director and local staff must be dedicated to training as a profession and knowledgeable about the training product and the market for the product
 - Director should have banking background or stature in banking community
 - Director must be entrepreneurial and business oriented
 - Maintain control of Institute Director selection process to avoid political appointments

LESSONS LEARNED AND INNOVATIONS

- ◆ Maximize the relevance and quality of the training courses
 - Maximize the amount of time the trainers are in-country
 - Identify Resident Advisors capable and willing to teach a series of banking courses, regionally
 - Concentrate training efforts in 10 core banking course areas
 - Contextualize and develop relevant course materials, including local cases and exercises, as early as possible
 - Dedicate a core bank training team to spend 4 to 8 weeks in the NIS per training trip to maximize relevance of the courses and the NIS experience of the instructor while minimizing travel expense
 - Maintain the highest possible level of training course quality

- ◆ Train-the-trainer programs, formal and informal, should be launched as soon as possible
 - Identify good training candidates from outstanding class participants as early as possible
 - Ideal trainers may be former academics who are now practicing bankers that are interested in training
 - Attract trained trainers from other donor supported training programs
 - Make it attractive for these local trainers to train through our Institutes
 - Facilitate in-bank internships in the local banks for promising academic trainer candidates to build practical experience and credibility
 - Minimize funds spent on Study Tours and dedicate maximum available funds to local trainer development

OVER THE PAST THREE YEARS WE HAVE INCORPORATED THE FOLLOWING INNOVATIONS INTO THE NIS BANKERS' TRAINING PROJECT AND WILL INCORPORATE FUTURE INNOVATIONS AS THEY ARE IDENTIFIED. . . .

- ◆ On-the-job Training and Coaching following each training program in Armenia and Georgia
- ◆ Team Teaching our instructors with local trainers to build local training capabilities
- ◆ Local Directors were identified early in Novosibirsk and Vladivostock and given significant operating autonomy
- ◆ Local course development efforts are underway at each of the Institutes
- ◆ Distance-learning programs have broadened Institute reach and exposure county-wide and throughout large regions
- ◆ Attract top-tier instructors dedicated to the program to maximize in-country teaching time and minimize travel expense
- ◆ Utilize Resident Advisors as resident, in-country trainers
- ◆ Regular Resident Advisor Meetings facilitate the sharing of innovations and lessons-learned
- ◆ We have steadily lowered the per participant cost of attending our training programs over the life of our project

WE HAVE CONSISTENTLY WORKED TO COORDINATE OUR PROJECT WITH PROGRAMS BEING DELIVERED BY OTHER DONORS AND CONTRACTORS IN THE FIELD...

- ◆ We have coordinated our program with other donor supported bank training efforts across the NIS
 - Regional Bank Training Center in Tashkent
 - Almaty Bank Training Centre
 - Ukraine and Moldova bank training programs
 - World Bank EDI Train-the-Trainer programs
 - Tbilisi Business School and ongoing training programs in the Caucasus

- ◆ We have coordinated our training efforts with other USAID supported projects
 - NIS Monetary Project
 - Warsaw Institute of Banking Project
 - Financial Services Volunteer Corps
 - Agricultural Cooperative Development International
 - Peace Corps
 - Central Asian American Enterprise Fund
 - International City Managers Association
 - Russian Real Estate Reform Project
 - NIS Capital Markets Project

TO CONCLUDE, WE ARE POSITIVE ABOUT OUR WORK SUPPORTED BY THE FOLLOWING SUMMARY AND LEGACIES . . .

- ◆ The Numbers of Bankers Trained have exceeded expectations
- ◆ Seven Institutes and a Resource Center have been established across the NIS
- ◆ Local Directors and staff have been trained and have assumed operational responsibility
- ◆ Contextualized course curriculum and reference libraries exist at all Institutes
- ◆ Computer training centers have been established
- ◆ Video tapes of courses and programs developed under NIS Monetary Project exist at all Institutes
- ◆ BankExec International Licenses exist at all Institutes
- ◆ Advanced, computer-based course material delivery mechanisms are under development
- ◆ Self-sustainability, while not a realistic expectation after two years of Institute operations, is moving forward with shareholder support and capable management
- ◆ Trained local trainers have been identified from other programs
- ◆ Our Train-the-trainer programs, while initiated late in the program, are making considerable impact

***NIS BANKERS' TRAINING
THIRD ANNIVERSARY PROJECT REVIEW***

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USAID INVOICE TRACKING REPORT

		Budgeted	7mo Invs 1-7 5/28/93- 12/31/93	2mo Inv 8 1/1/94- 3/1/94	1mo Inv 9 3/12/94- 4/22/94	1mo Inv 10 4/23/94- 5/20/94	1mo Inv 11 5/21/94- 6/30/94	2pd Inv 12 7/01/94- 9/23/94	1pd Inv 13 9/24/94- 10/22/94	1pd Inv 14 10/22/94- 11/15/94	1pd Inv 15 11/19/94- 12/16/94	1pd Inv 16 12/17/94- 1/12/95	1pd Inv 17 01/14/95- 02/10/95	1pd Inv 18 2/11/95- 3/10/95	1pd Inv 19 3/11/95- 4/7/95	1pd Inv 20 4/8/95- 5/5/95	1pd Inv 21 5/6/95- 6/2/95	1pd Inv 22 6/3/95- 6/30/95	1pd Inv 23 7/1/95- 7/28/95	1pd Inv 24 7/29/95- 8/25/95
	TD 1 *	2,843,651	328,074	102,788	70,547	52,666	73,930	163,651	100,261	41,963	27,042	48,490	58,864	54,495	53,453	59,684	119,323	76,187	58,133	69,683
	TD 2-C	26,985	26,985																	
	TD 3-C	203,667	199,821	3,457																
	TD 4-C	281,101	280,595	518																
	TD 5-C	92,559	91,892	567																
	TD 6-C	52,257	52,085	172																
	TD 7-C	42,667	42,011																	
	TD 8-C	35,787	35,786																	
	TD 9-C	11,140	5,098	6,042																
Ukr	TD 10	2,515,751	92,879	166,030	113,616	92,755	96,021	181,859	61,262	60,148	70,980	82,351	86,305	84,060	50,664	43,177	39,570	50,603	30,705	35,320
	TD 11	2,863,105	468	93,594	115,277	19,075	134,179	160,181	46,522	71,655	47,173	37,229	70,909	46,256	27,060	88,396	90,724	88,742	24,540	39,688
	TD 11C	272,875																		
	TD 12	323,034		21,121	6,916	132	1,718	30,062	3,053	7,437	4,620	9,484	3,304	1,927	12,979	10,133	41,714	20,064	2,901	12,326
	TD 13 **	558,381		93,486	68,703	307	-23,218	110,971	40,355	844,56			3,036				80,916	10,556	2,546	37,944
	TD 14-C	27,479		27,479																
	TD 15-C	29,107		15,487	7,618		6,002													
	TD 16	160,768		31,311	129,457															
	TD 17	131,885		5,584	41,237	62,893	21,440	751		7,059										
	TD 18	73,098			51,920	21,178														
CAR	TD 19	100,000																		
	TD 20	1,656,401				102	48,058	66,715	26,143	57,534	18,582	23,927	54,475	33,816	48,829	97,518	132,791	90,664	59,466	88,225
	TD 21	1,355,853					84,040	176,882	56,872	48,085	41,905	29,381	56,950	49,079	43,236	49,847	32,412	39,187	27,379	44,633
	TD 22	229,672					5,608	9,448	1,431	7,110	13,803	2,807	20,346	3,510	6,134	6,744	3,769	5,052	3,145	4,690
	TD 23 **	388,074						181,672	2,505											
Arm	TD 24	60,000						10,811	1,136	10,240	3,572		898	-152	2,495	913	31,713	1,800		
Grga	TD 25	20,000						8,986	519	4,392										
	TD 26	n/a																		
	TD 27	n/a																		
Mos	TD 28	1,629,297				2,001	79,318	14,628	49,435	36,625	46,522	20,705	24,123	992	75,396	48,319	48,197	8,195	67,975	
Vlad	TD 29 ***	1,072,073					15,044	23,209	71,447	39,121	21,405	49,839	42,192	7,495	47,213	31,225	20,979	15,664	44,696	
	TD 30	375,850				7,002	46,575	17,848	7,219	9,615	39,550	8,059	19,631	31,859	19,271	3,834	10,639	12,663	18,035	
	TD 31	122,150					1,437	5,092	11,163	4,881	11,843	2,304	206	4,775	5,639	280	7,989	5,403	1,188	
Novo	TD 32 ***	971,862					3,620	201	33,291	25,063	34,968	15,647	13,072	9,651	24,022	63,706	97,179	16,692	55,008	
	TD 33	349,783				2,752	16,885	46,868	9,692	29,640	6,215	9,037	9,838	22,407	10,319	15,487	14,943	24,978	12,962	10,260
	TD 34	108,577					1,255	1,588	3,013	1,388	3,997	988	1,449	598	4,446	14,662	10,536	-5,770	8,236	2,704
	TD 35	n/a																		
Mold	TD 36	967,033						5,849	85	77,201	32,380	33,194	39,278	26,696	31,395	61,027	37,852	76,701	3,187	23,059
	TD 37	634,785					31,443	85,316	29,561	27,852	26,948	15,004	29,594	22,356	23,947	23,887	19,247	31,052	26,252	25,642
	TD 38	198,182					2,697	5,160	4,447	10,232	8,048	3,956	2,988	37,165	6,300	21,012	4,986	11,142	4,179	2,771
Arm	TD 40	641,874																		
	TD 41	406,725																		
	TD 42	254,162																		
Geo	TD 45	289,602																		
	TOTAL	22,377,252	1,155,793	567,617	605,290	251,858	509,061	1,392,743	447,834	635,333	420,570	450,136	534,788	481,438	376,026	664,028	807,859	705,937	322,250	583,846

* \$255,000 added to Home Admin budget
 ** \$85,000 taken from budget total to contribute to Home Admin Budget
 *** \$42,500 taken from budget total to contribute to Home Admin Budget

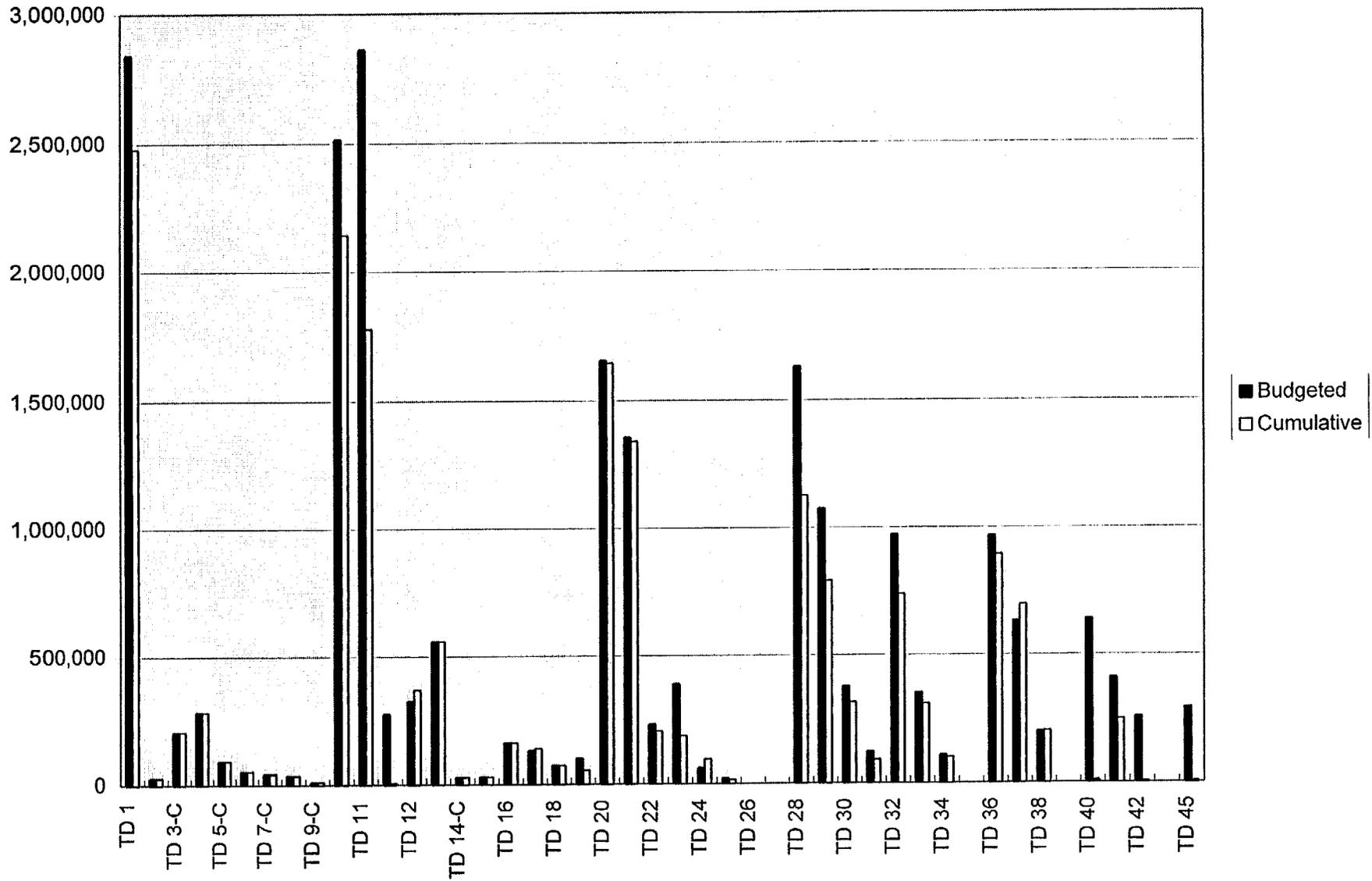
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BUDGETED VS. CUMULATIVE

(thru 12/13/96) (budg-cum) (cum/budg)

	Budgeted	Cumulative	Balance	% of Budget
TD				
TD 1	2,843,651	2,478,211	365,440	87%
TD 2-C	26,985	26,985	0	100%
TD 3-C	203,667	203,278	389	100%
TD 4-C	281,101	281,112	(11)	100%
TD 5-C	92,559	92,559	(0)	100%
TD 6-C	52,257	52,257	(0)	100%
TD 7-C	42,667	42,011	656	98%
TD 8-C	35,787	35,786	1	100%
TD 9-C	11,140	11,140	0	100%
Ukr				
TD 10	2,515,751	2,140,169	375,582	85%
TD 11	2,863,105	1,779,043	1,084,062	62%
TD 11C	272,875	6,241	266,634	2%
TD 12	323,034	367,385	(44,351)	114%
TD 13	558,381	558,381	(0)	100%
TD 14-C	27,479	27,479	0	100%
TD 15-C	29,107	29,107	(0)	100%
TD 16	160,768	160,767	1	100%
TD 17	131,885	138,944	(7,059)	105%
TD 18	73,098	73,098	(0)	100%
CAR				
TD 19	100,000	53,845	46,155	54%
TD 20	1,656,401	1,645,434	10,967	99%
TD 21	1,355,853	1,339,621	16,232	99%
TD 22	229,672	204,027	25,645	89%
TD 23	388,074	184,178	203,896	47%
Arm				
TD 24	60,000	95,266	(35,266)	159%
Grga				
TD 25	20,000	14,801	5,199	74%
TD 26	n/a	0	0	0%
TD 27	n/a	0	0	0%
Mos				
TD 28	1,629,297	1,123,962	505,335	69%
Vlad				
TD 29	1,072,073	796,208	275,865	74%
TD 30	375,850	312,466	63,384	83%
TD 31	122,150	90,717	31,433	74%
Novo				
TD 32	971,862	741,952	229,910	76%
TD 33	349,783	305,795	43,988	87%
TD 34	108,577	100,339	8,238	92%
TD 35	n/a	0	0	0%
Mold				
TD 36	967,033	895,916	71,117	93%
TD 37	634,785	700,415	(65,630)	110%
TD 38	198,182	200,289	(2,107)	101%
Arm				
TD 40	641,874	8,622	633,252	1%
TD 41	406,725	245,198	161,527	60%
TD 42	254,162	3,530	250,632	1%
Geo				
TD 45	289,602	4,491	285,111	2%
TOTAL	22,377,252	17,571,025	4,806,227	79%

BUDGETED VS. CUMULATIVE



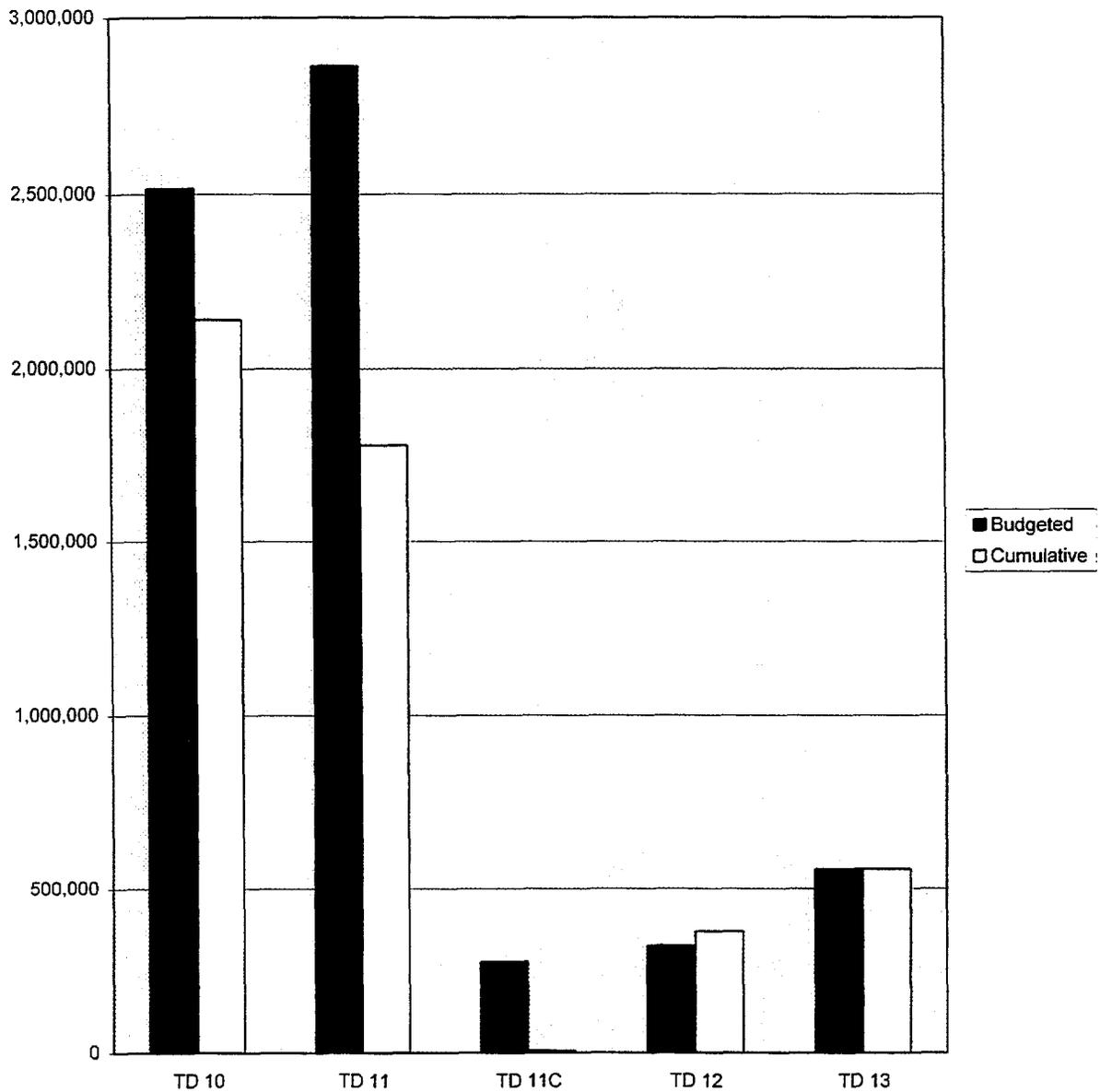
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UKRAINE

(thru 12/13/96) (budg-cum) Exp. as
% of

TD		Budgeted	Cumulative	Balance	Exp. as % of Budget
Ukr	TD 10 Ukr Resident Staff	2,515,751	2,140,169	375,582	85%
	TD 11 Ukr Course Delivery	2,863,105	1,779,043	1,084,062	62%
	TD 11C Ukr Bank Supervision	272,875	6,241	266,634	2%
	TD 12 Ukr Resident Office	323,034	367,385	(44,351)	114%
	TD 13 Ukr Study Tours	558,381	558,381	-	100%
TOTAL		6,533,146	4,851,219	1,681,927	

Budgeted vs. Cumulative

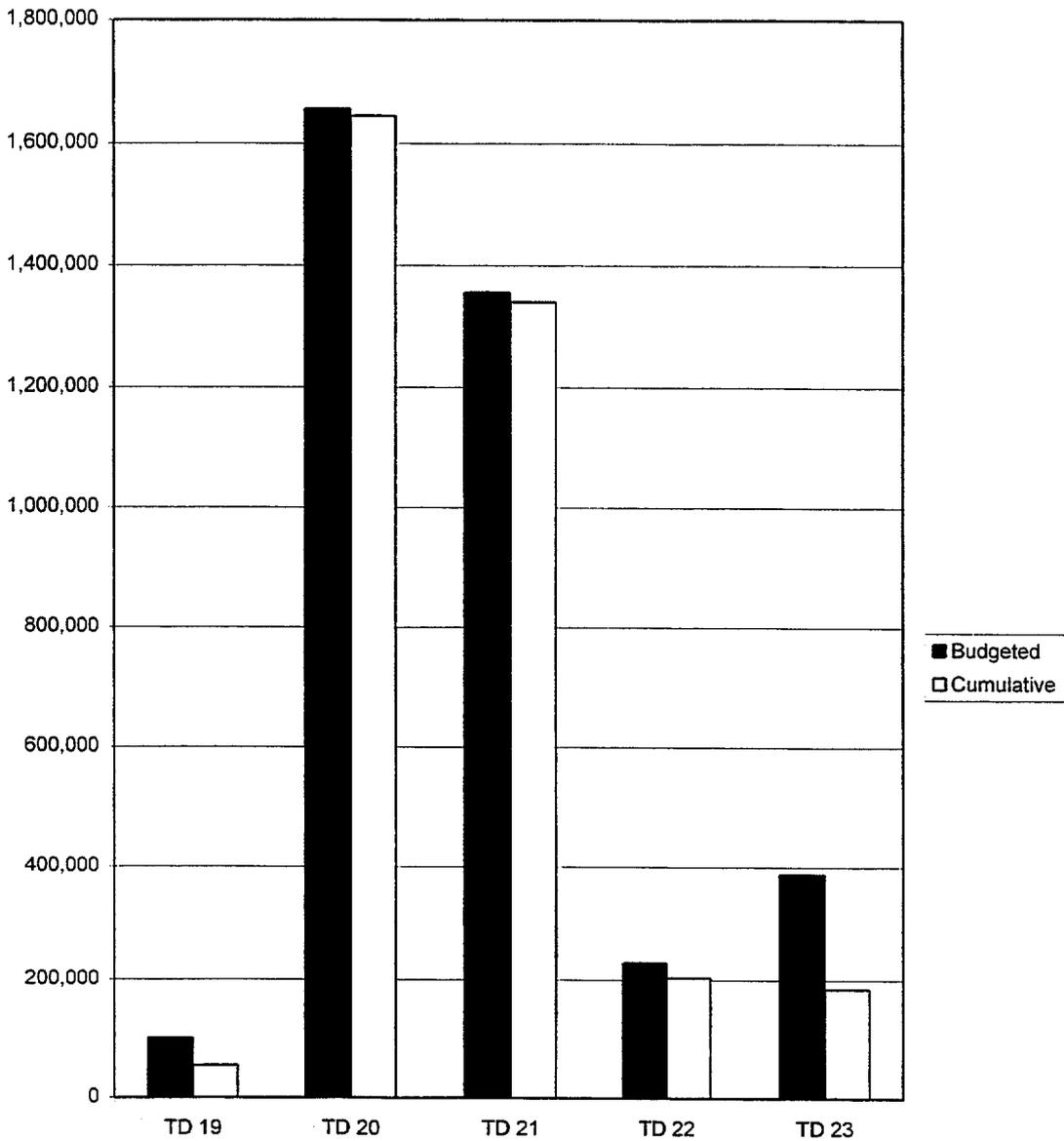


CAR

(thru 12/13/96) (budg-cum) (cum/budg) Exp. as % of Budget

TD		Budgeted	Cumulative	Balance	Exp. as % of Budget	
CAR	TD 19	Kzk Infrastructure Dev't	100,000	53,845	46,155	54%
	TD 20	CAR Course Delivery	1,656,401	1,645,434	10,967	99%
	TD 21	CAR Resident Staff	1,355,853	1,339,621	16,232	99%
	TD 22	CAR Resident Office	229,672	204,027	25,645	89%
	TD 23	CAR Study Tours	388,074	184,178	203,896	47%
	TOTAL		3,730,000	3,427,104	302,896	

Budgeted vs. Cumulative

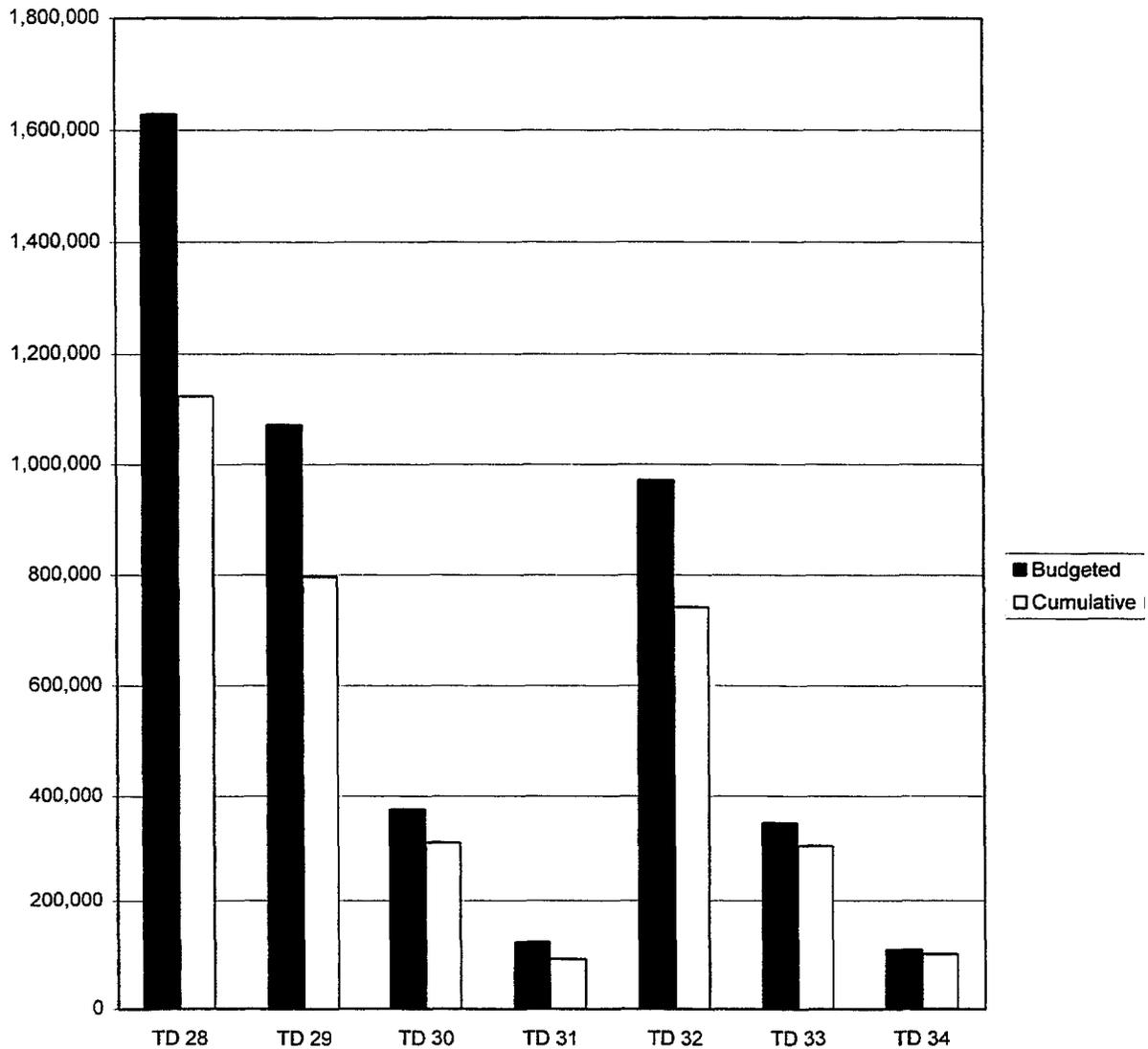


RUSSIA

(thru 12/13/96) (budg-cum) (cum/budg) Exp. as
% of

	TD		Budgeted	Cumulative	Balance	Exp. as % of Budget
Mos	TD 28	Moscow Resource Center	1,629,297	1,123,962	505,335	69%
Vlad	TD 29	Vlad Course Delivery	1,072,073	796,208	275,865	74%
	TD 30	Vlad Resident Staff	375,850	312,466	63,384	83%
	TD 31	Vlad Resident Office	122,150	90,717	31,433	74%
Novo	TD 32	Novo Course Delivery	971,862	741,952	229,910	76%
	TD 33	Novo Resident Staff	349,783	305,795	43,988	87%
	TD 34	Novo Resident Office	108,577	100,339	8,238	92%
TOTAL			4,629,592	3,471,440	1,158,152	

Budgeted vs. Cumulative

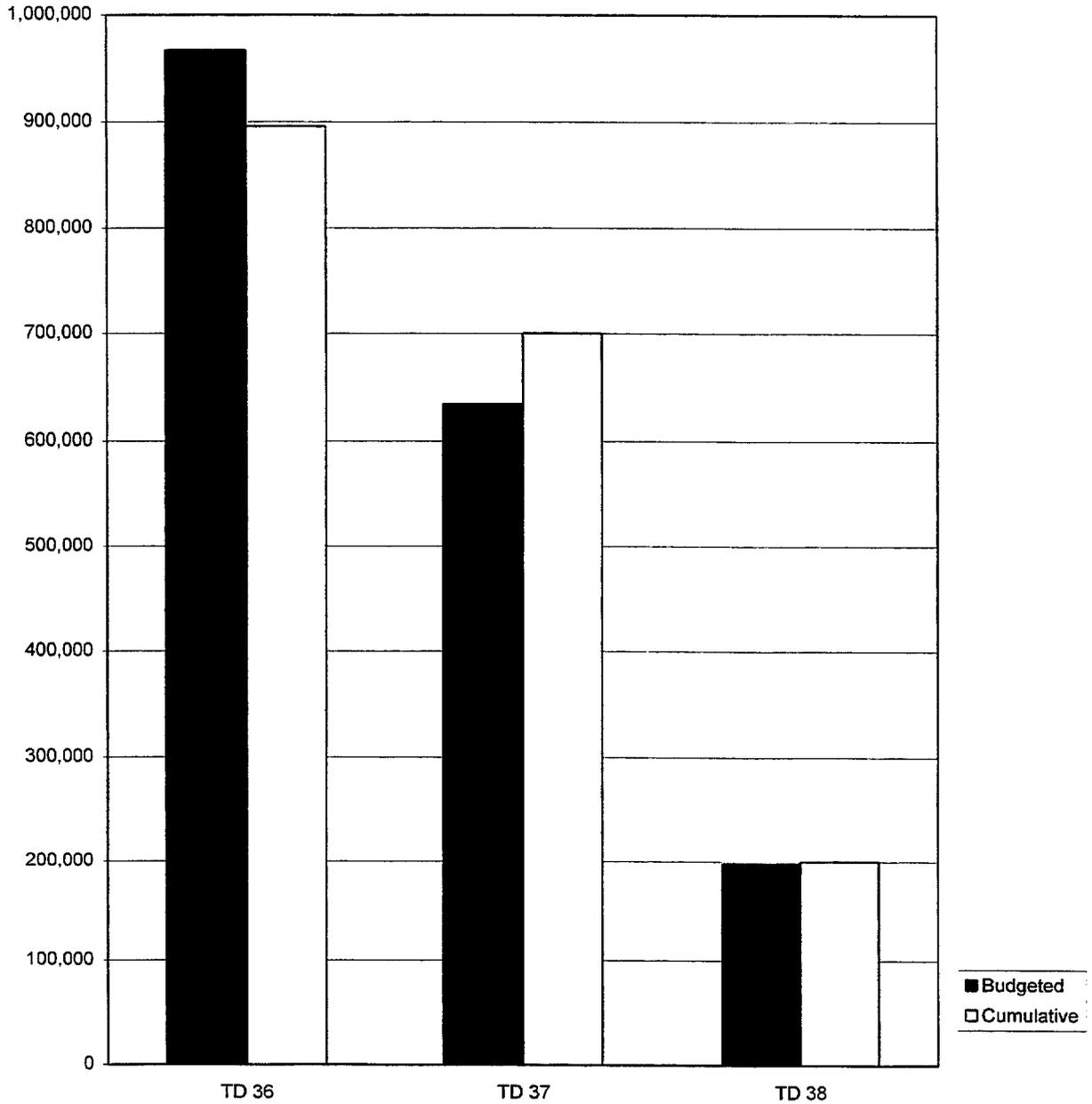


MOLDOVA

(thru 12/13/96) (budg-cum) (cum/budg) Exp. as
% of

TD		Budgeted	Cumulative	Balance	Exp. as % of Budget
Mold	TD 36	967,033	895,916	71,117	93%
	TD 37	634,785	700,415	-65,630	110%
	TD 38	198,182	200,289	-2,107	101%
	TOTAL	1,800,000	1,796,619	3,381	

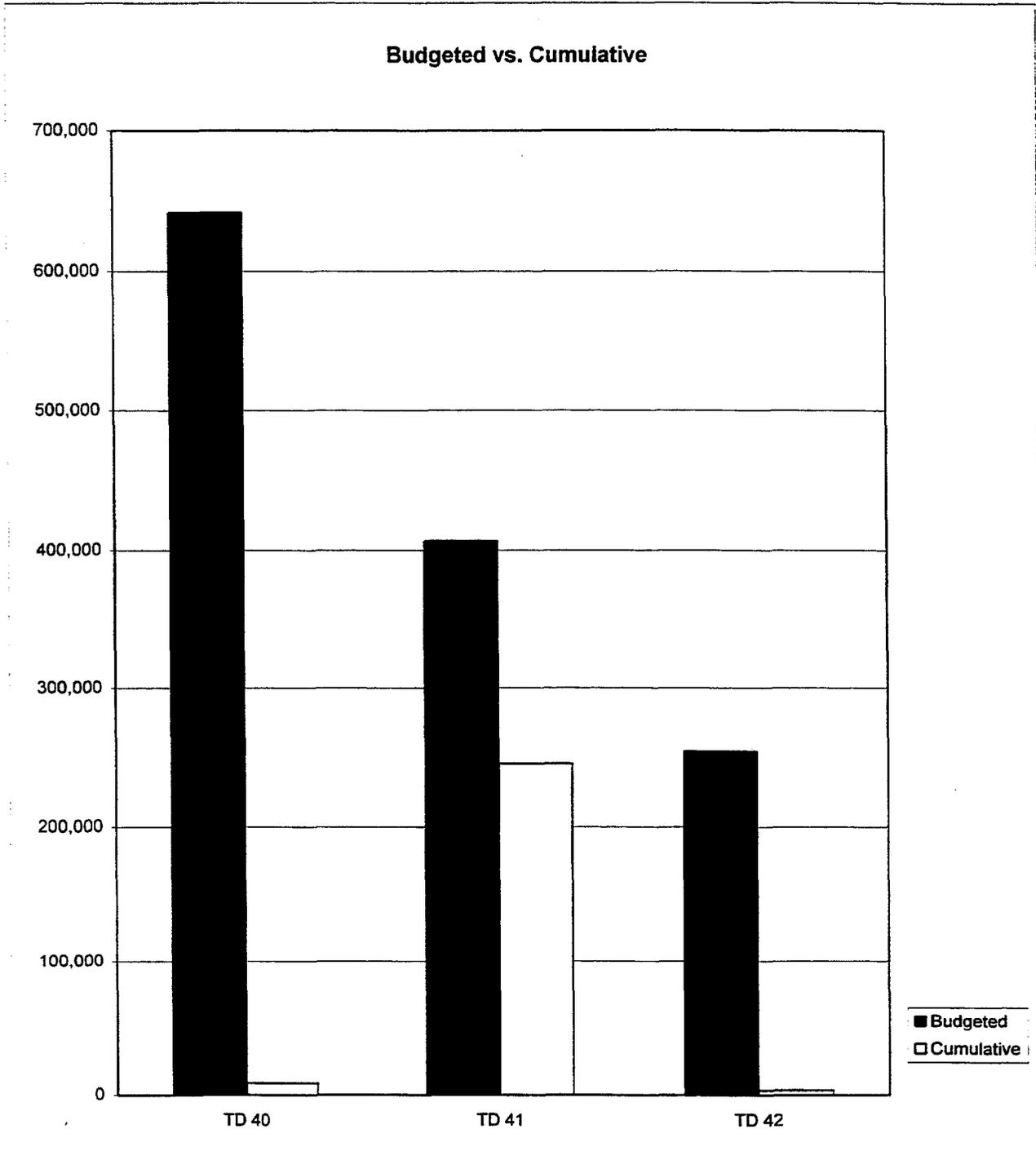
Budgeted vs. Cumulative



ARMENIA

(thru 12/13/96) (budg-cum) (cum/budg) Exp. as

Arm	TD		Budgeted	Cumulative	Balance	Exp. as % of Budget
	TD 40	Course Delivery	641,874	8,622	633,252	1%
	TD 41	Resident Staff	406,725	245,198	161,527	60%
	TD 42	Resident Office	254,162	3,530	250,632	1%
	TOTAL		1,302,761	257,350	1,045,411	

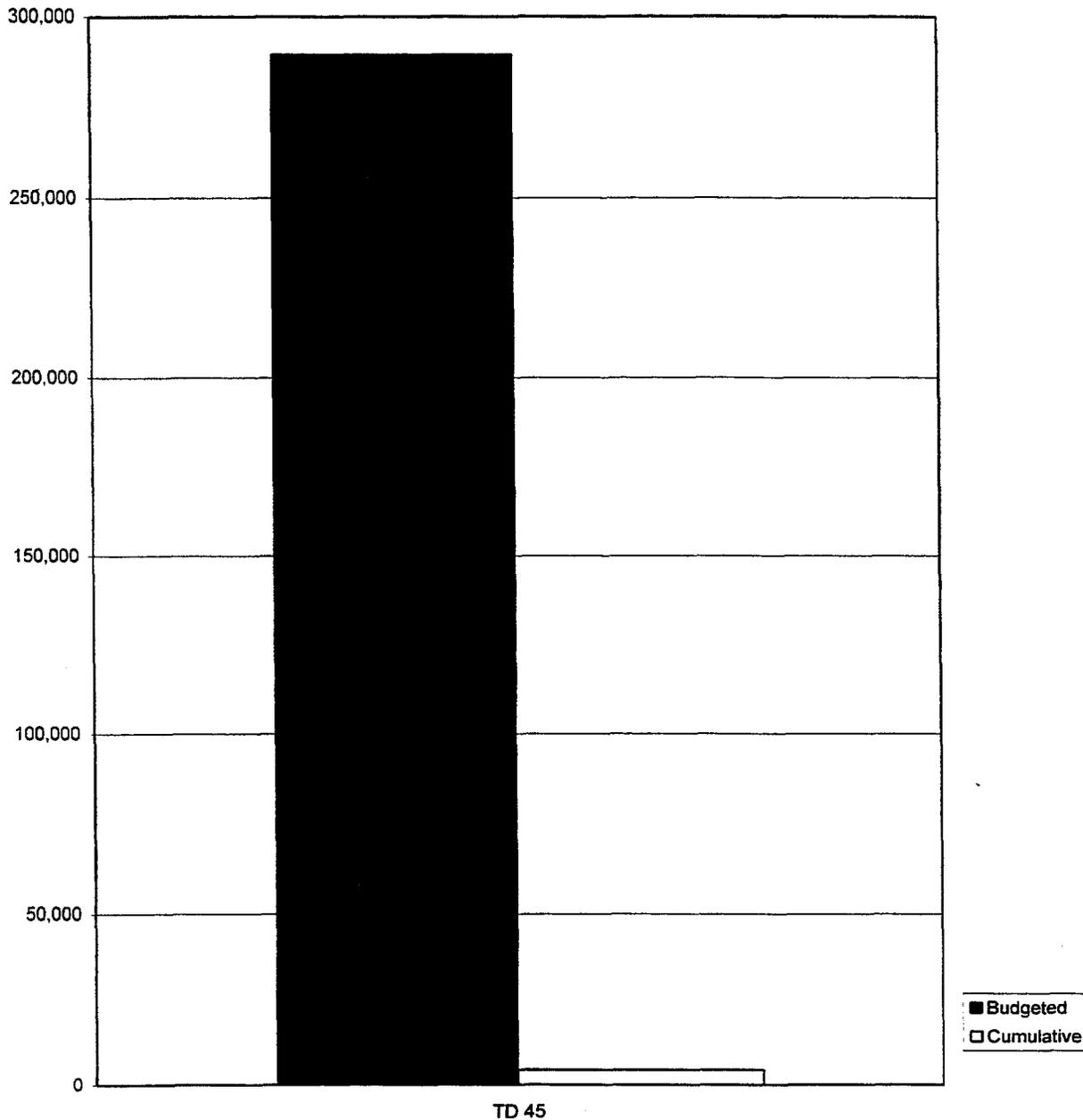


GEORGIA

(thru 12/13/96) (budg-cum) (cum/budg) Exp. as

Geo	TD	Budgeted	Cumulative	Balance	Exp. as % of Budget
	TD 45	289,602	4,491	285,111	2%
	TOTAL	289,602	4,491	285,111	

Budgeted vs. Cumulative



The National Center for the Training Bank Personnel Kyiv, Ukraine

The National Center for the Training of Bank Personnel is a not-for-profit institute of continuing education for bank professionals at middle and upper management levels in Ukraine. Established by an Act of Parliament in 1993, the Center began its training curriculum in January 1994. The Center's founders are the National Bank of Ukraine and the Association of Ukrainian Banks, both of which have contributed statutory capital to the Center to ensure its continued existence. Additionally, the NBU has contributed substantial classroom and office space to the Center, as well as access to its electronic mail system to disseminate information about seminars. The goal from the beginning of the project was to create a self-sustaining institute of training. To achieve this end, the project has (1) ensured bank "buy-in" by requiring that participating banks pay all local costs of the seminars. (2) trained the local staff in Western management techniques and provided western office and classroom equipment, (3) established a significant "Train the Trainers" program. and (3) encouraged the local management to reach out to other donors and to create their own local training programs.

The NBU has been a particularly strong supporter of the Center, which has allowed the Center to establish a reputation as the leading bank training program in Ukraine. The drawback of this model is that the Association and the banks themselves have not been required to make a significant contribution of time or money to maintaining the Center. It also leaves the Center somewhat vulnerable to the support of a single founder. The Center is addressing these shortcomings by trying to recreate a Coordinating Committee of Banks, and by running programs that build up its reputation and financial base.

Educational Accomplishments to Date

- Since the commencement of classes in January of 1994, the National Center has trained 2,205 bankers from more than 130 banking institutions in Ukraine.
- The National Center has offered 103 courses of instruction in approximately 32 different disciplines in banking, finance and management by means of one-week training courses taught by foreign instructors.
- The National Center has trained 380 staff members from the National Bank of Ukraine (the central bank).
- The National Center has offered training in 7 different cities throughout Ukraine.
- The National Center has achieved average participation of more than 50 percent of bankers outside of Kyiv in its training programs.
- The project has provided 4- to 6-week internships in the United States to 14 bankers from middle-management positions in Ukrainian banks.
- The project has given the opportunity to 58 Ukrainian senior-level commercial bankers and central bankers to travel to the United States on study tours.
- In cooperation with U.S. AID, the National Center has conducted a two-day symposium designed to investigate current Ukrainian collateral rights legislation and practice and to make recommendations for change.

Administrative Accomplishments to Date

- The National Center is a fully-registered not-for-profit organization in Ukraine.
- The National Center occupies its own permanent, western-style office and classroom space in central Kyiv (donated by the National Bank of Ukraine).
- The National Center has employed a Ukrainian director with experience in running an institute of banking education in Ukraine as evidenced by the expansion of academic programs under his direction.
- The National Center has created a data base of training participants that has been beneficial to both reporting requirements and ongoing operational needs.
- The project has provided the National Center with modern teaching aids and equipment designed for maximum teaching effectiveness.
- The National Center has developed a strategic plan for offering night-school certification of Ukrainian bankers as well as a distance learning program.
- The National Center has become an integral part of the Ukrainian educational establishment in finance and economics, evidenced by its inclusion in several symposiums sponsored by the National Bank of Ukraine for Ukrainian bankers and financial educators regarding the future of banking education.
- The project has successfully moved translation and photocopying of course materials from Washington to Kyiv, reducing costs and increasing control of timing and quality of translation.
- The National Center initiated a method of ensuring that course materials are accessible on local computers for local reproduction and use in future courses taught by Ukrainians.
- The National Center initiated an organized budgetary process that has made the Center more accountable to the Coordinating Committee for its expenditures as well as enhance future forecasting possibilities, course pricing policies and future sustainability.

Lessons Learned

- Using an email system to market courses saves hundreds of hours of faxing time and reaches more potential students.
- Expend more effort on marketing directly to banks and in organizing an effective coordinating committee of bankers who will be helpful in raising financial resources.
- Begin targeting candidates for a Train the Trainers program early on, and begin to incorporate these individuals into programs.
- Prepare better and consistently updated informational materials on the Ukrainian banking environment for visiting instructors.
- Take into account not only obscure local holidays, but also reporting deadlines, etc. when organizing class schedules.

Outlook

- The project will continue to implement its Train-the-Trainer initiative, including course instruction by both IMI and Barents instructors, a consulting assignment with local and foreign banks in Ukraine, and a study tour in the US. The participants will graduate with an MBA in Summer 1997.
- The project will deliver regular courses in banking during 1997. These courses will strategically integrate the above-mentioned Train the Trainers program into the curriculum. Much of the course delivery strategy will hinge on supporting train the trainers initiatives.
- The project will design and procure a library of training materials in Ukrainian and English, as well as necessary equipment, as budgeted for the program.
- The National Center will revamp its Coordinating Committee to create a greater sense of ownership by Ukrainian commercial banks.

Our Legacy

Upon contract completion, the project will leave behind:

- A solid, self-sustaining Institute of Banking supported by the Association of Ukrainian Commercial Banks and the National Bank of Ukraine.
- An initial cadre of 43 Ukrainian instructors who will have completed a 10 1/2-month intensive program of study to enable them to introduce international banking concepts into their courses using Barents's course materials.
- A Kyiv-based library of banking and financial texts and resource materials in English, Ukrainian and Russian which will be accessible to all Ukrainian bankers.
- A staff trained in western management techniques, employing western equipment and sustaining a western working environment.

Kazakstan International Institute of Banking (KIIB)
USAID NIS Bankers Training Project
Summary: March 1994 - December 1996

Model

KIIB was established at the Kazakstan Institute for Management, Economics, and Strategic Research (KIMEP), a donor funded western style graduate business school.

Key benefits:

- Excellent synergies for developing local instructors
- Academic environment positive for bank training activities
- Inexpensive hotel/restaurant helped attract participants from other countries

Shortcomings:

- KIMEP has limited financial resources to support KIIB in the future

Accomplishments

- Established banker training institute at KIMEP
- Exceeded training targets -- 2,283 participants trained from 7 countries
- Provided highest quality training in Central Asia according to participants
- Supported other donor projects -- USAID, World Bank, US Treasury
- Produced positive impact on banking sector reform -- banks using KIIB knowledge
- Established lasting legacy -- physical assets and intellectual capital
- Contributed to self sustaining training capability

Lessons Learned

- Run institute like commercial business -- focus on quality
- Focus marketing efforts on line departments
- Start training trainers early -- make it an on-going process, focus on individuals
- Build an excellent local staff
- Local Director and Resident Advisor should be active in all areas
- Foreign study tours for senior bankers and officials are not effective

Legacies

- Local instructors and local administrative expertise
- Computer laboratory
- Video equipment
- Library of reference books and course manuals
- Course manuals on diskettes
- Office equipment and furniture

Outlook/Options

- KIMEP continues running banking seminars
- EU TACIS sponsored Almaty Bank Training Center absorbs KIIB
- Soros sponsored Center for Market Economy (ARMAN) absorbs KIIB

OVERVIEW OF RUSSIAN COMMERCIAL BANK TRAINING PROGRAM

BACKGROUND: The Russian Commercial Bank Training Program began operations in September, 1994. The Program has focused on the training of commercial bankers east of the Urals, in Asiatic Russia. There are two training Centers: one is located in Novosibirsk, to serve Siberian bankers, and the other is situated in Vladivostok, to serve bankers in the Russian Far East. Both Centers are supported by the Moscow Resource Center, which provides logistical support and serves as a liaison with the USAID office in Moscow.

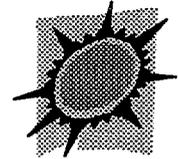
STRUCTURAL MODEL: Each of the Centers is supported by the leading commercial banks in their respective regions of Russia. This support consists of a shareholder contribution to the Center for which, in turn, the shareholders receive a voice in which seminars should be offered and reduced fees for instruction. In the case of the Vladivostok Center, the Vladivostok Branch of the Russian Central Bank and the Far Eastern State University are also shareholders.

PRIMARY ACCOMPLISHMENTS: As of December 31, 1996, the Vladivostok Center has hosted 55 seminars on 27 different banking disciplines, with total enrollment of 1,180 students; the Novosibirsk Center has hosted 51 seminars on 24 different banking disciplines, with total enrollment of 1,056 students. We have received numerous testimonials to the effectiveness of our training, which is one of the few practical alternatives available to these banks, which are situated in the rich heartland of Russia. As a result of our training, banks have improved customer service, won new clients, revamped their human resource policies, cut costs, reduced their problem loans, and improved their credit policy. Many of our seminar materials are now being adapted and further contextualized by other Russian training organizations, thus creating a "multiplier effect" in improving the banking system.

LESSONS LEARNED: Relevance is the touchstone for the effectiveness of our training. Attendance remains strong because we have labored mightily to adapt our seminar materials to Russian banking reality and to select instructors who can do the same. Similarly, our program has benefitted from the substitution of single bank instruction for open enrollment seminars. Single bank instruction fosters corporate culture, allows a bank to stress those topics of greatest importance to it, and permits attendees to openly discuss how international best practices can most readily be adapted to that bank.

OUTLOOK: We have entered into an agreement with the Banking School of the Academy of the National Economy, which should help both Centers to be self-sustaining into the future. The Academy, based in Moscow, will provide instructors to teach the USAID-sponsored curriculum at the Centers and will also provide academic certification towards a diploma or degree for courses taken at the Centers. Also, we are actively training Russian trainers to teach the USAID-sponsored curriculum, through team teaching as well as formal training-of-trainers seminars.

LEGACY: We are currently in the process of preparing a Manual of Russian Commercial Banking, which summarizes much of the training which we have provided through our program. The Manual is being co-authored by Russian and American experts, and it should serve as an important reference text among Russian commercial banks, especially those which have participated in our program. It is our intention that a leading academic organization, such as the Academy, will undertake the sponsorship and updating of the Manual after its initial publication, thus perpetuating the training effort.



USAID
THE FAR EASTERN BANK TRAINING CENTER

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VLADIVOSTOK, RUSSIA
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Telephone 4232 266-102
Fax 4232 511431

Date: January 1, 1997
To: Patrick Bryski
Director
Barents Group, LLC
Fax: 202 728 0546
From: Valery Ermilov
Re: **1996 Annual Activity Report**
CC: Michael Higgins
Country Manager
Fax: 095 564 8335(9)

This report represents activity at the Far Eastern Bank Training Center (Center), Vladivostok, Russia Federation, during the 1996.

PRIMARY OBJECTIVES

To establish an independent educational Center with focus on providing to commercial banks in the Russian Far East high quality training services in the banking and financial management from the point of view of the International Accounting Standards and Principles.

To redo Business and Strategic plans of the Center to adjust its activity to market environment to gain the self-sustainability by mid 1997.

To continue using both in-bank instructions and general banking seminars and courses with the help of Barents Instructors, Russian Instructors and Team Teaching in Vladivostok and other subregions.

To organize Train the Trainers seminars in Vladivostok and in other cities, if possible, to train approximately 30 Russian Instructors who will be able in near future to assist KPMG Barents Instructors and then, later to develop their own russian courses.

SECONDARY OBJECTIVES

To continue creating the Center's library with wide range collection of books, dictionaries, students and leaders manuals, case-studies, reference books and diskettes.

To buy new modern Xerox machine for copying training and other materials for students, seminar participants and Instructors.

To focus the Center's founders on attracting new shareholders of the Center both from Russia and foreign countries (commercial banks, financial institutions and training Centers).

MARKET ENVIRONMENT

By territory the Center's market has remained the same as it was when the Center commenced its seminars and courses in September 1994. But actually the market area has significantly shrunked. There many reasons that lead to the present situation we have now. The main reason is the insolvency of the commercial banks and independent and branches of those with headquarters in the European part of the country. It became possible because of the very bad, highly risk credit policy of the majority of the banks. And what was more worse, that they did not realise their frustrating influence on the local and regional banking communities. Banking stopped being reliable. Banks now can attract few depositors, legal and individuals, and even less investors. As a result banks have no money to pay for training their employees though the Top management understands that without training bankers they cannot develop as a sound banking unit.

Due to the above reasons in 1996 in all seminars that were held by the Center in Vladivostok participated several bankers from 4 Sakhalin based commercial banks and no one from other sub-regions.

TRAINING ACCOMPLISHMENTS 1996

In 1996 the Center has organized and kept 19 banking seminars and courses, including 12 five-day seminars, 6 one-day seminars and one three-day seminar. One-day seminars were conducted by Russian Instructors, the rest by Barents. The three-day course was Train the Trainers seminar. The average number of banking seminars per month was 1.6, very close to the request from the US Agency for International Development.

12 seminars were held as general courses for all banks and 7 seminars were held as in-bank instructions for Fareastern bank (Customer Service), Dalrybbank (Asset/Liability Management and Strategic Planning), Evrobank (Strategic Planning and Asset/Liability Management), Promstroybank (Strategic Planning).

Seminar attendance was rather high, for the year average attendance was 23.8 people per seminar. For general courses it was 22.9 students per course and for in-bank instructions it was the highest - 25.3 participants per seminar.

50 banks, including 19 independent banks, 9 educational and training institutions, 2 Branches of the Bank of Russia sent their employees to the Center's programs. Four banks were from Sakhalin.

The Center has trained 452 bankers, auditors and teachers. 439 seminar participants were from Primorye Province and 13 were from Sakhalin.

As before, more active participation was from the leading banks. Fareastern bank has sent to the seminars 66 people, Dalrybbank sent 71 banker, Evrobank sent 52 bankers. Totally these three banks sent 189 people to the Center's courses or 41.8 percent of all seminar participants for 1996.

The Center has successfully organized Train the Trainers seminar in which participated 25 students from the Central Bank and 6 Educational and Training Institutions based in Vladivostok. Among seminar participants there were three Doctors of Economics, 9 Candidates of Economic Sciences, two professors and 5 Associate Professors.

The Center has successfully organized and kept 6 Russian seminars in 1996 against 3 in 1995. Still, there is left more to do than it was done and special attention should be paid to Train the Trainers program, which is extremely important for developing the Center on -going basis. Average attendance per Russian seminar was 27 people. It is explained by that fact that all Russian seminars trained students to special Instructions regulating specific activities of the commercial banks.

The study shows that in 1996 the Center kept less seminars than in 1995 (19 courses against 27 courses), but attendance in 1996 was higher than that in 1995 (23.8 people per seminar against 20.9 students per seminar). All seminars in 1996 were held by the Center only in Vladivostok.

ORGANIZATIONAL RESULTS TO DATE

The Center has received new License valid till January 6, 2000. It took six months to get this License.

The Center has moved into new office located in the center of Vladivostok. It was done in the right time. What is very important the Center has now stable and reliable telephone line. New location of the Center's office is convenient for all commercial banks,

Educational and Training Institutions that cooperate with the Center in training their people and organizing Russian seminars and courses.

The Center has organized several meetings with participation of USAID, KPMG Barents, National Training Foundation and Shareholders of the Center to discuss problems of developing training activities at the Center after USAID funding will expire. Michael Higgins and William Gould are performing huge work in Moscow to find appropriate Russian partners who will inherit the Project.

The Center has participated in the RA meeting held in Warsaw that was very helpfull to the Center's management in many questions. Now the Center is working out the scheme of cooperating both with the Training Centers founded in the former Socialist countries under USAID funding and in the former Soviet Union countries.

GOAL FOR 1997

To effectively use the up-coming year to leave behind a reliable operating on self-sustaining principles Bank Training Center that would provide high quality training services to commercial bankers, udergraduates and to teachers of local Educational and Training Institutions in the Russia Far East.

Bank and Financial Training Institute of Moldova

A two year program starting in July 1994. Total funding of \$1.8MM.

- Partnership with Banks Association of Moldova
15 member banks with the National Bank of Moldova
as non-voting member
- Full support with initial financial contribution
of \$4,000 from banking community
- More than 1,200 bankers attended 60 courses
- Training center facility with 4 fully furnished
classrooms, library and offices
- Staff of 5 knowledgeable Moldovans
- Strategic Plan for the future of Bank Institute

Several unforeseen circumstances occurred in the last four months of the project. The local director had a heart attack and was not available for closure. His replacement left after one month as director.

Due to this unfilled position and a lack of continuity the follow-up donor assistance of banking support and assistance that was arranged has not been utilized to any significant effect. Additionally, a more concentrated effort for in-country trainers should have been made to prepare for an ending of sponsorship and funding. These facts have left the training center foundering and looking for ways to revive the training Institute.

Other donor agencies such as the Peace Corps and Financial Services Volunteer Corps are ready to offer help and advice if the Institute is ready to cooperate.

Funds should be budgeted for a follow up program and developed for (2-3 days visits); one-month, three month, six month and one year intervals to make sure that the strategic plan developed is being followed to maintain self-sustainability. Wherever possible the resident advisor should be the individual making these visits in cooperation with USAID representatives. Local directors should be invited to annual training center meetings to exchange ideas and experiences.

1996 Results for Armenia

1. An advisory council was appointed with representatives from the three founders.
2. Temporary space for classes was located in the CBA. A permanent 500 square meter facility, also located in the CBA, is being remodeled which will include two classrooms, office space, library and kitchen facilities. This space should be available in January, 1997.
3. Meetings with many commercial banks, ABA, CBA and other advisors from other donor agencies were conducted and a curriculum was designed and agreed to by the advisory council.
4. Training equipment was ordered and received and much is installed in the temporary classroom. All training equipment and furniture will be available when the permanent facilities are completed.
5. Co-directors of the training center were selected and are in place. Michael Sayadian, former personnel director of the CBA, has accepted this counter-part position and will work closely with the Barents advisor representing the other co-director.
6. Courses started in September 1996 and six courses have been offered. 148 bank participants have received certificates of completion. Average attendance is 24.7 per class.
7. 28 of 37 banks including the Central Bank of Armenia have participated in the program.
8. The six courses offered were; Credit Analysis, Asset/Liability Management, International Banking, Bank Supervision, International Accounting Standards, Problem Loan Management.
9. Instructor, material and course evaluation has averaged 5.43.
10. Performance assessments for USAID and special survey information is underway and will be reported to USAID on a request basis.

1996 Results in Georgia

1. Meetings with the National Bank of Georgia, Georgia Banks association, commercial banks, other donor agencies and advisors have been conducted and a preliminary schedule of courses has been requested. This is subject to existing funding and on going evaluation and discussions with the Georgian banking community.
2. Discussions of a partnership with the Georgian Banks Association and the National Bank of Georgia are continuing.
3. An office for ongoing work in Tbilisi has been established.
4. A potential co-director for the future, permanent training facility has been hired.
5. Three courses for the first quarter of 1997 have been confirmed. Bank Exec, International Banking and Credit Analysis are scheduled.

The National Center for the Training Bank Personnel Kyiv, Ukraine

Quarterly Report Update: January 1997

Primary Objectives

- To provide high-quality classroom training to middle- and upper-management levels in Ukrainian banks to enable them to provide the effective bank leadership necessary to develop a sophisticated, modern banking system that will support the emergence of a private commercial sector in Ukraine.
- To contribute to the building of a long-term, self-sustaining Institute of Banking dedicated to the ongoing professional development of bankers in Ukraine, especially by training a cadre of Ukrainian instructors able to conduct high-quality week-long seminars in a variety of banking disciplines through a focused Train-the-Trainer program.

Secondary Objectives

- To provide the Center with a curriculum of core courses and materials with which to provide ongoing training by qualified Ukrainian bank trainers, instructors and academicians.
- To provide local management of the National Center the management skills in strategic planning, budgeting and forecasting, course development and programming, marketing and human resources management required to manage the Center as an ongoing, sustainable institution.
- To provide the Center with the resource materials, textbooks, reference books and equipment to develop a substantial banking library in Ukraine.
- To supplement classroom instruction with opportunities for internships, study tours, self-study or other methods of training

Accomplishments Fourth Quarter 1996

- The National Center offered ten courses during the fourth quarter of 1996, resulting in the training of 129 bankers during the period.
- Barents Kyiv and the National Center implemented a Train-the-Trainer program for 43 academicians and bankers September 23, 1996. The 10 1/2-month project is run through a local sub-contractor, the Kyiv International Management Institute(IMI). IMI will award an MBA in Banking to those who will successfully complete the program. During the fourth quarter, two Barents instructors introduced seminars in Asset Liability Management and BankExec to the trainer candidates.
- The National Center entered the fourth semester of its night school 'diploma' program for bankers who did not receive formal education in finance or economics.
- The National Center ran two courses in International Foreign Exchange Markets-- Dealing Transactions using local instructors. This seminar is part of the effort of the Center to become self-sustaining. There were 15 attendees.

Educational Accomplishments to Date

- Since the commencement of classes in January of 1994, the National Center has trained 2,205 bankers from more than 130 banking institutions in Ukraine.
- The National Center has offered 103 courses of instruction in approximately 32 different disciplines in banking, finance and management by means of one-week training courses taught by foreign instructors.
- The National Center has trained 380 staff members from the National Bank of Ukraine (the central bank).
- The National Center has offered training in 7 different cities throughout Ukraine.
- The National Center has achieved average participation of more than 50 percent of bankers outside of Kyiv in its training programs.
- The project has provided 4- to 6-week internships in the United States to 14 bankers from middle-management positions in Ukrainian banks.
- The project has given the opportunity to 58 Ukrainian senior-level commercial bankers and central bankers to travel to the United States on study tours.
- In cooperation with U.S. AID, the National Center has conducted a two-day symposium designed to investigate current Ukrainian collateral rights legislation and practice and to make recommendations for change.

Administrative Accomplishments to Date

- The National Center is a fully-registered not-for-profit organization in Ukraine.
- The National Center occupies its own permanent, western-style office and classroom space in central Kyiv (donated by the National Bank of Ukraine).
- The National Center has employed a Ukrainian director with experience in running an institute of banking education in Ukraine as evidenced by the expansion of academic programs under his direction.
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- The project has provided the National Center with modern teaching aids and equipment designed for maximum teaching effectiveness.
- The National Center has developed a strategic plan for offering night-school certification of Ukrainian bankers as well as a distance learning program.
- The National Center has become an integral part of the Ukrainian educational establishment in finance and economics, evidenced by its inclusion in several symposiums sponsored by the National Bank of Ukraine for Ukrainian bankers and financial educators regarding the future of banking education.
- The project has successfully moved translation and photocopying of course materials from Washington to Kyiv, reducing costs and increasing control of timing and quality of translation.
- The National Center initiated a method of ensuring that course materials are accessible on local computers for local reproduction and use in future courses taught by Ukrainians.
- The National Center initiated an organized budgetary process that has made the Center more accountable to the Coordinating Committee for its expenditures as well as enhance future forecasting possibilities, course pricing policies and future sustainability.

Future Goals

- The project will continue to implement its Train-the-Trainer initiative, including course instruction by both IMI and Barents instructors, a consulting assignment with local and foreign banks in Ukraine, and a study tour in the US. The participants will graduate with an MBA in Summer 1997.
- The project will deliver regular courses in banking during 1997. These courses will strategically integrate the above-mentioned Train the Trainers program into the curriculum. Much of the course delivery strategy will hinge on supporting train the trainers initiatives.
- The project will design and procure a library of training materials in Ukrainian and English, as well as necessary equipment, as budgeted for the program.
- The National Center will revamp its Coordinating Committee to create a greater sense of ownership by Ukrainian commercial banks.

Our Legacy

Upon contract completion, the project will leave behind:

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- A staff trained in western management techniques, employing western equipment and sustaining a western working environment.

RUSSIAN BANKERS TRAINING PROGRAM

PROGRESS REPORT FOR THE PERIOD

OCTOBER - DECEMBER, 1996

**Michael J. Higgins
Moscow Resource Center
January 6, 1997**

24

I. SUMMARY OF KEY DISCUSSION TOPICS

- A. *Update on Responses to Request for Proposal (RFP)***
- B. *Russian Commercial Bank Manual***
- C. *Training of Trainers***
- D. *Planned Projects for 1997 and Budgetary Issues***
- E. *Summary of Future Challenges***

5

A. UPDATE ON RESPONSES TO REQUEST FOR PROPOSAL (RFP)

1. BACKGROUND: THREE KEY BUILDING BLOCKS TO RUSSIFICATION OF PROGRAM

- RFP to obtain ongoing Russian institutional support for training program, providing faculty and certification for USAID-sponsored seminars
- Team teaching (Russian/American) for all USAID-sponsored seminars
- Training of Trainers
 - pedagogical techniques
 - substantive expertise

2. RFP: SELECTION OF ACADEMY OF NATIONAL ECONOMY TO PROVIDE INSTITUTIONAL SUPPORT

- Prestigious, nationally known academic institution with young banking school
- Highly flexible management willing to provide instructors to teach at Centers

- solo instructors
- team teach
- Willingness to provide certification for USAID-sponsored seminars
 - past seminars
 - current and future seminars
 - co-signatory on certificate of completion
- Interest in exploring cooperation in area of distance learning
- Strong desire to use USAID curriculum in ANE Banking School

3. NEXT STEPS

- Three-month trial period under Letter Agreement
- Need for Rectors of Centers to meet with ANE Banking School Director, interview instructors, and develop concrete program of cooperation for teaching at Centers

- Need for Resident Advisor to agree on schedule for transfer of curriculum
 - team teaching
 - solo teaching
 - USAID-sponsored seminars at ANE banking school
- Need for Resident Advisor and ANE to agree on certification issues
 - examination requirement
 - how much hourly credit for degree/diploma for:
 - past seminars
 - current and future seminars
 - distance learning courses
 - possible need to matriculate in Moscow to satisfy diploma/degree requirements

SP

B. *RUSSIAN COMMERCIAL BANK MANUAL*

1. RATIONALE

- Efficient replication vehicle to transfer skills and know how to regions of Russia not benefitting from USAID-sponsored seminars
- Cost-effective method of providing information to non-specialists and those not able to attend all seminars offered by the Center
- Effective method of imparting knowledge to senior executives, bank directors and others who are generally unable to devote a full week to classroom study
- Unique method to capture and distill into one volume the Russian adaptation of international best practices in those key disciplines of banking taught at the Centers
- Excellent vehicle to enhance dialogue between Russian and American banking experts
- Legacy: an eloquent testimony to the accomplishments of USAID in transferring skills and know how to Russia's bankers

2. PROGRESS REPORT

- American authors have submitted executive summaries and chapter outlines to Russian counterparts in following key subject areas:

Accounting & MIS
Asset/Liability Management
Audit
Credit Risk Management
Human Resources/Organization/Training
Marketing Strategy
Operations (Head Office/Branch)
Risk Management
Strategic Planning
Technology

- First drafts of the integrated Russian/American chapters should be completed by January 31, with final drafts available for publication by March 14, 1997
- An editorial board of Russian and American commentators will review the individual authors' contributions, as well as the completed product, prior to its publication

- A number of academic organizations have expressed interest in sponsoring the manual and updating it in future years, and we have separated the choice of organization from the rest of the RFP because of the unique skills that may be required
- Consideration should be given to initiating similar projects throughout the Newly Independent States
 - core American contribution will already have been prepared, so that cost of reproducing Manual in Ukraine, Kazakhstan, Armenia, or Georgia could be less than \$50,000 per country
 - a Commercial Bank Manual contextualized to the unique banking conditions of particular NIS countries would be a unique legacy unmatched by other donor organizations

C. TRAINING OF TRAINERS

1. Since June, 1996, all Barents seminars in Novosibirsk and Vladivostok have been team taught by Russian experts

- team teaching has now been successfully accomplished in the following subjects:

Strategic Planning
International Accounting Standards
Advanced Credit
Customer Service
Human Resources
Asset/Liability Management

- however, the effectiveness of the Russian instructor has been limited by:

inexperience in the skills and techniques of interactive learning
intimate knowledge of only some of the subject matter
inadequate exposure to Russian banking realities

2. In an effort to address the first of these deficiencies, in December the Russian Bankers Training Program launched the first series of its Training of Trainer seminars, with the sole emphasis being the development of pedagogical techniques:

- the seminars were held in Vladivostok, Novosibirsk, and Moscow; for Vladivostok and Novosibirsk, these were the first such seminars of that type ever held in those cities

- attendees generally were from the leading academies and institutes, as well as the Russian Central Bank
- many had impressive academic credentials and significant experience in teaching

3. The seminars were highly successful, based not only on quantitative scores (on a scale of 1 to 10, 8.5 for the course overall and 9.3 for the instructor), but also on the qualitative feedback of participants:

“ I will prepare more concrete seminar outlines in the future”

“ I will more widely use group discussions, working in groups”

“ I will try to develop Russian case studies”

“ I will use these new methods and techniques to more actively involve students in discussions”

“ I will change my way of teaching”

One week after the seminar, one of the participants taught Hard Currency Regulation and Control at the Vladivostok Center, successfully employing many of the teaching principles she learned in the Training-of-Trainers seminar.

The instructor also benchmarked participants' self-perception of their teaching skills, at the beginning and at the end of the seminar, and in almost all cases the participants expressed a perceived improvement in their classroom effectiveness

4. As a further accomplishment, the instructor has refined the lecture notes to prepare a training-the-trainers course book, which has been specifically prepared for NIS audiences

5. One of the remarkable conclusions of this experience was the instructor's comment that the level of teaching skill among the seminar participants was much higher than anticipated; this suggests that if sufficient technical skills could be developed, these attendees could serve as the source for local instructors for some of the seminars taught at the Centers

F. PLANNED PROJECTS FOR 1997 AND BUDGETARY ISSUES

#1 Training of Trainers - It is critical to the survival of the two Centers that they each develop a significant local training capability. The Academy of the National Economy has agreed to supply Moscow-based instructors, and the Centers could conceivably continue to earn a modest

profit with some reliance on Moscow-based instructors, but such an arrangement will only endure if it is commercially viable for all parties involved.

Therefore, one of our highest priorities during 1997 will be to continue the training of trainers. This will involve the following:

- o expanded team teaching, both in terms of the number of lecture hours taught by Russians and the scope of seminars taught; obviously, this needs to be consistent with the demands of participating banks

- o further training in pedagogical skills, in St. Petersburg, as well as Vladivostok, Novosibirsk, and Moscow; practice makes perfect and some of the participants thought the course was too short

- o training in specialty subjects, which is perhaps the greatest and most significant gap to close; recognizing the fact that so many of the future instructors may be academics, many of them will lack a solid grounding in Russian banking, suggesting the possibility of internships in *Russian banks* and the offering of local courses in how the Russian banking system operates, and tutorials or small group seminars offered by American experts

#2 Distance Learning - In polling the shareholders about their training needs, many of them discussed an interest in distance learning programs and the training needs of middle management.

While training of senior management is far from the saturation point, middle management levels have swelled with the growth of Russian banks, and the cost/benefit ratio of sending middle managers to seminars is far less compelling than that for senior managers. Add in the size of the country and the opportunity cost of travel, and it seems natural that each Center should develop a core instructional capability in distance learning.

In fact, development of this capability could be critical - along with the development of skilled local instructors - to the continued viability of each of the Centers.

There are several initiatives which we would like to pursue during 1997:

- distance learning as part of the strategic cooperation agreement with the ANE banking school; an initial review of their program, which is totally audio/video based, suggests that it requires expansion and upgrading; however, it has the distinctive selling feature of being creditable towards their diploma/degree program

- cooperation with the \$100,000⁰⁰⁰ Soros Foundation distance learning project for Russia

- * the Novosibirsk State University and the Institute of Business and Management in Vladivostok each have acquired an audio conferencing capability as a result of a grant from the Soros Foundation

- * the auditorium in Vladivostok has a 600-person seating capacity, which would make it possible for an instructor in Washington, Moscow, or Novosibirsk to train live, on an interactive basis, several hundred people in several cities at the same time
- * the Foundation also provided a CD-ROM capability for interactive learning at the Institute of Business and Management in Vladivostok

Thus, there are several distance learning options which we could pursue in 1997 to meet the desire of Russian banks that they train more middle management in a cost effective way.

#3 Replication of Contextualized Bankers Training to Other Underserved Areas of Russia, such as the Urals and/or the Volga Region

Over the last three years, USAID has concentrated its training efforts in meeting the needs of bankers in areas of Russia that have been underserved by the international donor community, namely, Siberia and the Russian Far East.

During this time, USAID and Barents have developed a "comparative advantage" in learning how to establish and run a training center and in developing training materials uniquely tailored to the needs of Russian bankers. As a result, USAID and Barents could leverage this

capability to launch a training effort in other, equally deserving parts of Russia with considerably less investment of time than that required for Siberia and the Far East.

For example, 12 of Russia's 100 largest banks are located in the Urals Region, which encompasses the cities of Ekaterinburg, Chelyabinsk, Ufa, Tyumen, and Perm. This is larger than the number of banks among the top 100 in Siberia and the Far East *combined*.

Furthermore, only two of these banks in the Urals have access to expert assistance and training through the World Bank twinning program, compared to five banks in the existing two Centers.

In addition, EDI has conducted extensive training of trainers at the Ural State University, which would provide a ready instructor pool for Russification of the training effort from its very beginning.

In the same way that we have replicated the training effort to date through the Manual, the Urals (and to a lesser extent the Volga Region - the cities of Samara, Togliatti, Saratov, and Volgograd) may offer another vehicle for replicating the successes we have achieved to date.

Budgetary Issues

The primary constraint in pursuing any of these initiatives is the restrictive budget we have for the remainder of the training program. At the current rate of instruction, the Russian Bankers Training Program will have to cease operations no later than May 31, 1997. This is especially unfortunate when one considers the impact of the training which has been provided to date. As a result of our training, we have received testimonials from banks that they have:

- o formed Asset/Liability Management Committees
- o improved their credit policy
- o reduced their problem loans
- o developed a strategic plan
- o refined account officer objectives
- o cut costs
- o improved customer service
- o won new clients
- o reduced the incidence of fraud within their banks

More and more of our seminars are being used by Russians to create their own training curriculum, thus multiplying the impact of our efforts beyond those who attend our courses. By strengthening the banking sector in the most resource-rich areas of Russia, we are, in effect, hastening all the country's

development, thereby leveraging the impact of our training far beyond the immediate regions we are serving.

F. SUMMARY OF FUTURE CHALLENGES

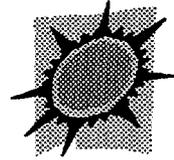
Our priorities for the remainder of 1997 are the following:

- ◇ Continue our program of instruction for which there is still a strong demand among the most viable Russian commercial banks
- ◇ Complete and publish the Manual of Commercial Banking and award the right to future publication to a suitable Russian training organization
- ◇ Finalize and implement the Centers' cooperation with the Academy of the National Economy in terms of training and certification
- ◇ Expand the already successful program of training trainers to enhance the teaching skills and subject matter expertise of potential trainers at the Centers

These priorities can almost certainly be accomplished within our existing funding. However, the training needs of Russian banks remain significant, because of the complex challenges that confront Russian banks everyday. To address these further challenges, we would use additional funding to:

- ◇ Embark on a program of distance learning, capitalizing on the CD-ROM and teleconferencing facilities recently funded by the Soros Foundation in Novosibirsk and Vladivostok

- ◇ Replicate the successes and impacts which USAID has been able to accomplish in the Russian Far East and Siberia in other, equally underserved but critically important areas of Russia, such as the Urals and the Volga Region



USAID
THE FAR EASTERN BANK TRAINING CENTER

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Date: January 1, 1997
To: Patrick Bryski
Director, NIS Bankers Training Project
Barents Group, LLC
Fax: 202 7280546
From: Valery Ermilov
Re: 1996 Fourth quarterly report
CC: Michael Higgins
Country Manager
Fax: 095 5648335(9)

PRIMARY OBJECTIVES

To continue building an independent educational center to meet training needs of commercial bankers in the Russia Far East.

To improve the self-sustainability strategic policy.

To continue organizing both general and single bank instructions for commercial banks in the Russia far East.

To organize series of Train the Trainers seminars with the aim of training Russian Instructors, firstly, to assist Barents Instructors and , secondly, to train later commercial bankers and students of Academic Institutions by themselves using western techniques and methods of teaching the adults.

To continue practicing Russian seminars and courses.

To continue establishing long term cooperation with high educational institutions, paying special attention to opportunities of the Internet system established by the Soros Foundation at the Far Eastern State University.

SECONDARY OBJECTIVES

To continue establishing the Center's library.

To buy new modern, high productive equipment for copying training materials.

To work with the shareholders of the Center for their active role in finding future partners for organizing training of bankers in the Russia Far East.

TRAINING RESULTS FOURTH QUARTER 1996

In October, November and December the Center has kept five banking seminars: in-bank instruction for Dalrybbank in Strategic Planning by Tom Barrell (26 participants), Hard currency exchange operations and the ways of identifying false banknotes by Evdokiya Kiseleva (November 28, 30 participants; December 3, 30 participants; December 17, 28 participants), Train the Trainers three-day seminar by Richard Currie (December 9-11, 25 participants). The total number of students participating in those five seminars was 139 people or 27.8 people per course. They represented 12 local independent commercial banks, including one from Sakhalin, 23 Branches of local banks, including one from Sakhalin (Fareastern bank) and 5 Branches of banks from other economic regions of Russia Federation and Central Bank Vladivostok Branch.

Train the Trainers seminar was newly offered by the Center in the Russia Far East. This course was developed by Barents as a pilot seminar in the series of methodological courses and seminars to be held in 1997 devoted to training Russian Instructors. The goal of this subproject is to prepare Russian Instructors for working with the Center after USAID grant will expire. The seminar was a success. Among seminar participants there were three holders of Ph. D., two professors, 9 candidates of sciences and 5 Associate professors, 11 employees from the local Central Bank Branch. All seminar participants are actively involved with training activities at the high Educational Institutions. One of them, namely Ms. Evdokiya Kiseleva has kept at the Center 6 one-day courses on Hard currency exchange operations at the Exchange offices and the ways of identifying false banknotes. The seminar was very useful for experienced participants and twice useful for practical bankers and young people. All seminar participants look forward to visiting future Train the Trainers seminars.

ORGANIZATIONAL ISSUES

The Center has managed to prolong its License till January 6, 2000. We think it will help the Center to continue its activities, to attract new banks and participants to banking courses and seminars and to attract Russian Instructors for keeping russian seminars.

In October the Center's representative participated in the Resident Advisers meeting in Warsaw. That meeting has helped significantly to identify future needs and strategy to follow.

In October, November Michael Higgins, Bill Gould and Valery had kept several meetings with shareholders of the Center regarding their plans and preferences with whom to cooperate after USAID funding will come to an end. The first priority for them all, including Central Bank, is Academy of National Economy. Still, there is a lot to do in this direction as there are so many uncertainties and facts to bare in mind for intergrating the efforts of all parties to strengthen the Center's activities in near future and later into 1990s.

NEGATIVE EXPERIENCE

Unfortunately, due to various reasons Asset/Liability seminar for Regiobank in Khabarovsk and BankExec for Evrobank in Vladivostok were posponed to 1997 and HRM seminar for Primotsbank was cancelled completely. To avoid such annoying and frustrating facts the Center now requests commercial banks to confirm in written form their ability to host this or that scheduled seminar for in-bank instruction, for general courses in subregions we require confirmation from the Central Bank local Branches.

SEMINAR SCHEDULING FOR 1997

Seminars for the period from January to July 1997 were succesfully scheduled and the Center has written confirmation for six of them.

NIS BANKERS TRAINING THE CAUCASUS

YEAR END/QUARTER END 1996

Mission statement

The mission of Barents Group is to provide training and re-training to the Commercial banking community and to the Central Banks of Armenia and Georgia in western banking practices and standards. This program will enable USAID and Barents Group to make significant progress in institution building activities in the Caucasus as well as support the fiscal and monetary policy efforts being undertaken through the NIS Task Force for Economic Restructuring.

GOALS and OBJECTIVES

1. Establish a USAID/Barents Bankers Training presence in-country through staffing and physical presence
2. Begin financial institution training activities
3. Establish institution-building activities
4. Develop U.S. based training initiatives to support Caucasus activities

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- Establish a lasting, separate and distinct registered entity with complete management and financial autonomy. (Armenia is funded and proposal is under review for Georgia)
- Develop a supporting organizational structure to accomplish the goals and objectives of the program through a partnership with local institutions. Including equity contributions from commercial banks and the Central Banks to achieve financial sustainability and provide for local management succession.
- Organize an advisory council with the partners.
- Identify and establish training facilities and office space.
- Develop in cooperation with the banking community, the CBA, NBG, banking associations, USAID, and other professionals, the curriculum and training needs.
- Provide training equipment including overhead projectors and screens, computer hardware and software, flip charts writing boards, furniture and other necessary training aids.
- Establish a facility library of books for reference use by the banking community on banking and finance.
- Prepare a schedule of courses designed to meet the needs of the banking community that will include 18 courses of relevant banking subjects for Armenia starting in September. The Republic of Georgia will consist of 6 courses starting in January. Additional courses will be offered if funding becomes available. Course delivery will consist of one week, intensive study to be delivered by banking professionals, academic experts in their particular field and banking consultants.
- Schedule in-bank, on the job training and advising for a consecutive week immediately following the lecture portion of the course delivery. This follow up allows for on-site mentoring and practical application of course work. Evaluate on-going.
- Provide for evaluation of course material as to the quality, applicability, delivery by instructor and translation quality.
- Resident advisor will assume the additional role of in country advisor on a regular and on-going basis working with banks and the Central Banks where special assistance is requested.
- Provide reports on a regular, periodic basis in person and in writing as indicated by the task directives to all appropriate entities.

1996 Results in Georgia

1. Meetings with the National Bank of Georgia, Georgia Banks association, commercial banks, other donor agencies and advisors have been conducted and a preliminary schedule of courses has been requested. This is subject to existing funding and on going evaluation and discussions with the Georgian banking community.
2. Discussions of a partnership with the Georgian Banks Association and the National Bank of Georgia are continuing.
3. An office for ongoing work in Tbilisi has been established.
4. A potential co-director for the future, permanent training facility has been hired.
5. Three courses for the first quarter of 1997 have been confirmed. Bank Exec, International Banking and Credit Analysis are scheduled.

1996 Results for Armenia

1. An advisory council was appointed with representatives from the three founders.
2. Temporary space for classes was located in the CBA. A permanent 500 square meter facility, also located in the CBA, is being remodeled which will include two classrooms, office space, library and kitchen facilities. This space should be available in January, 1997.
3. Meetings with many commercial banks, ABA, CBA and other advisors from other donor agencies were conducted and a curriculum was designed and agreed to by the advisory council.
4. Training equipment was ordered and received and much is installed in the temporary classroom. All training equipment and furniture will be available when the permanent facilities are completed.
5. Co-directors of the training center were selected and are in place. Michael Sayadian, former personnel director of the CBA, has accepted this counter-part position and will work closely with the Barents advisor representing the other co-director.
6. Courses started in September 1996 and six courses have been offered. 148 bank participants have received certificates of completion. Average attendance is 24.7 per class.
7. 28 of 37 banks including the Central Bank of Armenia have participated in the program.
8. The six courses offered were; Credit Analysis, Asset/Liability Management, International Banking, Bank Supervision, International Accounting Standards, Problem Loan Management.
9. Instructor, material and course evaluation has averaged 5.43.
10. Performance assessments for USAID and special survey information is underway and will be reported to USAID on a request basis.

A certification program whereby a local banker may become "certified" in Credit or International Banking will be offered to encourage and promote the program and continued participation. A form of evaluation will be made to further determine the results by the individual who qualifies by attending a predetermined number of selected courses. As an example, a Credit certification may be given to an individual attending 7 required courses and one elective. (See attachment)

YEREVAN, ARMENIA

Attendance

BANK	Credit 16 Sept.	A/L Mgmt 30 Sept.	Int.Bkg 28 Oct.	Bank Sprv 4 Nov.	Acctg. 11 Nov.	P L M 9 Dec.													TOTAL
1. Armimpexbank	1	0	0		0	0												1	
2. Armagrobank	2	0	2		0	2												6	
3. Ardshinbank	4	0	4		4	0												12	
4. Prometheus	0	0	0		0	1												1	
5. Lend	2	1	1		0	1												5	
6. Armavibank	0	0	0		0	0												0	
7. Haikap	1	1	1		1	0												4	
8. Erebuni	1	1	1		0	0												3	
9. Credit-Yerevan	0	1	0		1	0												2	
10. Converse	0	0	0		1	0												1	
11. RIA	0	0	0		0	0												0	
12. Arm. Developmentbank	1	0	1		0	0												2	
13. Midland Armenia bank	1	0	0		1	1												3	
14. Akunk	0	1	0		0	0												1	
15. Arminvesbank	0	1	0		0	1												2	
16. Adana	0	0	0		0	0												0	
17. Anelik	0	0	1		0	2												3	
18. Gladzor	0	0	1		0	0												1	
19. David	1	0	0		0	0												1	
20. Armsavingsbank	4	3	1		1	0												9	
21. Sipan	0	0	0		0	0												0	
22. Orion	0	0	0		0	0												3	
23. Armfoodbank	1	1	0		1	0												3	
24. Echobank	0	0	1		0	0												1	
25. Credit-Service	0	0	0		0	0												0	
26. Litsk	0	0	0		0	0												0	
27. Sevan	0	0	0		0	0												0	
28. Mets	0	1	0		0	0												1	
29. Mellat	0	0	0		0	0												0	
30. Ineko	0	0	1		0	0												1	
31. Agricultural coop. bank	0	2	0		1	1												4	
32. Shirakinvestbank	2	0	2		3	2												9	
33. Menatep-Yerevan	1	1	1		1	0												4	
34. Trust	0	0	0		0	0												0	
35. Central Bank	3	3	1	29	11	6												53	
36. NK	3	0	0		3	0												6	
37. Armeconombank	3	2	2		1	0												8	
38. Others	0	0	1		0	0												1	
TOTAL	31	19	22	29	30	17												148	

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REVIEW AT MOLDOVA BANK TRAINING INSTITUTE

On January 15, 1997, I revisited Kishinev, Moldova to assess the progress of the bank training center since turning it over to the Moldovan Bank Association and training center personnel. Meetings were held with several commercial banks, the National Bank of Moldova, the President of the Bank Association and the newly appointed director of the training center. Representatives from IESC and the Peace Corps were also in attendance at the meeting with training center director and staff. Representatives from USAID and FSVC were invited but unable to attend because of previous commitments. Meetings with the commercial banks and the National Bank indicated that they were still enthusiastic about supporting and attending courses offered at the center. Several bank chairmen indicated a serious need for better organization, more relevant topics, better instructors and more practical applicable materials. Vice-governor, V. Bacalu of the NBM, was particularly interested in seeing that the center offer relevant topics for National Bank personnel. The commercial bank chairmen wanted courses that were related to current banking conditions in Moldova. All bankers and individuals visited were pleased that this follow-up visit was made and to know that USAID was still following their progress and interested in them as a group.

The training center in November and December held 8 courses. Attendance was so-so. They are in the process of revising their strategic plan and have included the following; long-distance learning, Agricultural Credit courses, Strategic planning. They are also working closely with the Romanian Bank Training Institute to bring instructors to Kishinev. They are also contacting the GTZ for assistance in re-training trainers. After the meeting in Warsaw it seems that they have started anew in some positive directions. While our meeting was going on there was a computer class underway and I saw about 10 participants in the classroom. Another positive sign.

I also made a call on the EU/TACIS coordinator, Jo DeClerq. I explained the need for at least one foreign expert a month to help in the transition period. He has about \$100,000 in discretionary funds and is going to give this serious consideration. This, coupled with help from IESC, FSVC and the Peace Corps may be the impetus necessary to get the center back on a self-sustaining track.

I think this visit was very productive and I hope this type of follow-up will be considered for other training institutes where funding is winding down.

Michael W. Gegen
Senior Banking Advisor



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05.11.96 Nr 06-85

La Nr. _____ de la _____

To:

Bryan Kurtz
USAID

Patrick Bryski
Barents Group LLC

The Banking Training Center (BTC) was founded in Mai 1994 on the initiative of the Banks Association of Moldova (BAM) and was supported by the Academy of Economic Studies as a subdivision of ASEM with the immediate assistance of the United States Agency on International Development (USAID).

The main purpose of the BTC is the professional improvement and the training of the banking and financing system specialist, and its development conforming to the European standards.

During that period the BTC had been acting on base of the economic self-administration within ASEM, it had not its own bank account, but had a separate book keeping in the ASEM subaccount.

The activity plans, financial and contractual problems, funds distribution and utilization and other main principles were coordinated and managed by the BAM leadership.

The Banks Association of Moldova and BTC have refunded all the expenses in connection with the Center activity: leasing fee, public utilities, energy, payments of the teaching staff, who have participated in the professional re-training process, purchase of proces means, training equipment and others.

The professional re-trainig proces started on the 12th of September 1994 with the participation of profesors from USA.

On 27 of December 1994 the Banking Training Center left ASEM and was registered at the Ministry of Justice as legal entity. BTC has its Charter, acts on the basis of self-administration and self-financing, non-profit, maintains a bank account, has a stamp, commercial mark and letterhead.

The Banking Trainig Center owns a training accommodation of 334 square meters with the necessary equipment, including the following;

- a computer class with 11 computers that make it possible to train the bank staff conforming to the actual requirments;
- a Xerox that allows to prepare the didactic materials in rapid way;
- a room for teaching foreign languages;
- a library with a uniqe fund of textbooks in Moldova.

The material and technical basis and staff members make it possible to create an atmosphere that is conductive to the studies and creative work.

With the help of the United States Agency on International Development (USAID) through KPMG highly skiled and experienced specialists were invited from the most prestigious banks and institutes of the USA.

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Besides this, some courses were given by specialists from Germany, France, Belgium, Romania and other states.

The evaluation of the students after each seminar demonstrated that American lecturers were appreciated as professional lecturers on a level with the international standard.

During the current period BTC has enlisted 52 professors to maintain courses on diverse problems for the re-training of the bank system specialists, including:

from USA- 14; Belgium 1; France-2; Germany-3; Romania-2.

A collaboration with the representatives of the Group of Voluntary Financial Experts (GVFE) from USA (New-York, USA and Bucharest, Romania) has begun. A variety of strategic courses of activity are considered and discussed with them.

Thanks to this collaboration some people were invited for consulting and practical assistance purpose, as for example, MRS Sharon Nolan Tomlinson, the vice-president of the Federal Reserve Bank (Philadelphia, USA); Mr. Cameron, the director of transaction and control department of USA Federal Reserve Bank, who had been holding a set of very interesting and up-to-date seminars ("The falsification of money", "Banking security", "Anti-money laundering").

A special one week lecture was given by the vice-president of Florida Commercial Bank (USA), vice-director of one of the branches of American Banking Institute - Mrs. Linda Gonzales. Her present to the BTC was a set of important methodical materials.

We intend to establish co-operation relationships through GVFE with the American Banking Institute as well.

The activity concerning methodical work has also begun. Being always in touch with the banks, the basic lines of seminars and specialized courses is have been determined. The appropriate literature for the corresponding courses is being selected.

By common efforts of Banking Academy from Frankfurt on Main (Germany) and specialists from the banking system of Moldova a manual on banking problems for the lecturers is being prepared.

The development of the database on the bank employees continue, a particular attention is paid to:

a) the experienced persons and those who expressed their wish to become lecturers and collaborate with BTC. At this moment 89 persons are registered.

This is performed in a partnership with the administration of commercial Banks and National Bank, the potential candidates being discussed by the department chiefs and the directors.

b) 125 persons who know foreign languages (different levels): English, French, German, Spanish etc. are registered so far.

With the assistance of the Banking Academy from Frankfurt-on-Main a group of lecturers for banking system selected from the bank employees is being formed. It is planned that these persons will go in Germany in 1996 and will receive a 6 months training course of working in the banks of Germany.

Together with the specialists of the Banking Academy investigations and discussions with the administration of most commercial banks concerning the organization of the issuing of special diploma of an European standard - "Specialist in banking economy" have been carried out.

The conclusive discussion concerning the program, ways of realization of the project and financial questions is planned in February 1996.

One of the main problems of the BTC is a continuous provision of seminars with listeners. This problem always was and remains on the first plan. To solve this various methods and means were applied, that gave results (faxes, letters, phones, bank's directors meetings, the work with the department's chiefs etc.).

The BTC is constantly supported in its pains by thr BAM, the president of commercial banks and the National Bank of Moldova.

According the USAID program during September-December 1994 13 seminars have been held, with a total number of 345 listeners.

During the same period the banking staff have passed the professional retraining at the Institute of Banking of Romania (Bucharest, Sibiu). 99 persons have attended 11 seminars.

35 seminars were held Between January and December 1995, with 862 participants.

A seminar was arranged with the help of the Commercial Bank "Ion Tsiriac"(Bucharest) in April 1995. It was held by Gabriel Cristescu, the vice-director of this bank. 31 persons have participated in this seminar.

The BTC has participated in the preparation of proposals concerning the banking security problems. A set of special closed seminars on this theme have been organized with the active participation of the Home Affairs Ministry and National Security Office, as well as the experts of the Federal Reserve Bank of USA (security service). A total of 118 persons have attended these seminars.

In January-December 1995 the BTC began its activity with specialists in the field of financing. 6 seminars on different themes have been held with the participation of the chiefs and the specialists of the State Fiscal Inspectorate Board of Moldova with 191 persons participating in these seminars.

During the same period, along with the banking courses, at BTC have been organized three month courses on "Management and entrepreneurship activity". The local lecturers from the Academy of Economic Studies of Moldova, specialists from the banking system and other institutions and ministries have participated in their realization.

The courses on "Banking inspector-cashiers" (3 months) have held along with the above mentioned courses, a total of 9 persons being trained.

From September 1995, a number of 325 persons attended 28 seminars that were held in this class.

The analysis of the activity period of BTC shows us the following:

- 1. 29 seminars with a total number of listeners 505 were realized during January- December 1994 and**
- 2. 76 seminars with a total number of listeners 1601 were realized during January- December 1995.**

The total number of the seminars in period from the foundation of the BTC till now equals 105 with the participation of 2106 listeners:

- a) with the help KPMG - 1207 listeners - 57%
- b) with BTC forces - 899 listeners - 42%

At present the Bankers Training Center is engaged the following projects:

1. Preparation of training instructors with the partial participation of the Banking Academy from Frankfurt.
2. Together with the experts of Banking Academy from Frankfurt we are preparing a project of distance and evening training for the bank staff, according to European requirements.
3. Training at distance with the participation of the Non-How Foundation.
4. The realization of a cycle of seminars with the Romanian Banking Institute.
5. A project of collaboration with the FSVC and World Bank is being made.
6. Other projects are being worked.

Simultaneously we have to inform you that, after finishing the American programme, the Bankers Training Center faces very serious problems connected with the training bank staff because of the lack of instructors.

Regretfully this priority problem was not raised during the programme of training, it's creating the danger of the further existence of the Center.

In connection with the above stated the Banks Association of Moldova and Bankers Training Center ask USAID and Barrents Group to support us in the following directions:

1. Training a group of local instructors with the support of USAID, analogical with the Ukraine project.
2. The realization of a cycle of seminars with the bank staff of the Republic of Moldova.
3. The maintenance of the Bankers Training Center with informational and educational materials from courses provided by the Barrents Group.

NIS BANKERS TRAINING PROJECT

CHISINAU, MOLDOVA

FINAL REPORT JUNE 1996

The Bankers Training Center in Chisinau, Moldova began its classes in September 1994. The strategic objectives outlined in the USAID Task Directives 2005-036/37/38 were:

- establish and develop a commercial banker training institute in Moldova capable of serving commercial and central bankers in association with the Academy of Economic studies; and
- establish and deliver international curricula and delivery mechanisms adapted to the Moldovan financial sector and economic environments.

A separate entity was created under the auspices of the Moldova Bankers Association. The project included a study tour, prior to the final funding of this project, by members of the MBA. This educational institution was established as an educational, non-profit legal entity. It was separate and self-supporting and designed to be self-sustaining. After a brief period of time of being a separate but distinct branch of the AES it obtained its own charter and bank accounts and separated itself from the Academy from a legal standpoint.

Through the assistance and cooperation of the Moldova Bankers Association classroom space and office space was rented and re-modeled to modern Moldovan standards. The space was rented from the AES and separated from the rest of the school. Located on the eighth floor it became a model for the community and was rented to other business and academic groups when not in use by the Bankers Training Center.

Two classrooms were fully furnished with modern desks, chairs, other training equipment such as whiteboards, flipcharts and overhead projector with screen. One of the two classrooms was fully equipped with computer hardware and software to be used in conjunction with the training and education of Moldovan bankers in basic and advanced computer technology.

Additionally, space was allocated for a library for use by the entire Moldovan community with an emphasis on finance, economics and banking.

A Training Institute staff was selected with a local Moldovan hired as co-director. Support staff was hired from the area and included a deputy director, office manager, accountant, librarian and two other support staff.

Designed as a self-supporting operation; all in-country expenses i.e., rent, utilities, salaries, and other operating expenses were covered by a fee charged to participants attending from the banking and financial community. Space limitations specifically designed to have optimum teaching abilities; allowed for only members from the commercial banking community, central bankers, employees of the Ministry of Finance and academics to attend. The original strategic objectives included the training of trainers which due to financial limitations was reduced in scope.

The resident advisor was also charged with the responsibility of providing in-country, local advising to commercial banks and to the National Bank of Moldova. During the two year project there were five commercial banks that obtained audits by international accounting firms recognized as global accountants. Four of the five banks received unqualified audits for the year ending 1995.

To maximize the USAID funding it was a requirement to coordinate all bank training with all donor groups and various contractors in the field of banking and finance as well as the entire Monetary Restructuring effort. Close coordination efforts were made with the International Monetary Fund, World Bank, USAID, EU Tacis, and all T/A contractors through out the life of the project. Combined efforts with the FSVC, IESC, the Peace Corps, GTZ, the Federal Republic of Germany, the Government of Turkey, Central Banks of the Netherlands, New Zealand, France the United States and private contractors allowed for the highest value for monies invested. The total funding for the NIS Bankers Training project in Moldova was approximately \$1.8MM for two years. Final numbers indicate that expenditures were \$1.78MM.

Final figures for the period June 1994-June 1996 are as follows.

1. 25 of 27 licensed banks attended one or more classes offered. The National Bank of Moldova, the Ministry of Finance and individuals from the academic field also participated.
2. 63 classes were offered during the two academic terms September through June. A total of 18 months.
3. 3 topics were provided to 2 banks as special one bank seminars. The AgroIndBank; Credit I was taught to 35 branch managers. The SavingsBank, Customer Service was taught to 98 branch managers and Internal Audit, was taught to 35 bank auditors.
4. 1,609 Moldovans from the banking and finance community attended one or more classes taught by Barents Group professional bankers and instructors. Attendance included 119 central bankers, 14 employees from the MoFF and 57 from the teaching profession. Other non-sponsored USAID/Barents subjects were taught to almost 1,000 additional Moldovan banking personnel.
5. Average attendance was 24 participants excluding the special one bank seminars.
6. A library with more than 160 different volumes on banking and finance was established. Materials were in several different languages including Russian, English, German, French, Moldovan and Romanian.
7. An on-going training institute with 4 classrooms and a complete staff for management and administration. Staff included a General director, two deputy directors plus support personnel. Classes in banking, finance, computer technology, training of trainers and human resources were in process or scheduled.

8. A study tour of 3 international bankers attended a special program in Washington DC by the Riggs National Bank.
9. A two week seminar for train the trainers in Alma-Ata was attended by three Moldovan bankers. Two of the three co-taught a class upon their return.
10. A balance of more than \$6,000 was in the center bank account as excess revenues when the project became officially independent of outside funding from USAID.
11. Two Peace Corps volunteers were selected to work as new resident advisors after the NIS Bankers training funding ceased. These individuals will provide the necessary phasing down to an independent training program. Practitioners teaching practitioners.

Final Report

Kazakstan International Institute of Banking

**NIS Bankers Training Program
sponsored by USAID**

December 1996

Memorandum

To: Bryan Kurtz
Paul Davis
Gary Linden
Patrick Bryski

Fr: Arun Hsu, Resident Advisor
Raushan Zhaparova, Director, KIIB

Date: December 20, 1996

Re: **Kazakstan International Institute of Banking (KIIB) -- Final Report**

This is the Final Report for the Kazakstan International Institute of Banking (KIIB), a banker training program established in May 1994 under the USAID NIS Bankers Training contract. This report is organized in a modular format as follows:

<ul style="list-style-type: none">• History of KIIB
<ul style="list-style-type: none">• Program Cost
<ul style="list-style-type: none">• Accomplishments<ul style="list-style-type: none">• Established banker training institute at KIMEP• Exceeded training targets• Provided highest quality training in Central Asia• Supported other financial sector reform projects• Produced positive impact on banking sector reform• Established lasting legacy• Contributed to self sustaining training capability
<ul style="list-style-type: none">• Lessons Learned
<ul style="list-style-type: none">• Future Prospects
<ul style="list-style-type: none">• Attachments<ul style="list-style-type: none">• General Program Design• Memorandum of Understanding• Letters of Support and Testimonials• Inventory List• Local Instructor Resumes• KIIB Approach to Training Trainers

History of KIIB

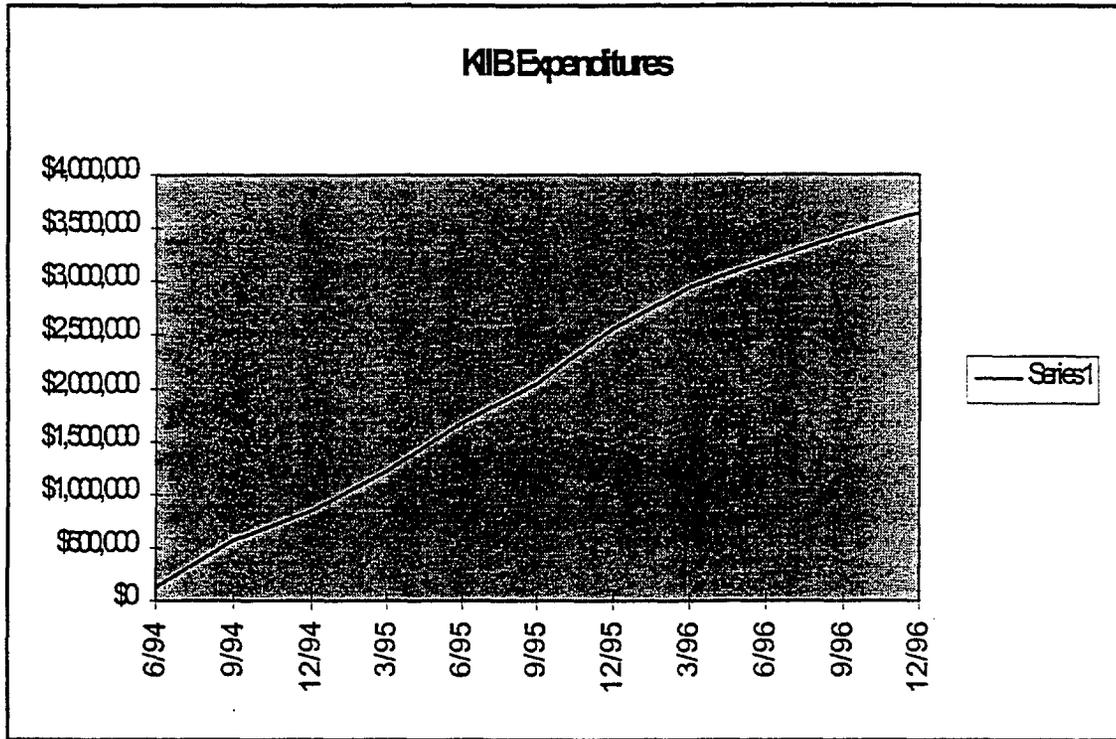
The Kazakstan International Institute of Banking (KIIB) was established in May 1994 under the USAID NIS Bankers Training contract. The two and one half year history of KIIB is summarized below:

1994	March May July August November December	Initial USAID/Barents Group diagnostic trip KIIB established and training classes started U.S. Study Tour Permanent local staff hired KIIB Library established Executive Banking Roundtable - Kyrgyzstan
1995	January February May June August September November December December	Memorandum of Understanding signed with KIMEP First regional courses in Kyrgyzstan and Turkmenistan Senior seminar conducted for bank CEO's Pilot Train the Trainer program conducted Corporate Finance course provided to CAAEF Introduction of new courses and dual courses Real Estate Finance series co-sponsored with ICMA USAID approves merger with ABC Agreement sent to Brussels for EU decision
1996	January February March April July August August November December	MOU with KIMEP extended until December 1996 KIIB assists U.S. Treasury with new \$100 bill Merger with ABC put on hold Courses scheduled to support NBK program Accounting course co-sponsored with NIS Monetary Computer lab established Local instructors identified for Fall 1996 schedule Last regional course conducted in Turkmenistan USAID sponsorship of KIIB ends

Program Cost

The total cost of this program was \$3,645,000.

The original end date for the project was November 1995. The program was able to run one extra year due to tight expense control, the elimination of one Resident Advisor in 1996, and the successful training and use of local instructors. This is reflected by the reduced rate of expenditures during the last 9 months of the program.



Accomplishments

KIIB's mission statement (*program objective*) is:

To foster financial sector reform and the development of competitive, efficient and market oriented banking systems in Central Asia by being the premier provider of training on core banking topics to active and aspiring bankers in the region.

During the past 32 months KIIB has made a significant contribution towards the program objective by achieving the goals (*targets*) set out in the General Program Design. A copy of the General Program Design is included as **Attachment A**.

KIIB's major accomplishments are:

- Established banker training institute at KIMEP
- Exceeded training targets
- Provided highest quality training in Central Asia
- Supported other financial sector reform projects
- Produced positive impact on banking sector reform
- Established lasting legacy
- Contributed to self-sustaining training capability

Each of these accomplishments is described in the following sections.

Established banker training institute at KIMEP.

The Kazakstan International Institute of Banking (KIIB), a training institute for active and aspiring bankers, was established in association with the Kazakstan Institute of Management, Economics and Strategic Research (KIMEP). KIMEP is a donor supported institute offering MBA and MPA programs based on a western curriculum.

In August of 1995, a Memorandum of Understanding (MOU) was signed between the USAID, the Government of the Kazakstan and KIMEP outlining the terms and conditions for cooperation. A copy of the MOU is included as **Attachment B**.

Barents Group, as the Contractor responsible for operating and managing KIIB, has fulfilled its responsibilities per Annex 1, Section II-C of the MOU. In particular, KIIB has:

- Added to the reputation of KIMEP as an educational institution of high quality by providing more than 400 participant weeks of training to KIMEP students;
- Established a banking library containing textbooks on a variety of banking topics and a full set of bank training course materials;
- Established a computer laboratory;
- Provided the foundation, by way of course materials and the development of local instructors, for KIMEP to add short-term courses on banking to its curriculum;
- Provided significant publicity to KIMEP by noting KIMEP sponsorship in all correspondence, public relations, and marketing efforts.

The MOU clearly anticipates that efforts will be made by KIMEP to continue bank training. Section 3.4 of the MOU states that upon the completion of USAID support:

- All property furnished by USAID will be transferred to KIMEP;
- KIMEP shall use this property to further the objectives of the assistance, namely, the continued provision of high quality training for bankers.
- If such property is not used to continue bank training, then USAID has the right to demand the return of all such property furnished by USAID.

This provision is particularly important from the standpoint of leaving a legacy and ensuring that KIIB's efforts under the USAID program result in a significant contribution towards the development of a self-sustainable bank training capability.

Exceeded training targets.

The original goal of providing 1400 participant weeks of training by the end of 1995 was exceeded.

Furthermore, as of December 1996, 2,283 participant weeks of training were provided to bankers and aspiring bankers from throughout Central Asia. This was accomplished through the delivery of 119 courses and seminars including 10 courses conducted in Kyrgyzstan and 8 courses conducted in Turkmenistan. A total of 131 banks and other organizations have participated in KIIB's training programs.

Country	No. of Participants	No. of Banks and Other Organizations Represented
Kazakstan	1552	75
Kyrgyzstan	426	26
Turkmenistan	274	17
Uzbekistan	12	2
Tadjikistan	7	5
Other	12	6
Total	2,283	131

Provided highest quality training in Central Asia.

A priority for KIIB has been to provide the highest quality training. This was particularly important in order to maintain the target enrollment level of 18 to 25 participants per seminar. Alternative sources of bank training exist in Kazakhstan and the other Central Asian countries including both donor funded training programs as well as indigenous sources of training. This competitive environment made it important for KIIB to stress quality.

To measure customer satisfaction, KIIB used course evaluation surveys and also conducted periodic follow-up interviews with participants. Participants have consistently rated KIIB training superior to programs offered by other training providers, including other donor funded programs and western commercial banks. **Attachment C** includes a sampling of interviews and letters that attest to the high opinion bankers have of KIIB's training.

The key quality factors for KIIB seminars cited by participants are listed below.

Key quality factors:

- Use of experienced instructors familiar with NIS environment
- Interactive teaching methodology used by KIIB instructors
- Frequent use of case studies and exercises
- Substantive course materials provided in English and Russian
- High quality of interpretation
- Ability of interpreters to serve as co-instructors
- Excellent logistical support provided by KIIB staff

Provided highest quality training in Central Asia.

KIIB has focused on offering seminars on core banking topics that are most important from the standpoint of supporting banks efforts to operate in accordance with international banking standards. KIIB courses have been targeted at mid level line employees and department heads. The courses conducted by KIIB are listed below.

Course	No. Times Offered
Asset Liability Management	3
Bank Management - Bank Exec International	11
Strategic Marketing	4
Strategic Planning	3
Credit I - Credit Analysis	18
Credit II - Portfolio Management	5
Credit III - Problem Loan Management	5
Small and Medium Enterprise Finance	2
Project Finance	2
Real Estate Finance	13
Retail Banking/Consumer Lending	2
Financial Institutions Analysis	1
Foreign Exchange	7
International Banking	3
Letters of Credit and Trade Finance	8
Accounting	8
Bank Automation	3
Bank Fraud	1
Human Resource Management	5
Internal Audit	3
Capital Markets	2
Bank Supervision	5
Legal and Regulatory	1
Train the Trainer - Catalytic Instructor	1
Other	3
Total	119

Supported other financial sector reform projects.

KIIB has always endeavored to support other donor funded financial sector reform programs and local academic institutions. These efforts include:

- Conducting bank supervision training to the National Bank of Kazakhstan in cooperation with Gylym Institute;
- Assisting the World Bank in conducting a high level banking supervision seminar for senior management of the commercial banks in Kazakstan;
- Co-sponsoring a series of Real Estate Finance seminars with the International City Management Association (ICMA) under USAID's housing and shelter reform program;
- Conducting seminars on Corporate Finance and Credit Analysis for the Central Asian American Enterprise Fund (CAAEF);
- Sponsoring a series of seminars to assist the U.S. Treasury Department in introducing the new U.S. \$100 bill;
- Providing free training to other USAID sponsored projects such the Farmer to Frammer program and the NIS Monetary Accounting Reform Projects;
- Providing free training to students and faculty of KIMEP and the Academy of Management;
- Inviting the EBRD Small and Medium Enterprise program and other donor funded banking projects to send their staff for training.

Produced positive impact on banking sector reform.

KIIB training has had a positive impact on banking sector reform in Central Asia as evidenced by the impact indicators listed below.

Impact indicators:

- 2,283 participants weeks of training have been delivered;
- Over 100 financial institutions from 7 countries have participated;
- Local instructors have been trained and are actively teaching;
- Participants are training their colleagues creating a multiplier effect;
- Courses are a catalyst to change in bank policies and procedures;
- Course materials are being used as sources of reference within banks;
- KIMEP's graduate business programs has been enhanced;
- Courses have helped KIMEP students obtain positions in banks;
- Other financial sector programs have benefited from KIIB's training.

In addition, participants have increasingly contacted KIIB to obtain further assistance in using methods and approaches taught in KIIB courses. For example, banks have consulted KIIB for assistance in developing new credit policies, participants have sought continuing guidance in using of the financial analysis spreadsheet distributed in Credit Analysis courses and several banks have avoided facilitating major fraudulent transaction by using knowledge gained from the Letter of Credit seminars.

KIIB's contribution to more fundamental changes in the banking sector will take more time and in some cases will be more difficult to measure since training is only one of many components necessary for the development of a healthy banking system.

As a means of assessing and documenting impact, KIIB initiated a program of conducting interviews with former participants to learn about specific examples that demonstrate the positive impact of KIIB courses on the participants and their banks. In addition, several banks have written letters of support demonstrating the value placed on KIIB's training activities by the banking community. A sampling of these letters and interviews is included in **Attachment C**.

Established lasting legacy.

Contributed to self-sustaining training capability.

KIIB has established a lasting legacy and contributed to a self sustainable banker training capability at KIMEP by providing physical assets and intellectual capital:

Physical Assets

- Three fully furnished offices with 5 computers and laser printer
- Fully equipped computer lab with 9 computers, network, and laser printer
- Computer projection system
- Renovated classroom
- Overhead projectors
- White boards and flip charts
- Television and video camera
- High speed copier machine
- Small copier machine
- Telephones and facsimile machine
- Basic office supplies

Intellectual Capital

- Local instructors
- Library of banking and finance reference books
- Complete set of course materials used during the program
- Instructor guides
- Overhead slides
- Course materials on diskette
- Extra copies of course manuals

As noted previously, according to the Memorandum of Understanding (MOU) signed by USAID, KIMEP, and the Government of Kazakstan, KIMEP is obligated to use all of KIIB's assets to continue professional bank training seminars. Upon the transfer of assets, KIMEP will gain the necessary infrastructure and intellectual capital to continue the banker training activities.

An inventory of assets transferred to KIMEP is included as **Attachment D** and a sampling of resumes of local instructors is included as **Attachment E**.

Lessons Learned

The following is a list of lessons learned that may be applicable to other donor sponsored bank training centers that are working towards self-sustainability:

- High level support needed but difficult to obtain.

It was common to encounter resistance to change at the senior management levels within the banks. This translated into an unwillingness on the part of many senior managers to participate in or send their employees for training. However, for any training institute to become financially self-sustainable, bank senior managers must be willing to make an investment of time and money in training their employees. Once the banking sector becomes functional and more competitive, the attitudes of bank senior management will change and they will realize the competitive importance of having well trained employees. Unfortunately, this is a slow process in Central Asia.

- Focus marketing efforts on line departments.

KIIB found it very productive to focus its marketing efforts on the line department heads and their employees. For example, when planning a Credit Analysis seminar, it was essential to contact the Credit Departments directly. It was at this level that KIIB encountered the greatest interest and enthusiasm in training. Marketing information provided to senior management often failed to trickle down to the line departments. Focusing on the line departments also created internal pressure for senior management to support training.

- Focus on quality.

For a bank training institute to become self-sustainable it must operate like a commercial business. Therefore, it is essential that the training center provide the highest quality training. KIIB always strived to maintain the highest quality training and to meet the needs of its customer base. This strategy worked well as evidenced by KIIB's ability to maintain average enrollment levels at 19 per course for the duration of the project. This was a higher average enrollment level than achieved by other bank training centers in Central Asia. KIIB's name has become associated with high quality training.

Lessons Learned

- Start training trainers early.

A key ingredient to achieving self-sustainability is developing an adequate pool of local instructors. Training local instructors is the most difficult challenge that has been faced by donor supported bank training centers in Eastern Europe and the NIS. KIIB developed an effective methodology for training local instructors. KIIB successfully trained local instructors in the most difficult topics such as Credit Analysis, Letters of Credit, and Accounting. KIIB's mistake was not starting this process early enough to allow for the development of an adequate number of local instructors. KIIB wrongly assumed that a special train the trainer program required additional resources. As it turns out, training trainers should be an on-going process that can be incorporated into the normal curriculum of the training center. It does not require an additional large investment, does not require an intensive program involving seconding bankers or academicians, and does not require study tours or internships. Included as **Attachment F** is a presentation given at a conference that outlines KIIB's approach to training local instructors.

- Build an excellent local staff.

Consistent with the idea of operating a training center as a commercial business, it is necessary to hire and train a local staff that is efficient and can offer a high level of service to the participants. KIIB was successful in attracting large numbers of participants from Kyrgyzstan and Turkmenistan by providing support in arranging hotel accommodations, meals, and helping participants with travel arrangements.

- Active involvement of the Director and foreign Resident Advisor in all areas.

The local Director and the foreign Resident Advisor(s) need to be actively involved in all facets of the training center. In particular, they should oversee course content and delivery since this is the main product of the training center. Ideally, the Director and Resident Advisor(s) should teach seminars. This is the best way to determine what methodologies work best and to learn the training needs of bankers.

- Foreign study tours for senior bankers and officials are not effective.

Foreign study tours for senior level bankers and officials are not beneficial. KIIB's study tour generated very little results in the way of future support for its banker training activities. From a cost/benefit standpoint, such trips are not justifiable. The funds would be better spent in the host country, training the bankers who are genuinely interested in banking sector reform.

Future Prospects

At the time of writing this report, three strategies had surfaced to support the continuation of banker training activities at KIMEP using the physical assets and intellectual capital provided by KIIB:

- KIMEP will manage its own training program focused on creating a banking specialization within the regular curriculum at KIMEP. This strategy would refocus the training on KIMEP students as opposed to active bankers.
- The Center for Market Economy (ARMAN) could incorporate the banker training activities into its operations. ARMAN was established as an independent unit within KIMEP to promote the development of a market economy through professional training seminars. ARMAN is sponsored by a number of organizations including Soros Foundation and World Bank (EDI). Their goal is to become self-sustaining and they have already made progress in developing local management and trainers. ARMAN's seminars are one to three weeks in length and cover such topics as business plan development, real estate appraisal, and machinery and equipment appraisal. Therefore, their course offerings complement KIIB's banking courses.
- The EU TACIS sponsored Almaty Bank Training Center (ABC) has expressed interest in assuming management and use of KIIB's physical assets and intellectual capital to continue bank training at KIMEP. This scenario envisions the creation of a branch of ABC at KIMEP. This option offers the best chance of continuing training for active bankers at KIMEP.

The decision as to which option to implement will be made by the management of KIMEP. If implemented and managed properly, each of the above options can result in the continuation of banker training at KIMEP.

Topic	City	Country	Date	Instructor(s)
Accounting	Almaty	Kazakstan	10/7/96	Basabikova
Accounting	Almaty	Kazakstan	3/11/96	Perry
Accounting	Almaty	Kazakstan	10/28/96	Tousipova
Accounting	Almaty	Kazakstan	9/25/95	Fechtmeier
Accounting	Almaty	Kazakstan	5/13/96	Shankle
Accounting	Almaty	Kazakstan	11/11/96	Local Instructor
Accounting	Almaty	Kazakstan	7/8/96	Shankle
Accounting	Kishinev	Moldova	3/11/96	Drakey
Accounting	Kishinev	Moldova	5/20/96	Shankle
Accounting	Kyiv	Ukraine	3/11/96	Canfield
Accounting	Kyiv	Ukraine	9/30/96	Jim Shankle
Accounting	Kyiv	Ukraine	9/23/96	Jim Shankle
Accounting	Kyiv	Ukraine	10/2/95	Canfield
Accounting	Novosibirsk	Russia	11/13/95	Wilcox
Accounting	Vladivostok	Russia	9/18/95	Bressler
Accounting	Vladivostok	Russia	12/18/95	Sheikh
Accounting	Vladivostok	Russia	10/2/95	Sheikh
Accounting	Yerevan	Armenia	11/11/96	Jim Shankle
Advanced Credit Management	Novosibirsk	Russia	9/9/96	Norman Baxter
Advanced Credit Management	Novosibirsk	Russia	9/2/96	Norman Baxter
Anti-Money Laundering	Kishinev	Moldova	11/20/95	Ramasastry
Anti-Money Laundering	Kyiv	Ukraine	12/5/94	Rudnick/Copeland
Asset Liability I	Kyiv	Ukraine	12/9/96	Roger Lindland
Asset Liability I	Novosibirsk	Russia	8/19/96	Geary Vance
Asset Liability I	Vladivostok	Russia	9/23/96	Barry Hoffner
Asset Liability I	Vladivostok		9/23/96	Hoffner
Asset Liability Management	Yerevan	Armenia	9/30/96	Barry Hoffner
Asset Liability Management I	Almaty	Kazakstan	4/15/96	McNeil
Asset Liability Management I	Almaty	Kazakstan	9/4/95	Adkins
Asset Liability Management I	Central Asia (Bishkek)	Kyrgyzstan	1/22/96	McNeil
Asset Liability Management I	Kishinev	Moldova	10/10/94	McNeil
Asset Liability Management I	Kishinev	Moldova	12/11/95	Swift
Asset Liability Management I	Kyiv	Ukraine	12/18/95	Koch
Asset Liability Management I	Kyiv	Ukraine	12/12/94	Koch
Asset Liability Management I	Kyiv	Ukraine	5/2/94	Koch
Asset Liability Management I	Novosibirsk	Russia	1/15/96	Vance
Asset Liability Management I	Novosibirsk	Russia	8/7/95	McNeil
Asset Liability Management I	Novosibirsk	Russia	1/30/95	McNeil
Asset Liability Management I	Novosibirsk	Russia	10/24/94	Swift
Asset Liability Management I	Vladivostok	Russia	2/6/95	Harvey
Asset Liability Management I	Vladivostok	Russia	5/13/96	Adkins
Asset Liability Management I	Vladivostok	Russia	4/24/95	McNeil
Asset Liability Management I	Vladivostok	Russia	11/14/94	McNeil
Asset Liability Management I	Vladivostok	Russia	7/31/95	Harvey
Asset Liability Management II	Novosibirsk	Russia	5/1/95	McNeil
Automation in Banking I	Almaty	Kazakstan	8/22/94	Awad
Automation in Banking I	Almaty	Kazakstan	11/7/94	Pfeifer
Automation in Banking I	Almaty	Kazakstan	3/13/95	Awad
Automation in Banking I	Kishinev	Moldova	12/19/94	Awad
Automation in Banking I	Kyiv	Ukraine	9/19/94	Awad
Automation in Banking I	Kyiv	Ukraine	4/25/94	Scappini
Automation in Banking I	Novosibirsk	Russia	2/27/95	Awad
Automation in Banking I	Vladivostok	Russia	1/9/95	Awad
Automation in Banking II	Kishinev	Moldova	5/15/95	Awad
Automation in Banking II	Kishinev	Moldova	7/10/95	Awad
Bank Card	Kyiv	Ukraine	10/7/96	Tom Barrell

Topic	City	Country	Date	Instructor(s)
Bank Fraud	Almaty	Kazakstan	9/9/96	Ospanov
Bank Marketing	Almaty	Kazakstan	10/14/96	Dosaeva
Bank Supervision	Almaty	Kazakstan	9/16/96	Clark/Sexton
Bank Supervision I	Almaty	Kazakstan	5/23/94	Richards
Bank Supervision I	Almaty	Kazakstan	5/30/94	Richards
Bank Supervision I	Almaty	Kazakstan	8/29/94	Richards
Bank Supervision I	Almaty	Kazakstan	9/5/94	Richards
Bank Supervision I	Kishinev	Moldova	2/5/96	Richards
Bank Supervision I	Kishinev	Moldova	10/3/94	Jackson
Bank Supervision I	Kishinev	Moldova	8/21/95	Richards
Bank Supervision I	Kyiv (Dnipropetrovsk)	Ukraine	2/14/94	Baldino/Sexton
Bank Supervision I	Novosibirsk	Russia	3/20/95	Richards
Bank Supervision II	Kishinev	Moldova	12/5/94	Richards
Bank Supervision II	Kishinev	Moldova	9/25/95	Richards
Bank Supervision II	Kishinev	Moldova	3/4/96	Richards
Bank Supervision II	Kyiv	Ukraine	9/26/94	Chan/Hightower
Bank Supervision II	Kyiv	Ukraine	1/30/95	Richards
Bank Supervision II	Vladivostok	Russia	10/3/94	Baldino/Hightower
Bank Terminology	Kyiv	Ukraine	12/16/96	L. Yevtushenko
BankCard	Novosibirsk	Russia	3/13/95	Coley
BankCard	Vladivostok	Russia	12/11/95	Coley
BankCard	Vladivostok	Russia	12/12/94	Coley
BankExec	Kyiv	Ukraine	12/9/96	Jerry Roderick
BankExec	Kyiv	Ukraine	12/16/96	Jerry Roderick
BankExec International	Almaty	Kazakstan	4/22/96	McNeil
BankExec International	Almaty	Kazakstan	2/13/95	Swift
BankExec International	Almaty	Kazakstan	9/11/95	Swift
BankExec International	Almaty	Kazakstan	10/16/95	Schreier
BankExec International	Almaty	Kazakstan	6/12/95	Swift
BankExec International	Almaty	Kazakstan	12/5/94	Roderick
BankExec International	Almaty	Kazakstan	10/31/94	Roderick
BankExec International	Almaty	Kazakstan	6/27/94	Swift
BankExec International	Central Asia (Ashgabat)	Turkmenistan	3/20/95	Roderick
BankExec International	Central Asia (Bishkek)	Kyrgyzstan	2/27/95	Roderick
BankExec International	Central Asia (Bishkek)	Kyrgyzstan	1/29/96	McNeil
BankExec International	Central Asia (Bishkek)	Kyrgyzstan	5/1/95	Vance
BankExec International	Kishinev	Moldova	1/29/96	Roderick
BankExec International	Kishinev	Moldova	8/14/95	Seifried
BankExec International	Kishinev	Moldova	12/12/94	Simonson
BankExec International	Kishinev	Moldova	10/30/95	Roderick
BankExec International	Kishinev	Moldova	9/12/94	Schreier
BankExec International	Kishinev	Moldova	12/12/94	Simonson
BankExec International	Kishinev	Moldova	11/14/94	Vance
BankExec International	Kyiv	Ukraine	1/15/96	Seifried
BankExec International	Kyiv	Ukraine	1/9/95	Seifried
BankExec International	Kyiv	Ukraine	5/1/94	Seifried
BankExec International	Kyiv	Ukraine	6/6/94	Campbell
BankExec International	Kyiv	Ukraine	4/11/94	Seifried
BankExec International	Kyiv	Ukraine	2/21/94	Drakey
BankExec International	Kyiv	Ukraine	1/10/94	Seifried
BankExec International	Kyiv (Kharkiv)	Ukraine	10/9/95	Seifried
BankExec International	Kyiv (Yalta)	Ukraine	10/24/94	Seifried
BankExec International	Kyiv (Yalta)	Ukraine	5/16/94	Schreier
BankExec International	Novosibirsk	Russia	9/5/94	Schreier
BankExec International	Novosibirsk	Russia	11/21/95	Seifried
BankExec International	Novosibirsk (Irkutsk)	Russia	10/9/95	Vance

Topic	City	Country	Date	Instructor(s)
BankExec International	Novosibirsk (Kemerovo)	Russia	1/22/96	Campbell
BankExec International	Novosibirsk (Omsk)	Russia	10/2/95	Vance
BankExec International	Novosibirsk (Omsk)	Russia	8/28/95	Vance
BankExec International	Vladivostok	Russia	9/19/94	Schreier
BankExec International	Vladivostok (Khabarovsk)	Russia	11/28/94	Mullineaux
BankExec International	Vladivostok (Khabarovsk)	Russia	2/20/95	Mullineaux
BankExec International	Vladivostok (Magadan)	Russia	8/7/95	Roderick
Banking Supervision	Yerevan	Armenia	11/4/96	Barbara Baldwin
Branch Management	Kyiv	Ukraine	10/14/96	Tom Barrell
Branch Management I	Vladivostok	Russia	2/19/96	Davidson
Capital Markets	Almaty	Kazakstan	10/16/95	McKeever
Capital Markets	Almaty	Kazakstan	11/27/95	Swift
Capital Markets	Kishinev	Moldova	12/11/95	Hilliard
Capital Markets	Kyiv	Ukraine	5/15/95	Osius
Capital Markets	Kyiv	Ukraine	10/28/96	Meg Osius
Capital Markets - Debt	Kyiv	Ukraine	12/11/95	Osius
Capital Markets - Debt	Kyiv	Ukraine	5/27/96	Osius
Capital Markets - Debt	Novosibirsk	Russia	2/19/96	Osius
Capital Markets - Equity	Kyiv	Russia	10/23/95	Johnson
Consumer Lending	Almaty	Kazakstan	4/24/95	Adkins
Corporate Finance	Almaty	Kazakstan	8/21/95	DeMong
Corporate Finance	Kyiv	Ukraine	10/10/94	Handorf
Corporate Finance	Kyiv	Ukraine	3/14/94	Handorf
Corporate Finance	Vladivostok	Russia	5/20/96	Grier
Credit	Almaty	Kazakstan	10/21/96	Local Instructor
Credit	Almaty	Kazakstan	11/18/96	Hsu and/or Fareed
Credit	Yerevan	Armenia	9/16/96	Norman Baxter
Credit I	Almaty	Kazakstan	10/3/94	Mansfield
Credit I	Almaty	Kazakstan	5/20/96	Hsu/Lewarne
Credit I	Almaty	Kazakstan	9/25/95	Baxter
Credit I	Almaty	Kazakstan	4/10/95	Roderick
Credit I	Almaty	Kazakstan	1/29/96	Baxter
Credit I	Almaty	Kazakstan	12/4/95	Campbell
Credit I	Almaty	Kazakstan	11/14/94	Drakey
Credit I	Almaty	Kazakstan	6/24/96	Hsu
Credit I	Almaty	Kazakstan	1/23/95	Drakey
Credit I	Central Asia (Ashgabat)	Turkmenistan	10/23/95	Richards, J.
Credit I	Central Asia (Ashgabat)	Turkmenistan	2/20/95	Roderick
Credit I	Central Asia (Bishkek)	Kyrgyzstan	5/15/95	Roderick
Credit I	Central Asia (Bishkek)	Kyrgyzstan	9/18/95	Blum
Credit I	Kishinev	Moldova	10/17/94	Dickerson, C.
Credit I	Kishinev	Moldova	1/23/95	Drakey
Credit I	Kishinev	Moldova	9/11/95	Lewis
Credit I	Kishinev	Moldova	10/23/95	Lewis
Credit I	Kyiv	Ukraine	1/17/94	Drakey
Credit I	Kyiv	Ukraine	2/12/96	Baxter
Credit I	Kyiv	Ukraine	11/13/95	Baxter
Credit I	Kyiv	Ukraine	10/2/95	Boutin
Credit I	Kyiv	Ukraine	6/5/95	Baxter
Credit I	Kyiv	Ukraine	5/29/95	Baxter
Credit I	Kyiv	Ukraine	3/13/95	Baxter
Credit I	Kyiv	Ukraine	2/14/94	Drakey
Credit I	Kyiv	Ukraine	11/11/96	Bill Campbell
Credit I	Kyiv	Ukraine	1/30/95	Baxter
Credit I	Kyiv (Dnipropetrovsk)	Ukraine	10/9/95	Baxter
Credit I	Kyiv (Ternopil)	Ukraine	2/6/95	Baxter

Topic	City	Country	Date	Instructor(s)
Credit I	Novosibirsk	Russia	11/28/94	Roderick
Credit I	Novosibirsk	Russia	4/10/95	Richards, J.
Credit I	Novosibirsk (Chelyabinsk)	Russia	6/19/95	Murray
Credit I	Vladivostok	Russia	3/20/95	Campbell
Credit I	Vladivostok	Russia	10/31/94	Campbell
Credit I	Vladivostok	Russia	7/17/95	Barneus
Credit I	Vladivostok (Yuzhno Sakhalinsk)	Russia	7/17/95	Simonson
Credit II	Almaty	Kazakstan	2/20/95	Drakey
Credit II	Almaty	Kazakstan	2/5/96	Baxter
Credit II	Almaty	Kazakstan	10/28/96	Bill Campbell
Credit II	Almaty	Kazakstan	12/11/95	Campbell
Credit II	Almaty	Kazakstan	5/8/95	Campbell
Credit II	Almaty	Kazakstan	10/2/95	Baxter
Credit II	Kishinev	Moldova	11/27/95	Roderick
Credit II	Kishinev	Moldova	4/24/95	Baxter
Credit II	Kishinev	Moldova	11/21/94	Drakey
Credit II	Kyiv	Ukraine	2/19/96	Baxter
Credit II	Vladivostok	Russia	11/13/95	Dressen
Customer Service	Kishinev	Moldova	10/9/95	Chitwood
Customer Service	Kishinev	Moldova	11/7/94	Chitwood
Customer Service	Kishinev	Moldova	3/20/95	Chitwood
Customer Service	Kyiv	Ukraine	6/26/95	Chitwood
Customer Service	Kyiv	Ukraine	11/27/95	Chitwood
Customer Service	Novosibirsk (Kemerovo)	Russia	12/4/95	Chitwood
Customer Service	Novosibirsk (Kemerovo)	Russia	2/12/95	Chitwood
Customer Service	Novosibirsk (Omsk)	Russia	9/18/95	Chitwood
Customer Service	Vladivostok	Russia	2/13/95	Chitwood
Customer Service	Vladivostok	Russia	4/22/96	Harvey
Customer Service	Vladivostok	Russia	4/15/96	Harvey
Customer Service	Vladivostok (Khabarovsk)	Russia	7/10/95	Chitwood
Economics of Money & Banking	Kishinev	Moldova	5/29/95	Mokhtari
Economics of Money & Banking	Vladivostok	Russia	3/11/96	Mokhtari
Enterprise Finance	Almaty	Kazakstan	9/4/95	Grier
Enterprise Finance	Almaty	Kazakstan	7/3/95	Grier
Enterprise Finance	Kishinev	Moldova	1/23/95	Kemp
Enterprise Finance	Kishinev	Moldova	5/22/95	Grier
Enterprise Finance	Kishinev	Moldova	7/24/95	Grier
Executive Roundtable	Kyiv	Ukraine	6/5/95	Mistri
Executive Roundtable	Kyiv	Ukraine	11/21/94	Mistri
Financial Institutions Analysis	Almaty	Kazakstan	11/13/95	Blum
Financial Institutions Analysis	Kyiv	Ukraine	11/18/96	Bill Campbell
Financial Institutions Analysis	Kyiv	Ukraine	4/15/96	Blue
Financial Institutions Analysis	Kyiv	Ukraine	4/8/96	Blue
Financial Institutions Analysis	Novosibirsk	Russia	5/20/96	Turner
Financial Institutions Analysis	Novosibirsk (Krasnoyarsk)	Russia	7/10/95	Millikan
Financial Management	Vladivostok	Russia	3/13/95	Campbell
Foreign Exchange	Kyiv	Ukraine	10/21/96	Meg Osius
Foreign Exchange I	Almaty	Kazakstan	8/21/95	Webb
Foreign Exchange I	Almaty	Kazakstan	3/6/95	Osius
Foreign Exchange I	Almaty	Kazakstan	10/10/94	Osius
Foreign Exchange I	Almaty	Kazakstan	10/30/95	Osius
Foreign Exchange I	Almaty	Kazakstan	5/23/94	Osius
Foreign Exchange I	Almaty	Kazakstan	6/19/95	Osius
Foreign Exchange I	Central Asia (Ashgabat)	Turkmenistan	4/8/96	Osius
Foreign Exchange I	Kishinev	Moldova	2/6/95	Osius
Foreign Exchange I	Kishinev	Moldova	6/12/95	White, M.

Topic	City	Country	Date	Instructor(s)
Foreign Exchange I	Kishinev	Moldova	12/4/95	Osius
Foreign Exchange I	Kishinev	Moldova	1/15/96	Osius
Foreign Exchange I	Kyiv	Ukraine	4/10/95	Osius
Foreign Exchange I	Kyiv	Ukraine	5/20/96	Osius
Foreign Exchange I	Kyiv	Ukraine	9/11/95	Osius
Foreign Exchange I	Kyiv	Ukraine	6/13/94	Osius
Foreign Exchange I	Kyiv	Ukraine	4/18/94	Gomez
Foreign Exchange I	Kyiv	Ukraine	1/24/94	Osius
Foreign Exchange I	Kyiv (Odessa)	Ukraine	8/15/94	Osius
Foreign Exchange I	Novosibirsk	Russia	6/26/95	Osius
Foreign Exchange I	Vladivostok	Russia	9/26/94	Mansfield
Foreign Exchange I	Vladivostok	Russia	1/8/96	White, M.
Foreign Exchange II	Kyiv	Ukraine	6/20/94	Osius
Foreign Exchange II	Novosibirsk	Russia	7/3/95	Osius
Human Resources	Novosibirsk	Russia	9/30/96	Paulo Rajao
Human Resources	Novosibirsk	Russia	10/7/96	Paulo Rajao
Human Resources Management I	Almaty	Kazakstan	10/17/94	Richards, C.
Human Resources Management I	Almaty	Kazakstan	9/11/95	Awad
Human Resources Management I	Almaty	Kazakstan	5/22/95	O'Donnell
Human Resources Management I	Central Asia (Ashgabat)	Turkmenistan	3/25/96	Awad
Human Resources Management I	Kishinev	Moldova	2/20/95	O'Donnell
Human Resources Management I	Kishinev	Moldova	9/19/94	O'Donnell
Human Resources Management I	Kyiv	Ukraine	6/27/94	Awad
Human Resources Management I	Kyiv	Ukraine	11/14/94	Clatterbuck
Human Resources Management I	Novosibirsk	Russia	2/13/95	Richards, C.
Human Resources Management I	Novosibirsk	Russia	4/24/95	Finnegan
Human Resources Management I	Vladivostok	Russia	10/17/94	Awad
Human Resources Managements	Almaty	Kazakstan	12/12/94	Awad
Interbank Credit Risk	Kishinev	Moldova	12/18/95	Grier
Interbank Credit Risk	Kishinev	Moldova	9/26/94	Walraven
Interbank Credit Risk	Kishinev	Moldova	2/20/95	Grier
Interbank Credit Risk	Kyiv	Ukraine	3/14/94	Walraven
Interbank Credit Risk	Kyiv (Yalta)	Ukraine	5/16/94	Walraven
Interbank Credit Risk	Novosibirsk	Russia	12/12/94	Grier
Interbank Credit Risk	Novosibirsk	Russia	5/8/95	Grier
Interbank Credit Risk	Novosibirsk (Yekaterinburg)	Russia	2/26/96	Grier
Interbank Credit Risk	Vladivostok	Russia	3/6/95	Skanderson
Interbank Credit Risk	Vladivostok	Russia	1/15/96	Grier
Internal Audit	Almaty	Kazakstan	2/19/96	Shankle
Internal Audit	Almaty	Kazakstan	11/20/95	Shankle
Internal Audit	Central Asia (Ashgabat)	Turkmenistan	4/22/96	Shankle
Internal Audit	Kishinev	Moldova	7/17/95	Capuder
Internal Audit	Kishinev	Moldova	10/2/95	Capuder
Internal Audit	Kishinev	Moldova	11/27/95	Capuder
Internal Audit	Kyiv	Ukraine	5/29/95	Drakey
Internal Audit	Kyiv	Ukraine	12/4/95	Capuder
Internal Audit	Kyiv	Ukraine	4/22/96	Drakey
Internal Audit	Novosibirsk (Krasnoyarsk)	Russia	12/11/95	Capuder
Internal Audit	Vladivostok	Russia	4/17/95	Capuder
Internal Audit	Vladivostok	Russia	10/9/95	Capuder
International Accounting	Novosibirsk	Russia	11/10/96	Moushtaq Sheik
International Banking	Almaty	Kazakstan	7/10/95	Grier
International Banking	Almaty	Kazakstan	9/12/94	Grier
International Banking	Kishinev	Moldova	2/19/96	Grier
International Banking	Kishinev	Moldova	10/31/94	Bryski
International Banking	Kishinev	Moldova	11/13/95	Grier

Topic	City	Country	Date	Instructor(s)
International Banking	Novosibirsk	Russia	12/12/94	Woody
International Banking	Vladivostok	Russia	6/19/95	Sowles
International Banking	Yerevan	Armenia	10/28/96	Dennis Blum
International Banking Terminology	Kyiv	Ukraine	1/29/96	Sochan
International Banking Terminology	Kyiv	Ukraine	4/24/95	Sochan
International Banking Terminology	Kyiv	Ukraine	1/22/96	Sochan
International Payment Systems I	Kishinev	Moldova	4/10/95	Chrapla
International Payment Systems I	Kyiv	Ukraine	5/9/94	Lordan
International Payment Systems I	Kyiv	Ukraine	9/12/94	Lordan
International Payment Systems I	Kyiv	Ukraine	3/28/94	Petrarca
International Payment Systems I	Kyiv	Ukraine	1/31/94	Lordan/Petrarca
International Payment Systems II	Kyiv	Ukraine	11/28/94	Lordan
International Payment Systems II	Kyiv	Ukraine	3/20/95	Lordan
Legal & Regulatory Environment	Almaty	Kazakstan	4/3/95	Sexton
Letters of Credit	Almaty	Kazakstan	9/23/96	Kaliev/Hsu
Letters of Credit	Kyiv	Ukraine	9/16/96	Meg Osius
Letters of Credit & Trade Finance	Almaty	Kazakstan	6/10/96	Hsu
Letters of Credit & Trade Finance	Almaty	Kazakstan	11/28/94	Hsu
Letters of Credit & Trade Finance	Almaty	Kazakstan	11/27/95	Hsu
Letters of Credit & Trade Finance	Almaty	Kazakstan	3/11/96	Hsu
Letters of Credit & Trade Finance	Almaty	Kazakstan	4/17/95	Hsu
Letters of Credit & Trade Finance	Almaty	Kazakstan	4/29/96	Hsu
Letters of Credit & Trade Finance	Central Asia (Ashgabat)	Turkmenistan	3/25/96	Hsu
Letters of Credit & Trade Finance	Kishinev	Moldova	9/4/95	Hsu
Letters of Credit & Trade Finance	Kyiv	Ukraine	2/5/96	Turner
Letters of Credit & Trade Finance	Kyiv	Ukraine	10/17/94	Osius
Letters of Credit & Trade Finance	Kyiv (Kharkiv)	Ukraine	2/13/95	Osius
Letters of Credit & Trade Finance	Kyiv (Odessa)	Ukraine	4/3/95	Osius
Marketing	Almaty	Kazakstan	9/18/95	White, P.
Marketing	Almaty	Kazakstan	1/30/95	White, P.
Marketing	Almaty	Kazakstan	9/26/94	White, P.
Marketing	Kishinev	Moldova	11/6/95	White, P.
Marketing	Kishinev	Moldova	3/13/95	White, P.
Marketing	Kyiv	Ukraine	2/6/95	White, P.
Marketing	Kyiv	Ukraine	5/2/94	White, P.
Marketing	Kyiv	Ukraine	4/4/94	White, P.
Marketing	Kyiv	Ukraine	10/30/95	White, P.
Marketing	Kyiv (Lviv)	Ukraine	7/18/94	White, P.
Marketing	Novosibirsk	Russia	4/3/95	White, P.
Marketing	Novosibirsk	Russia	5/27/96	White, P.
Marketing	Novosibirsk	Russia	10/3/94	White, P.
Marketing	Vladivostok	Russia	10/10/94	White, P.
Mortgage Finance	Kyiv	Ukraine	9/4/95	Mawhinney
Mortgage Finance	Kyiv	Ukraine	2/20/95	Mawhinney
Mortgage Finance	Kyiv	Ukraine	3/25/96	Mawhinney
Problem Loan Management	Yerevan	Armenia	12/9/96	Bill Campbell
Problem Loan Management I	Almaty	Kazakstan	12/18/95	Dickerson, N.
Problem Loan Management I	Almaty	Kazakstan	10/9/95	Dickerson, N.
Problem Loan Management I	Almaty	Kazakstan	3/27/95	Dickerson, N.
Problem Loan Management I	Almaty	Kazakstan	7/10/95	Dickerson, N.
Problem Loan Management I	Kishinev	Moldova	1/22/96	Dickerson, N.
Problem Loan Management I	Kishinev	Moldova	9/18/95	Dickerson, N.
Problem Loan Management I	Kishinev	Moldova	4/3/95	Dickerson, N.
Problem Loan Management I	Kyiv	Ukraine	9/25/95	Dickerson, N.
Problem Loan Management I	Novosibirsk	Russia	3/20/95	Handorf
Problem Loan Management I	Novosibirsk	Russia	10/9/95	Handorf

Topic	City	Country	Date	Instructor(s)
Problem Loan Management I	Vladivostok	Russia	10/16/95	Grier
Problem Loan Management II	Kishinev	Moldova	2/12/96	Dickerson, N.
Problem Loan Management II	Kishinev	Moldova	10/16/95	Dickerson, N.
Problem Loan Management II	Kishinev	Moldova	5/1/95	Dickerson, N.
Problem Loans	Almaty	Kazakstan	11/4/96	Bill Campbell
Project Finance	Almaty	Kazakstan	3/18/96	Grier
Project Finance	Almaty	Kazakstan	6/12/95	Grier
Real Estate & Construction Finance	Central Asia (Bishkek)	Kyrgyzstan	12/11/95	Brody
Strategic Planning	Vladivostock	Russia	7/22/96	Michael Higgins
Strategic Competitive Advantage	Kyiv	Ukraine	12/19/94	Bennett
Strategic Planning	Almaty	Kazakstan	6/3/96	Lewarne
Strategic Planning	Almaty	Kazakstan	6/26/95	DeMong
Strategic Planning	Almaty	Kazakstan	12/11/95	DeMong
Strategic Planning	Novosibirsk	Russia	4/22/96	Higgins
Strategic Planning	Novosibirsk	Russia	5/1/95	Kemp
Strategic Planning	Vladivostock	Russia	10/21/96	Barrell & Beliakov
Strategic Planning	Vladivostock		10/21/96	Barrell, Beliakov
Strategic Planning	Vladivostock		7/22/96	Higgins
Strategic Planning	Vladivostock	Russia	6/10/96	Higgins
Strategic Planning/Bank Exec	Almaty	Kazakstan	9/30/96	Osmanov/Lewarne

NIS BANKERS' TRAINING PROJECT

The Bankers' Training Project is focused on training the maximum number of bankers in Western-based banking methodologies and establishing self-sustaining banking institutes across the NIS. These objectives are being realized through various knowledge transfer programs being delivered since January, 1994 across the NIS. To-date over 8,300 bankers have been trained in banking best-practices through a core curriculum of banking courses. We have established banking institutes in Ukraine, Russia (Novosibirsk and Vladivostok), Moldova, Kazakstan (covering all of the Republics of Central Asia), Armenia and Georgia. A vital component of Western banking best-practices that is incorporated into all of our training programs, is the lawful and ethical conduct of banking operations and the prevention of fraud and corruption. There are several specific examples in each of our country programs that attempt to address the issues of fraud and corruption, both directly and indirectly:

1) Our courses in Anti-Money Laundering, Bank Fraud, Internal Audit and Control, Letters of Credit and Trade Finance, Credit Analysis and Problem Loan Management and International Payments all directly address the issue of fraud and corruption prevention. The number of weeks that these programs have been delivered across the NIS is outlined below:

<u>COURSES</u>	<u>PROGRAM WEEKS</u>
Anti Money Laundering and Bank Fraud	3
Internal Audit and Control	12
Letters of Credit and Trade Finance	14
Credit Analysis	52
Problem Loan Management	16
International Payments	7

2) A number of specific examples of fraud and criminal loss prevention have also been identified and tracked through our country programs. They are listed below:

Ukraine

A Code of Ethics Manual was written and adopted by a Ukrainian bank after one of our Credit Analysis courses.

Demark Bank of Ukraine re-wrote its policies and procedures for issuing and negotiating letters of credit, incorporating our course materials to improve document examination and risk analysis procedures.

Following our Letter of Credit and Trade Finance course, a Ukrainian bank instituted better controls to prevent the manipulation of letters of guarantee. These controls subsequently prevented the issuance of a letter of credit and avoided a potential loss.

After our Letter of Credit and Trade Finance course, a Kiev-based bank refused to issue letters of credit against a letter of guarantee, avoiding a potential loss. The letter of guarantee was later proven to be fraudulent.

Following our Foreign Exchange course, Demark Bank was encouraged to utilize the SWIFT payment system to facilitate its payments due to the system's fraud prevention controls.

Geosantris Bank of Kyiv was able to identify and anticipate a loss under a pre-export finance loan following our Letters of Credit and Trade Finance course. The loss occurred when shipment was not made and the exporter and goods could not be located after payment. Controls, based in part on our course, were implemented to prevent future losses.

Central Asia

The EXIM Bank of Kazakstan, following our Letter of Credit and Trade Finance course, was able to quickly identify a fraudulent sugar transaction and avoid the transaction and potential loss.

Several examples of losses due to non-existent cargoes and utilization "Prime Bank Guarantee Instruments" have occurred in Central Asia. Government Ministries, National Banks and several commercial banks have cited knowledge gained through our courses as having prevented further instances of loss due to similar frauds.

Russia

At Sakhagrobank in Sakhalin, one of our instructors, acting in an advisory role after one of our Accounting courses, was able to confirm the fraudulent nature of a letter of guarantee. The bank declined the pending loan that was to be supported by the guarantee and avoided a potential \$1 million loss.

Vostokbusinessbank completely changed its Loan Policy following one of our Credit courses and adopted a strict set of insider-lending policies and procedures.

Vostokinvestbank made a number of changes in its procedures covering the use of standby letters of credit following our Letters of Credit course. The bank maintains that fraudulent transactions have been avoided as a result of these policy changes.

Senior managers at Regiobank were able to successfully manage a \$700,000 exposure and potential loss following the VIB insolvency. The bank credits our Risk Management and Financial Institutions Analysis programs with helping it avoid the loss.

Supervisors at Novosibirskvneshtorgbank utilize knowledge gained through our Internal Audit course to control bank operations and prevent internal bank fraud.

Country	Instructor(s)	Topic	Date
Ukraine	Seifried	BankExec International	1/10/94
Ukraine	Drakey	Credit I	1/17/94
Ukraine	Osius	Foreign Exchange I	1/24/94
Ukraine	Lordan/Petrarca	International Payment Systems I	1/31/94
Ukraine	Baldino/Sexton	Bank Supervision I	2/14/94
Ukraine	Drakey	Credit I	2/14/94
Ukraine	Drakey	BankExec International	2/21/94
Ukraine	Handorf	Corporate Finance	3/14/94
Ukraine	Walraven	Interbank Credit Risk	3/14/94
Ukraine	Petrarca	International Payment Systems I	3/28/94
Ukraine	White, P.	Marketing	4/4/94
Ukraine	Seifried	BankExec International	4/11/94
Ukraine	Gomez	Foreign Exchange I	4/18/94
Ukraine	Scappini	Automation in Banking I	4/25/94
Ukraine	Seifried	BankExec International	5/1/94
Ukraine	Koch	Asset Liability Management I	5/2/94
Ukraine	White, P.	Marketing	5/2/94
Ukraine	Lordan	International Payment Systems I	5/9/94
Ukraine	Schreier	BankExec International	5/16/94
Ukraine	Walraven	Interbank Credit Risk	5/16/94
Ukraine	Campbell	BankExec International	6/6/94
Ukraine	Osius	Foreign Exchange I	6/13/94
Ukraine	Osius	Foreign Exchange II	6/20/94
Ukraine	Awad	Human Resources Management I	6/27/94
Ukraine	White, P.	Marketing	7/18/94
Ukraine	Osius	Foreign Exchange I	8/15/94
Ukraine	Lordan	International Payment Systems I	9/12/94
Ukraine	Awad	Automation in Banking I	9/19/94
Ukraine	Chan/Hightower	Bank Supervision II	9/26/94
Ukraine	Handorf	Corporate Finance	10/10/94
Ukraine	Osius	Letters of Credit & Trade Finance	10/17/94
Ukraine	Seifried	BankExec International	10/24/94
Ukraine	Clatterbuck	Human Resources Management I	11/14/94
Ukraine	Mistri	Executive Roundtable	11/21/94
Ukraine	Lordan	International Payment Systems II	11/28/94
Ukraine	Rudnick/Copeland	Anti-Money Laundering	12/5/94
Ukraine	Koch	Asset Liability Management I	12/12/94
Ukraine	Bennett	Strategic Competitive Advantage	12/19/94
Ukraine	Seifried	BankExec International	1/9/95
Ukraine	Baxter	Credit I	1/30/95
Ukraine	Richards	Bank Supervision II	1/30/95
Ukraine	Baxter	Credit I	2/6/95
Ukraine	White, P.	Marketing	2/6/95
Ukraine	Osius	Letters of Credit & Trade Finance	2/13/95
Ukraine	Mawhinney	Mortgage Finance	2/20/95
Ukraine	Baxter	Credit I	3/13/95
Ukraine	Lordan	International Payment Systems II	3/20/95
Ukraine	Osius	Letters of Credit & Trade Finance	4/3/95
Ukraine	Osius	Foreign Exchange I	4/10/95
Ukraine	Sochan	International Banking Terminology	4/24/95
Ukraine	Osius	Capital Markets	5/15/95
Ukraine	Drakey	Internal Audit	5/29/95
Ukraine	Baxter	Credit I	5/29/95
Ukraine	Baxter	Credit I	6/5/95
Ukraine	Mistri	Executive Roundtable	6/5/95
Ukraine	Chitwood	Customer Service	6/26/95

Country	Instructor(s)	Topic	Date
Ukraine	Mawhinney	Mortgage Finance	9/4/95
Ukraine	Osius	Foreign Exchange I	9/11/95
Ukraine	Dickerson, N.	Problem Loan Management I	9/25/95
Ukraine	Boutin	Credit I	10/2/95
Ukraine	Canfield	Accounting	10/2/95
Ukraine	Seifried	BankExec International	10/9/95
Ukraine	Baxter	Credit I	10/9/95
Ukraine	White, P.	Marketing	10/30/95
Ukraine	Baxter	Credit I	11/13/95
Ukraine	Chitwood	Customer Service	11/27/95
Ukraine	Capuder	Internal Audit	12/4/95
Ukraine	Osius	Capital Markets - Debt	12/11/95
Ukraine	Koch	Asset Liability Management I	12/18/95
Ukraine	Seifried	BankExec International	1/15/96
Ukraine	Sochan	International Banking Terminology	1/22/96
Ukraine	Sochan	International Banking Terminology	1/29/96
Ukraine	Turner	Letters of Credit & Trade Finance	2/5/96
Ukraine	Baxter	Credit I	2/12/96
Ukraine	Baxter	Credit II	2/19/96
Ukraine	Canfield	Accounting	3/11/96
Ukraine	Mawhinney	Mortgage Finance	3/25/96
Ukraine	Blue	Financial Institutions Analysis	4/8/96
Ukraine	Blue	Financial Institutions Analysis	4/15/96
Ukraine	Drakey	Internal Audit	4/22/96
Ukraine	Osius	Foreign Exchange I	5/20/96
Ukraine	Osius	Capital Markets - Debt	5/27/96
Ukraine	Meg Osius	Letters of Credit	9/16/96
Ukraine	Jim Shankle	Accounting	9/23/96
Ukraine	Jim Shankle	Accounting	9/30/96
Ukraine	Tom Barrell	Bank Card	10/7/96
Ukraine	Tom Barrell	Branch Management	10/14/96
Ukraine	Meg Osius	Foreign Exchange	10/21/96
Ukraine	Meg Osius	Capital Markets	10/28/96
Ukraine	Bill Campbell	Credit I	11/11/96
Ukraine	Bill Campbell	Financial Institutions Analysis	11/18/96
Ukraine	Jerry Roderick	BankExec	12/9/96
Ukraine	Roger Lindland	Asset Liability I	12/9/96
Ukraine	Jerry Roderick	BankExec	12/16/96
Ukraine	L. Yevtushenko	Bank Terminology	12/16/96

Country	Instructor(s)	Topic	Date
Kazakstan	Richards	Bank Supervision I	5/23/94
Kazakstan	Osius	Foreign Exchange I	5/23/94
Kazakstan	Richards	Bank Supervision I	5/30/94
Kazakstan	Swift	BankExec International	6/27/94
Kazakstan	Awad	Automation in Banking I	8/22/94
Kazakstan	Richards	Bank Supervision I	8/29/94
Kazakstan	Richards	Bank Supervision I	9/5/94
Kazakstan	Grier	International Banking	9/12/94
Kazakstan	White, P.	Marketing	9/26/94
Kazakstan	Mansfield	Credit I	10/3/94
Kazakstan	Osius	Foreign Exchange I	10/10/94
Kazakstan	Richards, C.	Human Resources Management I	10/17/94
Kazakstan	Roderick	BankExec International	10/31/94
Kazakstan	Pfeifer	Automation in Banking I	11/7/94
Kazakstan	Drakey	Credit I	11/14/94
Kazakstan	Hsu	Letters of Credit & Trade Finance	11/28/94
Kazakstan	Roderick	BankExec International	12/5/94
Kazakstan	Awad	Human Resources Managements	12/12/94
Kazakstan	Drakey	Credit I	1/23/95
Kazakstan	White, P.	Marketing	1/30/95
Kazakstan	Swift	BankExec International	2/13/95
Kazakstan	Drakey	Credit II	2/20/95
Kazakstan	Osius	Foreign Exchange I	3/6/95
Kazakstan	Awad	Automation in Banking I	3/13/95
Kazakstan	Dickerson, N.	Problem Loan Management I	3/27/95
Kazakstan	Sexton	Legal & Regulatory Environment	4/3/95
Kazakstan	Roderick	Credit I	4/10/95
Kazakstan	Hsu	Letters of Credit & Trade Finance	4/17/95
Kazakstan	Adkins	Consumer Lending	4/24/95
Kazakstan	Campbell	Credit II	5/8/95
Kazakstan	O'Donnell	Human Resources Management I	5/22/95
Kazakstan	Grier	Project Finance	6/12/95
Kazakstan	Swift	BankExec International	6/12/95
Kazakstan	Osius	Foreign Exchange I	6/19/95
Kazakstan	DeMong	Strategic Planning	6/26/95
Kazakstan	Grier	Enterprise Finance	7/3/95
Kazakstan	Dickerson, N.	Problem Loan Management I	7/10/95
Kazakstan	Grier	International Banking	7/10/95
Kazakstan	Webb	Foreign Exchange I	8/21/95
Kazakstan	DeMong	Corporate Finance	8/21/95
Kazakstan	Adkins	Asset Liability Management I	9/4/95
Kazakstan	Grier	Enterprise Finance	9/4/95
Kazakstan	Awad	Human Resources Management I	9/11/95
Kazakstan	Swift	BankExec International	9/11/95
Kazakstan	White, P.	Marketing	9/18/95
Kazakstan	Fechtmeier	Accounting	9/25/95
Kazakstan	Baxter	Credit I	9/25/95
Kazakstan	Baxter	Credit II	10/2/95
Kazakstan	Dickerson, N.	Problem Loan Management I	10/9/95
Kazakstan	Schreier	BankExec International	10/16/95
Kazakstan	McKeever	Capital Markets	10/16/95
Kazakstan	Osius	Foreign Exchange I	10/30/95
Kazakstan	Blum	Financial Institutions Analysis	11/13/95
Kazakstan	Shankle	Internal Audit	11/20/95
Kazakstan	Hsu	Letters of Credit & Trade Finance	11/27/95
Kazakstan	Swift	Capital Markets	11/27/95

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Country	Instructor(s)	Topic	Date
Kazakstan	Campbell	Credit I	12/4/95
Kazakstan	DeMong	Strategic Planning	12/11/95
Kazakstan	Campbell	Credit II	12/11/95
Kazakstan	Dickerson, N.	Problem Loan Management I	12/18/95
Kazakstan	Baxter	Credit I	1/29/96
Kazakstan	Baxter	Credit II	2/5/96
Kazakstan	Shankle	Internal Audit	2/19/96
Kazakstan	Hsu	Letters of Credit & Trade Finance	3/11/96
Kazakstan	Perry	Accounting	3/11/96
Kazakstan	Grier	Project Finance	3/18/96
Kazakstan	McNeil	Asset Liability Management I	4/15/96
Kazakstan	McNeil	BankExec International	4/22/96
Kazakstan	Hsu	Letters of Credit & Trade Finance	4/29/96
Kazakstan	Shankle	Accounting	5/13/96
Kazakstan	Hsu/Lewarne	Credit I	5/20/96
Kazakstan	Lewarne	Strategic Planning	6/3/96
Kazakstan	Hsu	Letters of Credit & Trade Finance	6/10/96
Kazakstan	Hsu	Credit I	6/24/96
Kazakstan	Shankle	Accounting	7/8/96
Kazakstan	Ospanov	Bank Fraud	9/9/96
Kazakstan	Clark/Sexton	Bank Supervision	9/16/96
Kazakstan	Kaliev/Hsu	Letters of Credit	9/23/96
Kazakstan	Ospanov/Lewarne	Strategic Planning/Bank Exec	9/30/96
Kazakstan	Basabikova	Accounting	10/7/96
Kazakstan	Dosaeva	Bank Marketing	10/14/96
Kazakstan	Local Instructor	Credit	10/21/96
Kazakstan	Tousipova	Accounting	10/28/96
Kazakstan	Bill Campbell	Credit II	10/28/96
Kazakstan	Bill Campbell	Problem Loans	11/4/96
Kazakstan	Local Instructor	Accounting	11/11/96
Kazakstan	Hsu and/or Fareed	Credit	11/18/96

City	Instructor(s)	Topic	Date
Central Asia (Ashgabat)	Roderick	Credit I	2/20/95
Central Asia (Ashgabat)	Roderick	BankExec International	3/20/95
Central Asia (Ashgabat)	Richards, J.	Credit I	10/23/95
Central Asia (Ashgabat)	Hsu	Letters of Credit & Trade Finance	3/25/96
Central Asia (Ashgabat)	Awad	Human Resources Management I	3/25/96
Central Asia (Ashgabat)	Osius	Foreign Exchange I	4/8/96
Central Asia (Ashgabat)	Shankle	Internal Audit	4/22/96
Central Asia (Bishkek)	Roderick	BankExec International	2/27/95
Central Asia (Bishkek)	Vance	BankExec International	5/1/95
Central Asia (Bishkek)	Roderick	Credit I	5/15/95
Central Asia (Bishkek)	Blum	Credit I	9/18/95
Central Asia (Bishkek)	Brody	Real Estate & Construction Finance	12/11/95
Central Asia (Bishkek)	McNeil	Asset Liability Management I	1/22/96
Central Asia (Bishkek)	McNeil	BankExec International	1/29/96

City	Instructor(s)	Topic	Date
Vladivostok	Schreier	BankExec International	9/19/94
Vladivostok	Mansfield	Foreign Exchange I	9/26/94
Vladivostok	Baldino/Hightower	Bank Supervision II	10/3/94
Vladivostok	White, P.	Marketing	10/10/94
Vladivostok	Awad	Human Resources Management I	10/17/94
Vladivostok	Campbell	Credit I	10/31/94
Vladivostok	McNeil	Asset Liability Management I	11/14/94
Vladivostok	Coley	BankCard	12/12/94
Vladivostok	Awad	Automation in Banking I	1/9/95
Vladivostok	Harvey	Asset Liability Management I	2/6/95
Vladivostok	Chitwood	Customer Service	2/13/95
Vladivostok	Skanderson	Interbank Credit Risk	3/6/95
Vladivostok	Campbell	Financial Management	3/13/95
Vladivostok	Campbell	Credit I	3/20/95
Vladivostok	Capuder	Internal Audit	4/17/95
Vladivostok	McNeil	Asset Liability Management I	4/24/95
Vladivostok	Sowles	International Banking	6/19/95
Vladivostok	Barneus	Credit I	7/17/95
Vladivostok	Harvey	Asset Liability Management I	7/31/95
Vladivostok	Bressler	Accounting	9/18/95
Vladivostok	Sheikh	Accounting	10/2/95
Vladivostok	Capuder	Internal Audit	10/9/95
Vladivostok	Grier	Problem Loan Management I	10/16/95
Vladivostok	Dressen	Credit II	11/13/95
Vladivostok	Coley	BankCard	12/11/95
Vladivostok	Sheikh	Accounting	12/18/95
Vladivostok	White, M.	Foreign Exchange I	1/8/96
Vladivostok	Grier	Interbank Credit Risk	1/15/96
Vladivostok	Davidson	Branch Management I	2/19/96
Vladivostok	Mokhtari	Economics of Money & Banking	3/11/96
Vladivostok	Harvey	Customer Service	4/15/96
Vladivostok	Harvey	Customer Service	4/22/96
Vladivostok	Adkins	Asset Liability Management I	5/13/96
Vladivostok	Higgins	Strategic Planning	6/10/96
Vladivostok	Higgins	Strategic Planning	7/22/96
Vladivostok	Hoffner	Asset Liability I	9/23/96
Vladivostok	Barrell, Beliakov	Strategic Planning	10/21/96

City	Instructor(s)	Topic	Date
Novosibirsk	Schreier	BankExec International	9/5/94
Novosibirsk	White, P.	Marketing	10/3/94
Novosibirsk	Swift	Asset Liability Management I	10/24/94
Novosibirsk	Roderick	Credit I	11/28/94
Novosibirsk	Grier	Interbank Credit Risk	12/12/94
Novosibirsk	Woody	International Banking	12/12/94
Novosibirsk	McNeil	Asset Liability Management I	1/30/95
Novosibirsk	Richards, C.	Human Resources Management I	2/13/95
Novosibirsk	Awad	Automation in Banking I	2/27/95
Novosibirsk	Coley	BankCard	3/13/95
Novosibirsk	Richards	Bank Supervision I	3/20/95
Novosibirsk	Handorf	Problem Loan Management I	3/20/95
Novosibirsk	White, P.	Marketing	4/3/95
Novosibirsk	Richards, J.	Credit I	4/10/95
Novosibirsk	Finnegan	Human Resources Management I	4/24/95
Novosibirsk	Kemp	Strategic Planning	5/1/95
Novosibirsk	McNeil	Asset Liability Management II	5/1/95
Novosibirsk	Grier	Interbank Credit Risk	5/8/95
Novosibirsk	Osius	Foreign Exchange I	6/26/95
Novosibirsk	Osius	Foreign Exchange II	7/3/95
Novosibirsk	McNeil	Asset Liability Management I	8/7/95
Novosibirsk	Handorf	Problem Loan Management I	10/9/95
Novosibirsk	Wilcox	Accounting	11/13/95
Novosibirsk	Seifried	BankExec International	11/21/95
Novosibirsk	Vance	Asset Liability Management I	1/15/96
Novosibirsk	Osius	Capital Markets - Debt	2/19/96
Novosibirsk	Higgins	Strategic Planning	4/22/96
Novosibirsk	Turner	Financial Institutions Analysis	5/20/96
Novosibirsk	White, P.	Marketing	5/27/96
Novosibirsk	Geary Vance	Asset Liability I	8/19/96
Novosibirsk	Norman Baxter	Advanced Credit Management	9/2/96
Novosibirsk	Norman Baxter	Advanced Credit Management	9/9/96
Novosibirsk	Paulo Rajao	Human Resources	9/30/96
Novosibirsk	Paulo Rajao	Human Resources	10/7/96
Novosibirsk	Moushtaq Sheik	International Accounting	11/10/96

Country	Instructor(s)	Topic	Date
Moldova	Schreier	BankExec International	9/12/94
Moldova	O'Donnell	Human Resources Management I	9/19/94
Moldova	Walraven	Interbank Credit Risk	9/26/94
Moldova	Jackson	Bank Supervision I	10/3/94
Moldova	McNeil	Asset Liability Management I	10/10/94
Moldova	Dickerson, C.	Credit I	10/17/94
Moldova	Bryski	International Banking	10/31/94
Moldova	Chitwood	Customer Service	11/7/94
Moldova	Vance	BankExec International	11/14/94
Moldova	Drakey	Credit II	11/21/94
Moldova	Richards	Bank Supervision II	12/5/94
Moldova	Simonson	BankExec International	12/12/94
Moldova	Simonson	BankExec International	12/12/94
Moldova	Awad	Automation in Banking I	12/19/94
Moldova	Kemp	Enterprise Finance	1/23/95
Moldova	Drakey	Credit I	1/23/95
Moldova	Osius	Foreign Exchange I	2/6/95
Moldova	O'Donnell	Human Resources Management I	2/20/95
Moldova	Grier	Interbank Credit Risk	2/20/95
Moldova	White, P.	Marketing	3/13/95
Moldova	Chitwood	Customer Service	3/20/95
Moldova	Dickerson, N.	Problem Loan Management I	4/3/95
Moldova	Chrapla	International Payment Systems I	4/10/95
Moldova	Baxter	Credit II	4/24/95
Moldova	Dickerson, N.	Problem Loan Management II	5/1/95
Moldova	Awad	Automation in Banking II	5/15/95
Moldova	Grier	Enterprise Finance	5/22/95
Moldova	Mokhtari	Economics of Money & Banking	5/29/95
Moldova	White, M.	Foreign Exchange I	6/12/95
Moldova	Awad	Automation in Banking II	7/10/95
Moldova	Capuder	Internal Audit	7/17/95
Moldova	Grier	Enterprise Finance	7/24/95
Moldova	Seifried	BankExec International	8/14/95
Moldova	Richards	Bank Supervision I	8/21/95
Moldova	Hsu	Letters of Credit & Trade Finance	9/4/95
Moldova	Lewis	Credit I	9/11/95
Moldova	Dickerson, N.	Problem Loan Management I	9/18/95
Moldova	Richards	Bank Supervision II	9/25/95
Moldova	Capuder	Internal Audit	10/2/95
Moldova	Chitwood	Customer Service	10/9/95
Moldova	Dickerson, N.	Problem Loan Management II	10/16/95
Moldova	Lewis	Credit I	10/23/95
Moldova	Roderick	BankExec International	10/30/95
Moldova	White, P.	Marketing	11/6/95
Moldova	Grier	International Banking	11/13/95
Moldova	Ramasastri	Anti-Money Laundering	11/20/95
Moldova	Capuder	Internal Audit	11/27/95
Moldova	Roderick	Credit II	11/27/95
Moldova	Osius	Foreign Exchange I	12/4/95
Moldova	Hilliard	Capital Markets	12/11/95
Moldova	Swift	Asset Liability Management I	12/11/95
Moldova	Grier	Interbank Credit Risk	12/18/95
Moldova	Osius	Foreign Exchange I	1/15/96
Moldova	Dickerson, N.	Problem Loan Management I	1/22/96
Moldova	Roderick	BankExec International	1/29/96
Moldova	Richards	Bank Supervision I	2/5/96

Country	Instructor(s)	Topic	Date
Moldova	Dickerson, N.	Problem Loan Management II	2/12/96
Moldova	Grier	International Banking	2/19/96
Moldova	Richards	Bank Supervision II	3/4/96
Moldova	Drakey	Accounting	3/11/96
Moldova	Shankle	Accounting	5/20/96

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Country	Instructor(s)	Topic	Date
Armenia	Norman Baxter	Credit	9/16/96
Armenia	Barry Hoffner	Asset Liability Management	9/30/96
Armenia	Dennis Blum	International Banking	10/28/96
Armenia	Barbara Baldwin	Banking Supervision	11/4/96
Armenia	Jim Shankle	Accounting	11/11/96
Armenia	Bill Campbell	Problem Loan Management	12/9/96

NIS BANKERS' TRAINING PROJECT PROGRAM IMPACT

- ◆ Seven banker training institutes and a banker resource center have been launched across the NIS with the objective of long-term financial self-sustainability. Institutes have been established in Kyiv, Ukraine, Almaty, Kazakstan, Novosibirsk and Vladivostok, Russia, Kishinev, Moldova, Yerevan, Armenia and Tbilisi, Georgia. The Resource Center was established in Moscow, Russia to support the institutes.
- ◆ To date, over 8,300 bankers, from ten countries and representing some 325 institutions, have been trained in nearly 400 courses emphasizing market-oriented risk management banking techniques.
- ◆ Additional innovations and contributions have been made to multiply the impact of the courses that have actually been taught in the classroom. They include:
 - Training materials have been contextualized to the local banking environment and have been translated into local languages
 - Training materials include local cases and have been designed as reference manuals for use on-the-job in the banks, by participants and their colleagues, after the delivery of the courses (a multiplier effect of our programs)
 - Computer training centers have been established in several locations to facilitate course delivery
 - A migration of core contextualized courses to interactive, self-teach computer-based training software is underway
 - Video training materials are in place
 - Full-scale banking reference libraries have been established
 - Local Directors and staff have been trained to assume the management of the institutes after USAID funding ends
 - Modern office operating procedures, equipment and related training infrastructure has been put in place
 - Skilled local instructors have been identified and are beginning specialized training under the project
 - A regional, mobile training capability has been established, giving our institutes a long reach to conduct courses throughout entire countries and neighboring countries
- ◆ In addition to these easily measurable results, we have also worked to measure the impact of our programs in other ways. Surveys are completed after every course and follow-up interviews with participants, bank training directors and senior management are conducted regularly by our Resident Advisors.

Primary objectives of these activities include:

- Determining how our courses have changed actual operations of participating banks
- Determining how bankers have utilized this new information in the conduct of their day-to-day jobs
- Improving the content, relevance and range of courses offered

In the process, we have captured specific examples indicating immediate benefits that have already accrued to a number of participating banks. This information has been collected on a case-by-case basis and is summarized in the following section.

<u>REGION/COUNTRY</u>	<u>BANKERS TRAINED TO DATE</u>		<u>Institutions</u>	<u>Study Tours</u>
	<u>Courses/</u>	<u>Participants</u>		
Ukraine	103	2,205	130	72
Central Asia	119	2,283	131	13
Kazakstan		1,552		
Kyrgyzstan		426		
Turkmenistan		274		
Uzbekistan		12		
Tadjikistan		7		
Other		12		
Russia	106	2,236	40	
Novosibirsk		1,056		
Vladivostok		1,180		
Moldova	60	1,435	25	18
Caucuses				
Armenia	6	143	28	
Georgia		-0-		
Grand Totals	394	8,302	324	99

NIS BANKERS' TRAINING PROJECT ANTI-FRAUD AND CORRUPTION IMPACT

The Bankers' Training Project is focused on training the maximum number of bankers in Western-based banking methodologies and establishing self-sustaining banking institutes across the NIS. These objectives are being realized through various knowledge transfer programs being delivered since January, 1994 across the NIS. To-date over 8,300 bankers have been trained in banking best-practices through a core curriculum of banking courses. We have established banking institutes in Ukraine, Russia (Novosibirsk and Vladivostok), Moldova, Kazakstan (covering all of the Republics of Central Asia), Armenia and Georgia. **A vital component of Western banking best-practices, that is incorporated into all of our training programs, is the lawful and ethical conduct of banking operations and the prevention of fraud and corruption.** There are several specific examples in each of our country programs that attempt to address the issues of fraud and corruption, both directly and indirectly:

1) Our courses in Anti-Money Laundering, Bank Fraud, Internal Audit and Control, Letters of Credit and Trade Finance, Credit Analysis and Problem Loan Management and International Payments all directly address the issue of fraud and corruption prevention. The number of weeks that these programs have been delivered across the NIS is outlined below:

<u>COURSES</u>	<u>PROGRAM WEEKS</u>
Anti Money Laundering and Bank Fraud	3
Internal Audit and Control	12
Letters of Credit and Trade Finance	14
Credit Analysis	52
Problem Loan Management	16
International Payments	7

2) A number of specific examples of fraud and criminal loss prevention have been identified and tracked through our country programs. They are listed below:

Ukraine

A Code of Ethics Manual was written and adopted by a Ukrainian bank after one of our Credit Analysis courses.

Demark Bank of Ukraine re-wrote its policies and procedures for issuing and negotiating letters of credit, incorporating our course materials to improve document examination and risk analysis procedures.

Following our Letter of Credit and Trade Finance course, a Ukrainian bank instituted better controls to prevent the manipulation of letters of guarantee. These controls subsequently prevented the issuance of a letter of credit and avoided a potential loss.

After our Letter of Credit and Trade Finance course, a Kiev-based bank refused to issue letters of credit against a letter of guarantee, avoiding a potential loss. The letter of guarantee was later proven to be fraudulent.

Following our Foreign Exchange course, Demark Bank was encouraged to utilize the SWIFT payment system to facilitate its payments due to the system's fraud prevention controls.

Geosantris Bank of Kyiv was able to identify and anticipate a loss under a pre-export finance loan following our Letters of Credit and Trade Finance course. The loss occurred when shipment was not made and the exporter and goods could not be located after payment. Controls, based in part on our course, were implemented to prevent future losses.

Central Asia

The EXIM Bank of Kazakstan, following our Letter of Credit and Trade Finance course, was able to quickly identify a fraudulent sugar transaction and avoid the transaction and potential loss.

Several examples of losses due to non-existent cargoes and utilization "Prime Bank Guarantee Instruments" have occurred in Central Asia. Government Ministries, National Banks and several commercial banks have cited knowledge gained through our courses as having prevented further instances of loss due to similar frauds.

Russia

At Sakhagrobank in Sakhalin, one of our instructors, acting in an advisory role after one of our Accounting courses, was able to confirm the fraudulent nature of a letter of guarantee. The bank declined the pending loan that was to be supported by the guarantee and avoided a potential \$1 million loss.

Vostokbusinessbank completely changed its Loan Policy following one of our Credit courses and adopted a strict set of insider-lending policies and procedures.

Vostokinvestbank made a number of changes in its procedures covering the use of standby letters of credit following our Letters of Credit course. The bank maintains that fraudulent transactions have been avoided as a result of these policy changes.

Senior managers at Regiobank were able to successfully manage a \$700,000 exposure and potential loss following the VIB insolvency. The bank credits our Risk Management and Financial Institutions Analysis programs with helping it avoid the loss.

Supervisors at Novosibirskvneshtorgbank utilize knowledge gained through our Internal Audit course to control bank operations and prevent internal bank fraud.

**The National Center for the Training of Bank Personnel
Kyiv, Ukraine**

Impact of Bank Training Courses on the Banking System of Ukraine

1. Pryvatbank, whose treasury department had previously never analyzed the distribution and tenor of its assets and liabilities, has implemented an ongoing method of evaluating its various interest rate, currency and other exposures to risk as a result of an asset liability management seminar.
2. Another large bank initiated a conversion to international accounting standards by establishing a conversion unit to set goals and time frames and monitor progress in this conversion process as a result of an IAS course. Such a conversion was initiated prior to National Bank of Ukraine requirements to convert to international standards.
3. During a credit course offered by the National Center, an instructor provided an example of an ethics in lending policy manual developed by a U.S. bank. As a result, one bank decided to write its own manual and incorporate codes of ethics into its corporate policies.
4. The Credit Lyonnais branch in Kyiv was able to utilize its Reuters trading system more effectively as a result of having taken courses in foreign exchange and capital markets.
5. As a result of a trade finance seminar, one bank was better able to evaluate ways in which customers could potentially manipulate letters of guarantee as bases for issuing letters of credit, and the bank refused to issue a letter of credit that seemed likely to result in future losses.
6. More generally, Demark Bank has acknowledged that its current policies and procedures of issuing and negotiating letters of credit protect the bank against possible loss much more effectively than in the past due to the implementation of methods document examination and risk analysis introduced during a National Center seminar on trade finance.
7. A Ukrainian bank implemented the use of currency swaps to reduce its cost of funds given favorable rates of exchange in other countries as a result of a foreign exchange seminar.
8. As a result of several seminars in credit, Aggio Bank has developed a better method of credit analysis including the use of financial ratios to determine the strength of financial statements.
9. Attending a seminar on international banking terminology has enabled one bank to better understand its agreements with correspondent banks, thereby better managing its funds on deposit with correspondents. Greater understanding of the terms of correspondent agreements, letters of credit and payment instructions has saved the bank fees and expenses associated with mistakes and payment delays.
10. One bank developed a computer model for calculating discount rates, Ukrainian government bond yields and present value calculations based on equations and models learned from a course in capital markets.
11. A bank that was applying to participate in the credit facility implemented in Ukraine by the European Bank for Reconstruction and Development submitted its application documents using

analytical methodologies and reporting formats learned from the National Center's course in bank analysis and interbank lending.

12. A Kiev-based bank refused to issue a letter of credit based on a letter of guarantee as a result of understanding the type of risks such guarantees present to banks outlined in a trade finance seminar. The bank later discovered that the guarantee under question was fraudulent.
13. As a result of a strategic planning seminar, one large Ukrainian commercial bank separated the management of its business units from support functions and is in the process of thoroughly reorganizing its corporate structure.
14. One bank initiated an organized method of obtaining questionnaires from customers ranking the services the bank provides and soliciting market research for future product development as a result of a course offered in customer service.
15. A primary bank supporter of National Center courses, which is committed to training its personnel, has developed plans to interact more regularly with a local university and to help it establish a bank training center to develop future bankers as well as to expand avenues of training for its own personnel.
16. A senior manger at Starokyivsky Bank, who had attended a financial management computer simulation course at the National Center said he was able to predict the result of an unexpected drastic decrease in the NBU discount rate and, therefore, manage its asset and liability exposure appropriately. This prevented Starokyivsky from suffering losses experienced at a number of other banks.

As a result of a class in foreign exchange, an individual from Demark Bank in Ukraine was dissuaded from the belief that the SWIFT system could somehow be defrauded.

Pryvatbank in Ukraine was able to recognize cases of possible fraud as a result of a course in Trade Finance when its employees understood how the use of underlying guarantees didn't necessarily protect the bank from possible losses resulting from the issuances of L/Cs.

Prior to attending a Trade Finance course in Ukraine, Geosantris Bank in Kyiv provided pre-export financing to a Ukrainian business who had "secured" the loan by being named beneficiary under a documentary L/C issued by a western bank and confirmed by Bankers Trust. After receiving pre-export financing, the exporter couldn't be found and never shipped under the L/C.

The Far Eastern Bank Training Center

Barents Seminars Impact

International Banking

Local Branch of the Central Bank of the RF developed a new Russian Seminar, taking into account the Regulation on Hard Currency and Exchange Offices activities; in 1995 there were two seminars conducted and in 1996 - one. 93 bankers participated in the seminars.

Far-Eastern Bank

After hosting Customer Service seminar this bank has changed completely its customer service policy and it enabled the bank to attract about 50% of clients of the bankrupted Vladbank's clients.

Kolyma Bank

Having participated in Asset/Liability Management seminar, the top managers of the bank restructured its portfolio and successfully worked on the Moscow money markets. Currently this is the biggest and the most profitable bank in Magadan region. After achieving the positive results with the help of Barents seminars, the bank required the Center to organize a further seminar on Strategic Planning.

Dalrybbank

Dalrybbank employees say that before AIM seminar was conducted they had only general vision of the problems linked with assets and liabilities. In May, shortly after the ALM course, a Committee on Assets and Liabilities was established in the bank. The Committee holds every day meetings on assets and liabilities issues that face the bank, and it has already helped the Bank to significantly raise its profits and optimize the allocation of funds.

Evrobank

Strategic Planning seminar has significantly helped the Bank in identifying strengths and weaknesses in its strategy, especially when conducting operations on the local money and securities markets. The seminar clearly demonstrated that it is necessary to restructure not only the assets but the liabilities as well. In general, Barents seminars resulted in improving the bank's profit in the 3rd quarter of 1996, the first profit shown since October 1995.

Vostokbusinessbank

The Bank has entirely changed its Loan Policy after its representative participated in the Credit Analysis course. It was the first bank in Primorye, and maybe in the Far East of Russia, which

stopped crediting companies and businesses for the sake of crediting itself and requires that clients meet all five C's requirements. The bank refuses to lend credits to local authorities without collateral and other documents. The bank's sound loan policy enabled the Bank to receive the RF Central Bank's General License.

Far-Eastern bank, Dalrybbank

When developing the new requirements for the hiring of new employees, the new individual performance criteria as well as a new system of bonuses for the bankers motivation was implemented. At the present time the banks are very prestigious to work for.

Promstroybank

It has completely changed its strategy of operations in Primorye, and that has produced positive results, the bad loans are rapidly going down and the bank started to regain its share of the market it had before the mid 1995.

Vostokinvestbank

Letters of Credit Seminar has helped the bank's International Department to avoid fraudulent transactions, by using Stand By Letters of Credit.

Dalandit

This auditing company widely uses the ideas and the materials of the Internal Audit Seminar. Currently this is the only one auditing company that audits commercial banks in Primorye Province.

30 other Banks

In Primorye region, Kamchatka and Sakhalin, the local banks benefit the results of participating in the seminar on Accounting for NIS Bankers, conducted in 1995, as the RF Central Bank gradually demands that the commercial banks provide report data according to IAS. That does not present any difficulties for these banks as they know how to prepare reports meeting the IAS requirements. The representatives of these banks also consult other banks on these issues.

Regiobank

Having participated in a number of Barents seminars, including the seminar for the top managers in St. Petersburg, the bank effectively used all ideas and concepts it was taught. The new tools helped the bank to solve a very serious problem, connected with the VIB insolvency, and the bank successfully solved 700.000.00 USD exposure issue.

To: Michael J. Higgins, Moscow Resource Center

Prepared by: A. Yu. Klimov, Rector, Siberian Banking Training Center.

Impact of SBTC Activity On the Local Banking Environment

1. The materials of the courses, held by the american instructors in Siberia, were used to prepare and test local seminars.
 - 1.1 The materials of Foreign Exchange seminar were utilized to develop the educational seminars on *Currency control of a merchant bank over import-export operations* for the Siberia banks. The program was prepared in August 1996 by professor Alexandra Shmyreva and Ulia Pykova, senior officer, Currency Department of Inkombank. This instructive program was bought for practical implementation in every day activity of the Currency Operations Departments of many Siberian banks. Among them are Imkombank, Credobank, Levoberezny bank, Ros bank, Sibacadembank, Sibecobank, Omskpromstroybank, Rossysky Kredit bank, Hanty-Mansiisky bank, Lanta bank, Alemar, Bashkreditbank, Promstroybank and other banks, total 27. At the present time professor Alexandra Shmyreva is in the process of writing seminars on Letters of Credit with the help of the materials from Foreign Exchange course.
 - 1.2 Topics from the Customer Service seminar (instructor Ellen Chitwood) were used for development of a similar 4 day Russian seminar (instructor Nelly Vlasova). From February to September 1996 there were 4 seminars held by the requests of the following banks: Kuzbassotsbank, Novosibirskvneshstorgbank, Mosbiznessbank, Tomskpromstroybank. 79 professionals were trained. The Customer Service course enabled the bank personnel to use the original methods and approaches when contacting the clients. That enabled to significantly increase quality of customer service of the employees of Credit, Operations, Currency, Legal and Administrative departments. In addition to that the number of disputes with the clients of these banks decreased and the relations within the bank departments improved. According to the estimates of the banks' experts, the employees' productivity increased by 10%.
 - 1.3 The materials of Management of Assets/Liabilities (instructor Geary Vance), Risk Management (instructor Tony Grier) seminars were also used by the planning and analytical departments of Siberian Torgovy Bank, Rosskysky National Merchant Bank, Promstroybank, with further development of methods of analysis and evaluation of a bank's financial performance, different types of risks, interbank operations and others, adapted to the Russian conditions. Using the developed methods, the 4 day course *Basics of Analysis and Evaluation of Merchant Bank's Financial Performance* was prepared (instructor Maxim Bekeshev, senior officer, Promstroybank). The extracts from his course were used when reading lectures for the students, specializing in banking, and were evaluated as very good.
2. Development of consulting activities of the Center.

Local professionals and employees of the Center prepared the computer program to be incorporated in the Management Audit seminar. It is designed for the managers of the planning and analytical departments as well as for managers of human resources departments. It serves as a tool to effectively manage a merchant bank's day to day activity. Presentation of the program was made by the Center in Tomskpromstroybank, Novosibirskvneshstorgbank, Omskpromstroybank. Currently the mechanism for the implementation of this program in

Novosibirskvneshtorgbank is being developed. Other banks consider the management Audit course as original and important for every day activity of a bank. The program is believed to sell effectively in the banks.

3. Distribution of text books on the Center's courses among local merchant banks and other organizations. Center donated several copies of text books on the majority of the 30 seminars to its founders - Novosibirskvneshtorgbank and Kuzbassbank. These text books are used as manuals for the internal activity of the banks' departments, and as text books when conducting on-site training of the bank personnel. Center also distributes the manuals at the requests of other banks and organizations. For example, Center handed out the materials of the International Accounting seminar to Sibecobank (vice-president O. Antsiferiva) and to Novosibirsk branch of Kossisky Kredit (managing director A. Acewald); materials for Credit Management courses for Russian Narodny bank (Credit department manager I. Varennikova); Strategic marketing and Customer Service for Novosibirsk branch of Kredobank (manager A. Gmshinsky); Strategic planning for Ros Bank (P. Mitykin, chairman, board of directors), etc. Thus the Center put itself in the market and it provided close relations with the banks of the Siberian region.
4. The courses, held by the Center, provide the concrete assistance for the merchant banks.
 - 4.1 Strategic planning (instructor M. Higgins) was conducted from April 22 to 25, 1996 in Omsk for the top managers of Omskstroybank and enabled the professionals and the managers of the bank to get a sound understanding and then implement the structure and the mechanism of developing a bank's strategic plan. The bank has also developed its own mission statement and has started to develop concrete job objectives for its account officers.
 - 4.2 Credit Management Course (instructor Norman Baxter), conducted September 9-11, 1996, in Novosibirsk for the personnel of Novosibirskvneshtorgbank and other local banks, provided for:
 - Updating and further development of the credit policy of the banks (Novosibirskvneshtorgbank, Levoberezhny bank, Russian Narodny bank, RNKB);
 - Development of the analytical work to evaluate the current condition of and perspectives for the different sectors of regional economy in order to effectively form and manage the credit portfolio (Novosibirskvneshtorgbank).
 - 4.3 Asset/Liability Management (instructor Geary Vance), conducted January 15-19, 1996, in Novosibirsk and August 19-23 in Chelybinsk for Chelindbank personnel enabled:
 - Prepare the annual report for 1995 for the headoffice of Lanta bank by its Novosibirsk branch;
 - Improve the mechanism of assets and liabilities management, taking into account the interaction between the branch and the headoffice (Chelindbank, Chelybinsk).
 - 4.4 Customer Service (instructors Ellen Chitwood and Nelly Vlasova), conducted February 12-16, 1996, in Kemerovo for Kuzbassprombank personnel changed the attitude of the top managers, provided an improvement in the relations between the employees in the bank as well as the relations between the clients and the employees. As a result, the bank personnel productivity and effectiveness increased.
 - 4.5 Besides aforementioned, currently Center combines the conducting of the seminars with the consultations for the banks' personnel. These consultations have begun in August 1996 and were conducted in Chelindbank (Chelybinsk), Omspromstroybank (Omsk),

Novosibirskvneshstorghank (Novosibirsk), and included topics on Asset/Liability Management, Credit Management and Human Resources.

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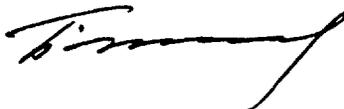
emphasized the quality of their presentations and course materials. KIIB is still working a lot at arranging the pool of the local instructors further. Handouts distributed to the participants are very practical and applicable and may be used as reference materials. Besides instructors have compiled specific manuals on the major banking issues.

All the activities of KIIB are sponsored by USAID but unfortunately this financial assistance is ending in December 1996. KIIB transition to its selfsustainability has been started but not finished yet and will need at least one year more of some external financial support.

In accordance with the above, Bankers' Association of the Republic of Kazakstan kindly requests the further assistance from USAID to KIIB for the year of 1997. This will be considered as USAID support to the entire banking sector of Kazakstan and its problems being included into the list of priority USAID projects.

Sincerely,

**Berik K. Baishev,
First Vice-President
Bankers' Association
Republic of Kazakstan**





№ 1-3/302 ОТ " 10 " 72 199 62
НА № _____ ОТ " _____ " _____ 199 _____

To: Paul Davis
Director
Office of Market Transition

CC: Gary Linden
Program Economist

From: Berik K. Baishev,
First Vice-President
Bankers' Association
Republic of Kazakhstan

Dear Mr. Linden,

Bankers' Association of the Republic of Kazakhstan applies to you to support further existence and activities of the Kazakhstan International Institute of Banking. Bankers' Association of the Republic of Kazakhstan co-ordinates activities of all its members, protects them and represents their interests (members of the Association are primarily major banks of the Republic: state and joint-stock).

At present to improve and develop our national economy it is important to change banking approaches and methodology in compliance with the international standards. The key factor in this transition is training and consulting provided by the overseas specialists to our bankers.

Our request takes into consideration the fact that currently our banks suffer big financial needs and cannot arrange training themselves. We feel that your assistance and contribution to training according to international methodology is valuable. Training needs are still high. But not all the training centres' programs and curricula are flexible and some key topics are not covered yet. There is great need to offer and arrange plenty of seminars to provide transition to western standards of accounting, though these seminars have been and are still being offered. In order to train bankers of the only major bank, like Narodny (People's Savings Bank) one year will not do. Such topics as: strategic planning (prediction), bank recapitalization, credit analysis, asset liability management, letters of credit, etc. are still actual and need more training.

Since its existence Kazakhstan International Institute of Banking has trained 2284 bankers: 1553 from kazakstan, 426 from Kyrgyzstan, 274

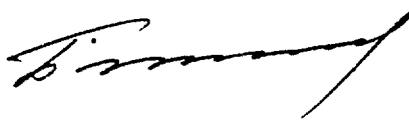
from Turkmenistan, 12 from Uzbekistan, 6 from Moldova and 6 from Russia. During the year of 1996 the Institute trained 6 local instructors and seminars of the fall semester were delivered by them. Participants emphasized the quality of their presentations and course materials. KIIB is still working a lot at arranging the pool of the local instructors further. Handouts distributed to the participants are very practical and applicable and may be used as reference materials. Besides instructors have compiled specific manuals on the major banking issues.

All the activities of KIIB are sponsored by USAID but unfortunately this financial assistance is ending in December 1996. KIIB transition to its selfsustainability has been started but not finished yet and will need at least one year more of some external financial support.

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Sincerely,

**Berik K. Baishev,
First Vice-President
Bankers' Association
Republic of Kazakstan**



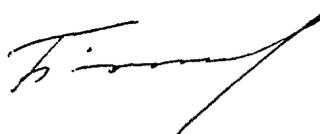
ежедневной работе в качестве справочного материала. Кроме того, преподавателями составлены самостоятельные пособия по важным банковским проблемам.

В течение всего периода деятельности КМИБД финансировался USAID, к сожалению, эта финансовая помощь завершается в декабре 1996 года. Переходный период по самофинансированию центра, который уже начат в 1996 году, потребует еще минимум один год внешней финансовой поддержки.

В связи с вышеизложенным Ассоциация банков Республики Казахстан считает, что необходима дальнейшая поддержка со стороны USAID на 1997 год и просит Вас об оказании поддержки банковскому сектору и включении его в качестве приоритетного вопроса в проект USAID.

С уважением,

*Баишев Б.К.
Первый Вице-Президент
Ассоциации Банков
Республики Казахстан*





Central Asian-American Enterprise Fund

Центральноазиатско-Американский Фонд
Поддержки Предпринимательства

December 18, 1996

Mr. Bryan Kurtz, USAID
Mr. Patrick Bryski, BARENTS Group LLC

Dear Bryan and Patrick,

The banking seminar presented by the Kazakstan International Institute of Banking (KIB), in Ashgabat, Turkmenistan, November 25, 1996 through December 4, 1996, under the direction of Arun Hsu and Raushan R. Zhaparova, was a tremendous success. It received very high marks and praise from the Turkmenistan Cabinet of Ministers, The Chairman of the Central Bank, Mr. Orazov and Chairman of the participating banks.

There were 31 participants from the various banks including Turkmen Bank, Foreign Economic Relations Bank, Senagat Bank, Invest Bank, Deyhan Bank, Gaz Bank, Sber Bank and the Central Bank. The participants came from all five regions throughout the country and paid a fee for participating.

There is a tremendous interest on the part of the Turkmenistan Government and Central Bank to develop a continuing education program at the Turkmenistan Inter-Banking Center in Ashgabat. The Central Asian-American Enterprise Fund intends to work with the government and Central Bank in this development. We would like to assist in presenting these banking seminars during 1997. Please advise me if there are any funds available for conducting these seminars, and if it is possible for Mr. Arun Hsu to present this same seminar in the spring of 1997.

The Central Asian-American Enterprise Fund will continue to cooperate with you in the future. If we can assist you with your projects in Turkmenistan do not hesitate to call on us.

Sincerely,


Richard G. Pitchford
Vice President

To: Whom It May Concern

From: Aidar Kaliev
Coodinator
Foreign Exchange Department
Central Asian Bank of Development and Reconstruction

Herein I submit a letter of support to Kazakstan International Institute of Banking. During my studies at Kazakstani Institute on Management, Economics and Strategic Research I participated in all the KIIB seminars, that made me possible to get specialization in banking and be hired by one of the major banks of Kazakstan.

Thus I want to emphasize the high quality of the seminars offered by KIIB and its unique teaching methodology presented by the professionals from the US.

Current year turned KIIB into a more reputable training centre because of its new activity: establishing the pool of local instructors. That made KIIB famous not only in Kazakstan but in other republics of Central Asia. This semester my cooperation with KIIB had another form: I worked as an instructor and delivered 3 seminars. They were two seminars on "Letters of Credit" and one "Credit I". Course evaluations proved again usefulness and practicality of KIIB activities. So I send my letter of support to KIIB considering it useful, actual and feesable.

Aidar Kaliev

Куда: по месту требования

От: Калиева Айдара
Координатор
Департамент валютных операций
Центральноазиатский банк сотрудничества и развития

Настоящим, представляю письмо в поддержку Казахстанского Международного Института Банковского Дела. За время учебы в Казахстанском Институте Менеджмента Экономики и Прогнозирования я прошел все курсы КМИБД, что позволило мне приобрести необходимые знания в области банковского дела и получить работу в одном из ведущих банков Казахстана. В связи с этим, хотелось бы отметить высокий уровень организации семинаров и методы преподавания квалифицированных американских преподавателей. Последний год КМИБД вел активную работу по подготовке местных кадров преподавателей, что способствовало еще большему укреплению авторитета данного института не только в Казахстане, но и в других республиках Центральной Азии. В настоящее время я сотрудничаю с КМИБД в качестве преподавателя-инструктора и в осеннем семестре провел три семинара на темы "Аккредитивы" и "Кредиты". Результаты семинаров еще раз показали правильность и полезность политики, которую проводит КМИБД в деле обучения банковских служащих. Со своей стороны считаю, что деятельность Казахстанского Международного Института Банковского Дела полезна, перспективна и необходима.

С уважением,

А. Калиев



21.11.96г.

To Whom It May Concern

We had an opportunity to witness the activities of Kazakstan International Institute of Banking (KIIB) since its establishment. Thanks to its existence, our bankers were able to participate in the seminars, get qualified information and get professional consultations as well. In return we always tried to be supportive to KIIB.

We consider KIIB activities useful, practical, focussing on our banking problems, contributing in the transition to the international standards. We appreciate the program of information : KIIB informs far ahead the beginning of seminars of the topics schedules and conditions for participation. That makes it easy for a bank to plan its training, choosing the issues relevant to its activities.

Further KIIB activities are necessary for the banking system because we do feel great need in training in this period, period of the transition to the international standards.

Chairman of the Board
KazDor Bank

Raziya Atchibayeva

КазДорБанк

480091, Алматы, Госплл 84, тел. 32-33-79, факс 32-33-79, телефакс 751557 ТРЕСТ, телекс 25018 BANK SU

21.11.91 N 01-02 / 733

На N _____ от _____

Для тех, к кому это относится

Мы имеем честь наблюдать работу Казахстанского Международного Института Банковского Дела (КМИБД) с самого начала его работы в Республике Казахстан, благодаря которой наши специалисты имеют возможность получать не только дополнительные качественные знания и материалы по программам института, нацеленным на практическое применение, но и определенную помощь в консультативной форме. В свою очередь мы всегда рады оказать аналогичного рода услуги своим коллегам из КМИБД.

Считаем работу КМИБД полезной и необходимой, ориентированной на рассмотрение конкретных вопросов банковского дела и освещающей подход к этим вопросам также и с точки зрения международной банковской практики, что особенно необходимо в настоящее время, когда все актуальней становится проблема перехода национального банковского учета и контроля к международным стандартам. Следует отметить также и удобство работы с нашим партнером: информирование всех предполагаемых участников заблаговременно о темах и вопросах, подлежащих раскрытию внутри этих тем. Это позволяет планировать время наших сотрудников, делать акценты только на изучение необходимых в данное время вопросов.

Дальнейшее проведение занятий по программам КМИБД целесообразно, так как в связи с переходом банковской системы на качественно новый уровень - к международным стандартам, возникает необходимость постоянного повышения уровня квалификации банковских работников.

Председатель Правления

Атчибаева Р. Р.

Memorandum

To: Bryan Kurtz
Pat Bryski

From: Arun Hsu *AH*

Date: November 22, 1996

Re: Testimonials and Letters of Support for
Kazakstan International Institute of Banking (KIIB)

As requested, attached are testimonials and letters of support from participants in KIIB's training seminars. They clearly indicate that KIIB courses have had a positive impact on banking sector reform in Central Asia and show that the banking community values the training provided by KIIB.



ХАРТМУТ ФИШЕР
ИСПОЛНИТЕЛЬНЫЙ ДИРЕКТОР

HARTMUT FISCHER, Ph. D.
EXECUTIVE DIRECTOR

October 9, 1996

To Whom It May Concern,

As the Executive Director of the Kazakstan Institute of Management, Economics and Strategic Research (KIMEP), I am writing this letter in support of the Kazakstan International Institute of Banking (KIIB).

KIMEP offers two year programs leading to MBA, MPA, and Masters of Economics degrees. The programs are based on a western business school curriculum and the faculty is largely composed of professors from European and American universities.

KIIB is a training center for bankers that was established by the United States Agency for International Development (USAID) and is located at KIMEP. KIIB has proven to be an important source of professional training for commercial and central bankers in Kazakstan as well as the other Central Asian Republics. In addition, KIIB and KIMEP have established a partnership whereby KIIB has provided over 400 participant weeks of training to KIMEP students. This training is an excellent complement to the regular KIMEP curriculum and has been a key factor in enabling many KIMEP graduates to find positions within Kazakstani banks. In this manner, KIIB has contributed to the excellent image of KIMEP and has helped KIMEP's graduate job placement efforts. It is hoped that KIIB can eventually be integrated into KIMEP as part of an executive training center.

External support for KIIB is scheduled to end soon. Therefore, it is necessary for KIIB to find additional sources of funding to continue their activities. An end to their activities would be a great loss for the banking community and to KIMEP.

Your support to assist KIIB continue its training activities would be beneficial to the financial sector reform process underway in Kazakstan, and appreciated by directors, faculty and students of KIMEP.

Sincerely,

Hartmut Fischer, Ph. D.
Executive Director
KIMEP

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CENTRAL ASIAN-AMERICAN ENTERPRISE FUND

Центральноазиатско-Американский Фонд
Поддержки Предпринимательства



January 10, 1995

Ms. Elizabeth A. Lewarne
Managing Director of KIIB
4, Abai Prospect Office #126
Almaty, Kazakstan 480024

Fax: 7 3272 645 825

Dear Beth:

First, I want to thank you and Arul for the time you gave Steve and me last month. More important, however, I wanted to share with you the good comments we have received about the content and quality of the seminars in your current cycle, especially Credit III. We appreciate very much your sharing these training opportunities with our staff.

Your plans for future cycles are also impressive. I know how difficult it must be to manage the many variables involved. We hope to continue taking advantage of them, and are particularly interested in those to be offered in Ashgabat. Do you not have any plans to offer Credit I and Credit II in Ashgabat?

As we discussed, our managers in each country will be most interested in keeping informed about your offerings. Enclosed is a list of their names and contact information.

Thanks again for providing this much needed training.

Cordially

A handwritten signature in black ink, appearing to read 'Edwin H. Dixon, Jr.', written over the word 'Cordially'.

Edwin H Dixon, Jr., President
Asian Crossroads Loan Company

To whom it May Concern

Kazakstan International Institute of Banking (KIIB) was established in May of 1994 under USAID. During these years KIIB proved to be one of the best among training centres, which contributed a lot to the banking sector of the Republic of Kazakstan.

KIIB training program overlaps many of the actual banking issues relevant for financial institutions to improve operations, payment systems during the transition to the international standards.

In the seminars offered by KIIB participated commercial bankers and bankers from the National bank as well.

Next year USAID stops its further support to KIIB. That is not the right time to stop because KIIB has just started to establish the pool of local instructors that is very important to arrange independent Kazakstani bank training centre which was given birth by the American project. So any support to KIIB will be contributive.

Head of the Foreign Exchange Department
KazDor Bank

Gabit Atarbayev

КАЗДОРБАНК

480091, Алматы, Голоса 84, тел. 32-33-79, факс 32-33-79, телефакс 751557 ТРЕСТ, телекс 25018 BANK SU

31.11.96 N 05-01/732

На N _____ от _____

Для тех, к кому это относится

Казахстанский Международный Институт Банковского Дела (КМИБД) был создан в мае 1994 года Американским Агентством Международного Развития (USAID). За годы своей работы КМИБД зарекомендовал себя как один из лучших институтов аналогичного рода (банковских учебных центров), которые внесли существенный вклад в дело становления банковской системы Республики Казахстан. Программы КМИБД подготовки и повышения квалификации банковского персонала затрагивают наиболее актуальные для финансово-кредитных учреждений проблемы совершенствования банковских операций, развития платежной системы, перехода к международным стандартам. В семинарах, организованных КМИБД, принимают участие как работники акционерных банков, так и Национального Банка РК.

Со следующего года USAID ограничивает свое участие в дальнейшем развитии КМИБД, в то время как институт приступил к формированию штата местных преподавателей, что является важным шагом к созданию собственного банковского центра Республики Казахстан. Поэтому любая поддержка КМИБД выгодно скажется на дальнейшем функционировании учебного центра.

Начальник Валютного Управления



Атарбаев Г. Р.

Dear Sirs,

We were lucky to participate in the seminars arranged by your reputable Institute. The information we have received is applicable to our every day activities. That is the main goal of your training.

Course presentations at Kazakstan International Institute of Banking are provided by the US and Kazakstani instructors, who are highly qualified.

We have to admit that KIIB bank training activity overlaps not only in Kazakstani banks but banks of the neighbouring republics. That means that KIIB has really got international status.

We would wish KIIB to offer seminars on various banking issues.

We consider it necessary to support on-going KIIB activities for Central Asia and in its transition to selfsustainability period.

Central Asian Bank of Development and Reconstruction

Deputy Head

International Relationships Department

Mukhtar Tinasilov

Chief Expert

International Relationships Department

B. Sagintayev

Казахстанский Международный Институт
Банковского Дела (КМИБД)

Уважаемые господа,

Мы имели счастливую возможность обучаться на семинарах, организуемых Вашим уважаемым Институтом. Полученные нами на семинарах знания получают практическое применение в нашей повседневной работе, а это - главная цель любого обучения. Преподавание в КМИБД ведется опытными банковскими профессионалами из США и Республики Казахстан на очень высоком уровне, отвечающем требованиям международных стандартов.

Следует отметить, что деятельность КМИБД по обучению банковских специалистов охватывает не только банки Республики Казахстан, но и соседней Кыргызской Республики, так что Институт по праву имеет международный статус. Хотелось только пожелать КМИБД еще более разнообразить тематику проводимых семинаров.

По нашему мнению, следует и дальше продолжить работу КМИБД по обучению банковских специалистов в Центральноазиатском регионе и оказать ему помощь в переходе на самофинансирование.

Центральноазиатский Банк Сотрудничества и Развития

Заместитель Директора Департамента
Внешнеэкономических Связей

 М.Д.Тинасилов

Ведущий специалист
Департамента Внешнеэкономических Связей

 Б.С.Сагинтаев

Dear Sirs,

We are grateful for opportunity to participate in Kazakstan International Institute of Banking seminars. It goes without saying experience & information shared made great impact upon our activities. From the first days of KIIB more than 30 bankers participated in the seminars.

Those bankers have not only got new information & ideas but they improved their professional skills. We would like to emphasize that KIIB instructors are highly professional, well aware of international standards. Besides great background US instructors have good understanding of our local economic environment.

More than that we do appreciate reasonable course changes for the course quality. KIIB location makes it even more attractive for us.

We would be very glad to continue our training in KIIB.

Chairman of the Board
Kurulush Bank

Nina Zotova

**Акционердик-коммерциялык
банк "Курулун-Банк"**

720040, Бишкек шаары
Манас кичигу 78
Телефон: (3312) 21 79 22
Телеграфтык дарегі:
Бишкек, 1
Факс: (3312) 21 97 43
Телекс: 246 127 DRAFT



Kurulush Bank
JOINT-STOCK COMMERCIAL BANK

**Акционерно-коммерческiй
банк "Курулун-Банк"**

770040, Бишкек 40
ул Манаса, 28
Телефон: (3312) 21 79 22
Телеграфный адрес:
Бишкек 1
Факс: (3312) 21 97 43
Телекс: 246 127 DRAFT

№

№

**Казахстан, Алматы
Проспект Абая, 4; офис 127
Казахстанский Международный Институт
Банковского Дела**

Факс: (3272) 645825

Уважаемые господа,

Мы благодарны КМИБД за предоставленную возможность участвовать в семинарах. Опыт и знания, приобретенные нашими сотрудниками, безусловно, эффективно сказываются на деятельности банка.

С момента создания КМИБД, 30 сотрудников нашего банка имели возможность участвовать в ряде семинаров, организованных Институтом.

Сотрудники, обучившиеся на семинарах, не только повысили свои профессиональные качества, но и приобрели новые навыки и знания.

Хочется отметить, что преподаватели КМИБД обладают высоким профессионализмом, отвечающим требованиям международного стандарта. Помимо высокого профессионализма в своей отрасли они обладают пониманием местной ситуации и специфики работы в быстро изменяющихся экономических условиях.

Заслуживает внимания и тот факт, что при таком высоком уровне Вам удается обеспечить доступность цены за обучение. А близость расстояния нашего региона к КМИБД делает обучение в Вашем Институте еще более предпочтительным.

Мы будем рады продолжить обучение наших сотрудников в КМИБД.

С уважением и пожеланиями успехов.

Председатель Правления

Н. Зогова

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We were able to participate in the seminars of Kazakstan International Institute of Banking since its establishment. Total of our participants comes to over 200 bankers. Besides, KIIB offered regional seminars in Turkmenistan. In 1995 it offered 3 seminars and in 1996- 4 seminars on major banking issues in Ashgabat. All that made it possible to get information on the International Banking and standards and apply it our banking system.

Topics offered by the institute are actual, practical and applicable to our banking. One week seminars are convinient for bankers. Besides, we want to emphasize that the course content and the presentation quality of the seminars delivered by the US instructors.

We consider it necessary to have such a training centre and send our support to it in its transition to selfsustainability.

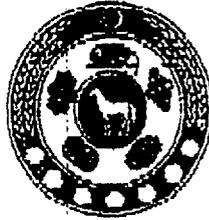
Head of Administration and Legal
Department

Kerim Akmamedov

Central Bank of Turkmenistan

**TÜRKMENISTANYŇ
MERKEZI
BANKY**

744000, Асгабат с. Гогол көс., 22
tel.: 25-50-86, 25-52-95



**ЦЕНТРАЛЬНЫЙ
БАНК
ТУРКМЕНИСТАНА**

744000, г. Ашгабат, ул. Гоголя, 22
Тел.: 25-50-86, 25-52-95

№ 0154/3207.

30. октябрь 1996 г.

**КАЗАХСТАНСКИЙ МЕЖДУНАРОДНЫЙ
ИНСТИТУТ БАНКОВСКОГО ДЕЛА**

С момента создания Казахстанского Международного Института Банковского дела мы имели возможность участвовать в ряде семинаров, организованных институтом. Всего повысили свои знания в институте более 200 чел. В 1995 году КМИБД провел 3 семинара в Ашгабате, в 1996 году - 4 семинара по основным банковским проблемам. Полученные на семинарах знания и материалы нашли практическое применение в нашей повседневной работе, а также в условиях перехода банковской системы на международные стандарты учета и надзора.

Предлагаемая институтом тематика семинаров охватывает практически все наиболее злободневные вопросы, необходимые в практике банковской деятельности. Подольная продолжительность семинаров, проводимых в Алматы удобна для банкиров. Также надо отметить содержательность и качество преподавания опытными банковскими профессионалами из США.

По нашему мнению, целесообразно поддерживать дальнейшее существование и развитие таких семинаров и оказывать помощь в переходе КМИБД на самофинансирование.

С уважением,

Начальник Департамента
административно правовой службы: *А. Акмамедов* К. АКМАМЕДОВ

From the very establishment of Kazakstan International Institute of Banking we, students, participated in the seminars arranged by KIIB. All the information and materials received will be applicable to our future job. Besides, in the transition environment, it made easier to understand international approaches of banking.

Topics offered by KIIB cover major actual banking issues. One (two) week seminars are attractive for bankers as well as students, especially considering the quality of the courses.

As for us, we do consider to support KIIB activities because it compliments KIMEP and is one of the high quality training centres.

Group of KIMEP students

1. Goulnar Mousrepova (MPA)
2. Inkar Baidilova (MPA)
3. Marlen Kozhamouratov (MBA)
4. Aigerim Zhaparova (MBA)
5. Ainoura Dlimbetova (MBA)
6. Saoule Iskakova (MBA)
7. Askar Sembin (MPA)
8. Goulnara Azbergenova (MBA)
9. Bayantay Zhousipova (MPA)
10. Zhoupar Terlikbayeva (MPA)
11. Gani Imankoulov (MA)
12. Bek Komekbayev (MBA)
13. Goulmira Dzhaboldinova (MBA)
14. Raisa Moukhamedzhanova (MBA)
15. Egor Soloviev (MBA)

All of them are second-year students



KAZAKHSTAN INSTITUTE OF MANAGEMENT, ECONOMICS AND STRATEGIC RESEARCH
UNDER THE PRESIDENT OF THE REPUBLIC OF KAZAKHSTAN

С момента создания Казахстанского Международного Института Банковского Дела (КМИБД) мы имели возможность участвовать в ряде семинаров, организованных институтом. Предоставленные на семинарах знания и материалы, получают практическое применение в нашей будущей работе, а также в условиях перехода банковской системы на международные стандарты учета и надзора, облегчили понимание классических подходов к вопросам управления и нормативного регулирования банковской деятельности.

Предлагаемая институтом тематика семинаров охватывает практически все злободневные вопросы, необходимые в практике банковской деятельности. Одно-двух-недельная продолжительность семинаров, проводимых в Алматы удобна для банкиров и студентов, учитывая их содержательность и качество преподавания опытными банковскими профессионалами из США.

По нашему мнению, целесообразно поддерживать дальнейшее существование и развитие таких семинаров и оказывать помощь в переходе КМИБД на самофинансирование, так как это один из институтов, обеспечивающих высокое качество организации переподготовки банковских кадров.

Группа студентов КИМЭП:

1. Мусрепова Гульнар (МРА) *Г. Мусрепова*
2. Батадилова Инкар (МРА) *Инкар Батадилова*
3. Кожамуратов Марлен (МВА) *Марлен Кожамуратов*
4. Жапарова Айгерим (МВА) *Айгерим Жапарова*
5. Длимбетова Айнура (МВА) *Айнура Длимбетова*
6. Искакова Сауле (МВА) *Сауле Искакова*
7. Сембин Аскар (МРА) *Аскар Сембин*
8. Азберганава Гульнара (МВА) *Гульнара Азберганава*
9. Жусипова Баянтай (МРА) *Б. Жусипова*
10. Терликбаева Жупар (МРА) *Жупар Терликбаева*
11. Иманкулов Гани (МА) *Гани Иманкулов*
12. Комекбаев Бек (МВА) *Бек Комекбаев*
13. Джаболдинова Гульмира (МВА) *Гульмира Джаболдинова*
14. Мухамеджанова Раиса (МВА) *Раиса Мухамеджанова*
15. Соловьев Егор (МВА) *Егор Соловьев*

Все студенты второго курса.

I send this letter to support Kazakstan International Institute of Banking. KIIB is a bank training centre established in May of 1994 Since that it trained over 2000 bankers from Central Asia and proved its importance and necessity for the Central and commercial banks of Kyrgystan and other republics of Central Asia. In 1995 KIIB offered 7 seminars in Bishkek. Since KIIB establishment we had great opportunity to participate in many of its seminars. Topics cover all the actual and practical banking issues. Duration of the seminars seems very attractive for us as well as the quality of the courses. Now it is necessary to support KIIB and its intent to become selffinanced.

Head of the Personal
Department
National Bank of Kyrgyzstan

M. Asylbekova

Joint Stock Investment Commercial Bank "Investbank" sends this letter to support Kazakstan International Institute of Banking (KIIB) - bank training centre, established in May of 1994 under USAID sponsorship. KIIB trained over 2000 bankers of Central Asia & proved its necessity for the banking sector of the region. It is contributing to National & commercial banks of the Turkmenistan as well as to banks of other Central Asian republics. In 1995 KIIB offered 3 seminars & in 1996 - 4 in Ashgabat. 51 bankers from Investbank participated in KIIB seminars. The information of the courses help us to comply with international standards. So Investbank considers it necessary to express its support to KIIB.

**Chairman of the Board of Directors
Investment Bank of Turkmenistan**

Annamurad Padzhaev



"INVESTBANK"

AKSIONER INVESTISIYA KOMMERSIYA BANKY

"INVESTBANK"

COMMERCIAL INVESTMENT BANK (JOINT-STOCK)

АКЦИОНЕРНЫЙ ИНВЕСТИЦИОННЫЙ
КОММЕРЧЕСКИЙ БАНК

"ИНВЕСТБАНК"

INVESTBANK



ИНВЕСТБАНК

от 24.10.96г. № 19/юр-20

на № _____ от _____

Казахстанский Международный
Институт Банковского Дела

Акционерный инвестиционный коммерческий банк "Инвестбанк" адресует это письмо в поддержку КМИБД – банковский центр обучения, который создан в мае 1994 году под эгидой ЮСАИД. КМИБД обучил более 2000 банкиров Средней Азии и оправдал себя своей деятельностью, важностью для центральных и коммерческих банков Туркменистана и других республик Средней Азии. В 1995г. КМИБД провел 3 семинара в Ашгабате, в 1996 году – 4. В семинарах КМИБД приняло участие 51 специалист ЛКБ "Инвестбанка". Семинары КМИБД по основным банковским проблемам помогают работать идти в ногу с международными стандартами.

В связи с этим ЛКБ "Инвестбанк" считает целесообразным и поддерживает создание собственного Казахстанского Банковского Центра Обучения.

С уважением.

Председатель Правления

А.Паджаев

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To: to whom it may concern
From: Marat Ospanov
Deputy Head of the Division
Banking Supervision Department
National Bank of Kazakstan

I send this letter to support Kazakstan International Institute of Banking. Being a student of Kazakstan Institute of Management, Economics & Strategic Research I was able to participate in many of KIIB seminars which gave me the possibility to specialize in banking in addition to the Master's Degree. My knowledge of KIIB specifics made it possible for me to work for it as marketing officer. KIIB training played a decisive role in my further professional career: consultant for Central Asian Development Bank project and currently, the position of Deputy Head of the Division of Banking Supervision Department of the National Bank.

More than that I would like to emphasize the main KIIB contribution: training local instructors. I cannot help appreciating that. Me, personally, try to do all my best to support the institute. This fall semester I delivered two seminars: "Fraud in Banking", "Strategic Planning". That was possible after my participation in "Train the Trainer" seminar taught by a professional & practitioner from US. I consider KIIB activities useful, efficient & having future.

С момента создания Казахского Международного Института Банковского дела (КМИБД) мы имели возможность участвовать в ряде семинаров, организованных институтом. Предоставленные на семинарах знания и материалы, получили практическое применение в нашей повседневной работе, а также в условиях перехода банковской системы на международные стандарты учета и надзора, облегчили понимание классических подходов к вопросам управления и нормативного регулирования банковской деятельности.

Предлагаемая институтом тематика семинаров охватывает практически все наиболее злободневные вопросы, необходимые в практике банковской деятельности. Одно-двух-недельная продолжительность семинаров, проводимых в Алматы удобна для банкиров, учитывая их содержательность и качество преподавания опытными банковскими профессионалами из США.

По нашему мнению, целесообразно поддерживать дальнейшее существование и развитие таких семинаров и оказывать помощь в переходе КМИБД на самофинансирование, так как это один из институтов, обеспечивающих высокое качество организации переподготовки банковских кадров.

Alem Bank Kazakhstan

Начальник отдела
по экономическим нормативам



Ш. Бертисбаева

Начальник кредитного отдела



С. Сагдиева

We had an opportunity to participate in the number of seminars offered by Kazakstan Institute of Banking since it had been established. All the materials & the information of the seminars became applicable to small & medium businesses. Enterprises being privatized, now have relations with banks & for them it was useful to get understanding about changes of the transition period in banking & economy. That helped them to build right relations with banks to comply with the new regulations & international standards.

Topics cover all the actual problems of banking. Duration of the seminars is convenient for bankers & representatives of other financial & non financial institutions of Almaty. The content & presentation quality of the seminars delivered by the US instructors is very high.

We do think that it is necessary to support further KIIB existence & its intent to start transition to selfsustainability. KIIB is one of the reputable training centres.

*Viktor Prodedovich,
Business Consultant
KARANA Consortium*

October 18, 1996

С момента создания Казахстанского Международного Института Банковского дела (КМИБД) мы имели возможность участвовать в ряде семинаров, организованных институтом. Предоставленные на семинаре знания и материалы получили практическое применение в нашей работе с предприятиями малого и среднего бизнеса, которые были приватизированы, также было очень полезно узнать о работе банковской системы в условиях перехода на международные стандарты учета и надзора, облегчили понимание международных подходов к вопросам управления и нормативного регулирования банковской деятельности.

Предлагаемая институтом тематика семинаров охватывает практически все наиболее злободневные вопросы, необходимые в практике банковской деятельности. Одно-двух-недельная продолжительность семинаров, проводимых в Алматы, удобна для банкиров и представителей других финансовых учреждений. Содержательность и качество преподавания, предоставляемого профессионалами из США, находится на высоком уровне.

По нашему мнению, целесообразно поддерживать дальнейшее проведение и развитие таких семинаров и оказывать помощь в переходе КМИБД на самофинансирование, так как это один из институтов, обеспечивающих высокое качество организации переподготовки банковских кадров и специалистов по финансам.


Бизнес - консультант
корпорации КАРАНА
Продедович Виктор.

18 октября 1996 года

NIS BANKER TRAINING PROJECT

Course Development

Our course development efforts under the NIS Bankers Training project have undergone three phases, as depicted in the following chart.

Phase One <i>Year One</i>	Phase Two <i>Year Two</i>	Phase Three <i>Year Three</i>
<ul style="list-style-type: none"> • Identified apparent training needs in the NIS banking sector • Gathered existing and available instructional materials from various sources, including CEE instructors and course materials, as well as from academic experts and consultants • Began translation process • Began instruction as quickly as possible 	<ul style="list-style-type: none"> • Reviewed seminars offered to date and identified those with greatest potential for future NIS demand • Determined which new topics were most needed for the future in the NIS banking sector and began to develop appropriate training materials • Began to refine, revise and adapt existing training materials • Began to develop relevant examples, exercises, and case studies to accompany training materials 	<ul style="list-style-type: none"> • Continued to refine, revise and adapt existing training materials and develop new ones • Began to develop course sequences to keep pace with NIS developments • Began the process of contextualizing training materials for each country where our institutes were located • Identified relevant sample American bank documents for translation and distribution to seminar attendees • Continued to develop relevant exercises and case studies to complement course materials • Began to pursue and develop interactive, self-teach course materials

Phase One

The following course materials developed under the CEE project in the early 1990s were adapted and contextualized for the NIS:

- Credit I, II and III
- Asset Liability Management (ALM) I and II
- Human Resource Management
- Branch Management

Phase Two

The following seminars offered during the first year of the NIS project with potential for future demand were identified, then refined, modified, and contextualized whenever possible:

- BankExec
- ALM
- Credit I, II and III

- Trade Finance and Letters of Credit
- Marketing for Bankers

The following seminars for the future were identified and appropriate course materials were developed:

- Accounting
- Internal Audit
- Financial Institution Analysis
- Strategic Planning
- Business English for Interpreters/Translators

As part of our effort to respond to the feedback obtained during the first year of our project, we added the following to our training materials:

- More examples targeted to existing NIS banking practices and conditions
- More practical exercises
- More Russian/Ukrainian language training materials, especially to accompany BankExec
- Sample documents
- Glossaries

Phase Three

The process of refining, revising and adapting existing training materials continued. For example, the most relevant portions of existing ALM materials from previously developed ALM I and ALM II courses in CEE and the NIS were used as the basis for a new, refined ALM I course. At the same time, a new, summary case for the seminar was developed and a new glossary was compiled from a pre-existing ALM glossary and the accounting course glossary. Preliminary work was begun on revised and refined ALM II training materials.

Also, a new credit risk management seminar was developed on the basis of credit materials taught previously in CEE and the NIS, together with newly written material. In addition, when this seminar is presented, we now have the following American bank documents translated into Russian to present to seminar participants:

- credit policy
- lending standards
- loan agreement
- security agreement
- ethics policy

The process of adapting the accounting course materials to an interactive, self-teaching learning environment has begun. Other sets of course materials are under consideration for the same treatment.

Synergies

Below are some examples of where training materials from our Barents/USAID NIS Banker Training project were used on other Barents/USAID projects.

The **accounting** for bankers seminar material was used as the basis for the enterprise accounting training materials now in use under another Barents/USAID contract to promote enterprise accounting reform in Kazakstan.

The same **accounting** seminar material is now in use in Kyrgyzstan in promoting accounting reform in the banking sector under a Barents/USAID monetary restructuring contract.

The same **accounting** seminar material has been requested for use in Moldova under another Barents/USAID contract to promote accounting reform.

The **internal audit** and the **accounting** training materials were used to train bankers in Lithuania under another Barents/USAID project.

Our **credit** course materials and sample documents were used on another Barents/USAID contract in Kyrgyzstan to train commercial bankers. Sample documents were provided to the National Bank of Kyrgyzstan, as well.

Examples of training books:

Accounting

Strategic Planning

Letters of Credit and Trade Finance

**The National Center for the Training of Bank Personnel
Kyiv, Ukraine**

Train-the-Trainer Program

**Funded by
The United States Agency for International Development (U.S. AID)
administered through Barents Group, LLC**

January 1997

Training Objectives

- To train a substantial group of Ukrainian academicians and bankers to become core sources of faculty for delivering international-standard bank training seminars for the National Center for the Training of Bank Personnel in Kyiv.
- To provide participants with the technical skills required to teach Barents Group's week-long training seminars in specific banking topics targeted to middle-level Ukrainian bankers.
- To provide participants with presentation skills, course design, case writing and other pedagogical skills to enable them to deliver Barents courses and adapt them to the Ukrainian environment.

Recruitment and Participant Demographics

- The program selected 43 candidates from 90 applicants for the 10 1/2 month training program that began in September 1996.
- The program targeted both university professors and bankers. This targeted recruitment led to the selection of 24 professors recommended from their respective academic institutions and 19 bankers selected from an extensive interview process. So far no one has left the program.
- The program targeted participants approaching their mid-careers, ages 28 to 42. As a result, the average age of participants selected is 33 years old.
- The program sought a broad regional distribution of candidates from throughout Ukraine. As a result, 16 candidates represent regions in either Eastern or Southern Ukraine, 9 candidates represent regions in Western Ukraine, and 17 candidates represent Kyiv.
- The program targeted roughly an equal distribution of men and women. As a result, 22 women and 20 men were selected for the program.
- English skills were considered in the selection process although fluency was not required. Those who are not fluent are required to take 200 hours of English as a prerequisite for graduation.
- Candidates were required to commit full-time to program. The program provides a stipend of \$100 per month per person and a housing allowance of \$100 per month per person for the 26 persons who reside outside of Kyiv.
- Candidates must commit to teach at least 3 one-week seminars in banking topics in conjunction with the National Center for a total of three years after completion of the program.

Program Format and Degree Requirements

- Barents Group subcontracted a local Graduate School of Business, the Kyiv International Management Institute (IMI), to provide intensive, fundamental course work in finance, accounting, marketing and business management culminating in an MBA in Banking degree by IMI, which is accredited by the Ministry of Education of Ukraine.
- The program is designed to integrate courses in business and finance taught by IMI's Ukrainian faculty with specialized courses in banking taught by Barents Group's bank training professionals.
- IMI will provide participants with 420 hours of core business and financial courses. In addition, IMI will provide participants with 200 hours of course work in English.
- Barents Group will supplement IMI's core courses with 320 hours of intensive technical courses in banking, with emphasis on disciplines specifically related to Credit and Asset Liability Management. The program will also provide 120 hours of pedagogical courses in case writing and course development.
- Participants will be required to take final examinations and to write a dissertation on selected topics in banking to help them develop a deeper technical understanding of specialized banking topics.
- Participants will complete consulting projects over a five-month period in the Ukrainian banking market. Consulting projects will encourage group interaction and behavior, as well as provide opportunities for candidates to understand more deeply specific aspects of banking and bank management.
- Participants will also complete a three-week United States internship/study program during which candidates will be exposed to banks, bank customers, other financial institutions and finance/banking programs at universities and banking schools.

Program Benefits

- Offers Ukrainian faculty and bankers, who tend to lack a foundation of technical training in accounting, financial management and analysis, macroeconomics, and other disciplines, the ability to obtain such training prior to learning specific banking disciplines, at a significantly lower cost than by using western faculty.
- Provides not only technical depth but also a greater breadth of knowledge for understanding the business of banking by introducing courses dealing with organizational structure, marketing, business law and other relevant disciplines not traditionally associated with banking.
- Offers IMI's five-year proven track record of success in training Ukrainian business students as well as faculty members from the Kyiv State Economics University. The award of an MBA provides a greater incentive for participation in the program and recognition of achievement in academic and business circles.
- Enables participants to better relate theory to the economic realities of Ukraine as a result of utilizing Ukrainian instructors for portions of the program as well as exposure to a cadre of sophisticated Ukrainian professors.
- Provides a structured academic environment with mandatory class attendance, existing examination procedures, dissertation requirements and other methods of evaluation necessary to quantify success in such a training program. Such a structured organization enables the program to accommodate up to 45 trainees.
- Offers a future trickle-down effect as a result of participants' developing and delivering courses in banking at their respective universities. This can lead to an overall increase in the level of banking and financial skills in Ukraine at a grass-roots level.

TRAINING OF TRAINERS PROGRAM

- o Since May, KPMG Barents has been continuously involved in the effort to identify qualified Russian trainers, and we have established a data base and resume file to assist us in this effort;
- o Approximately twelve seminars have now either been team taught or taught solo by Russian instructors with highly impressive results in some seminars but also some disappointments;
- o Much work remains to be done in this area if self-sustainability is to be achieved - hence, this will be the major thrust of the bankers training program in the months ahead;
- o During the week of October 7, Dr. Paulo Rajao, Director of the KPMG Barents Human Resources Guild, visited Novosibirsk and Moscow to provide a diagnostic of the work that needs to be accomplished in this area;
- o Based on interviews of trainers and discussions with shareholders, he concluded that we must immediately undertake a careful recruitment and selection program to identify and train those instructors where the "needs gap" is the most manageable and concentrate on devising ways to tie them into our program;
- o We have in our budget sufficient funding to offer eight training of trainer seminars through mid-1997; we also anticipate receiving additional funding from AED to pursue a program to train

“master trainers” in the US, who will then be charged with training other trainers in Russia, thereby multiplying the acquisition of training skills;

o The success of this program, so vital to the future of the Centers, will require the full involvement of the Rectors of the Centers, the shareholders, and the Moscow Resource Center staff.

MANUAL OF RUSSIAN COMMERCIAL BANKING

- o When the Russian bankers training program was originally conceived, it had three main objectives: training of bankers, the Russification of the program, and the replication of the program in other parts of Russia;
- o The development of the Manual is an effort to achieve the third of these three objectives in a cost-effective streamlined manner;
- o The Manual will represent a distillation of the main seminars which KPMG Barents has taught in Russia during the last two years emphasizing, to the extent applicable, the common theme of risk management; Appendix Three describes how the seminars will be grouped among the nine chapters of the Manual, which include:

- Strategy and Risk Management
- Credit Risk Management
- Asset/Liability Management
- Operations
- Technology
- Accounting/MIS
- Human Resources/Organization/Training
- Marketing
- Audit

- o Each chapter will contain the most up-to-date theory and best practices followed internationally in each of the above disciplines of banking; it will also include the current Russian viewpoint on how the Russian banking community can best incorporate Western banking practices in the current banking environment;
- o Our objective is to agree on a master outline for the book by the middle of November, with final chapters provided by the American side by January 31, 1996;
- o Concurrently, Russian banking experts will analyze the submitted outlines and chapter drafts to provide their commentary on international theory and practices;
- o A Russian editor will be responsible for merging these views into a single chapter for each of the nine subject matters; a Board of Russian and American editors will review the final text for completeness and accuracy;
- o The Manual is part of the RFP which we submitted to the leading academic organizations - our current thinking is that this task may be severable from the other, more training-oriented aspects of the RFP, with its publication and maintenance assumed by an organization which has a "competitive advantage" in this area.

Management Update No. 1

Russian Commercial Bank Manual

prepared on 06-Jan-97 by:

Barents Group, LLC
Bank Restructuring and
Performance Improvement
759 14th Avenue
San Francisco, CA 94118
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Management Update No. 1

RE: Russian Commercial Banker Manual

PROJECT OVERVIEW

Period Ending 03-Jan-97

The project had a slow start due to its informal nature. No formal contract exists which contains written descriptions of the project scope, budget, time-lines, etc. Therefore, the first step was to develop a work plan and project scope. This was completed and distributed to the tentative Barents Group authors on 26-Nov-96. Distribution of the *participants briefing* resulted in withdrawal of two authors. Replacement requires use of external resources.

Staffing and/or commitment has/is of critical concern. The reason is twofold: first, the below commercial rates allowable for USAID sponsored projects; and second, the limited number of billable days per author. It is the second aspect which is directly related to commitment. The project's elapsed time period is four months but does not require 100% of the author's time. Therefore, the author's effort is intertwined with other billable projects. This has resulted in our failure to meet the first deadline. It will most certainly carry over to a failure in meeting the second deadline of 10-Jan-97.

KEY HIGHLIGHTS

- Participants Briefing document was completed and distributed on 05-Dec-96.
- The Barents Group authors were identified and committed to the project by 16-Dec-96.
- Five of the ten section summaries and outlines were prepared and delivered on schedule. Two additional sections were delivered three days late and the final three still are with the Barents authors.
- The Russian counterpart team editor plus the majority of the authors have been identified and committed.
- Barents Group authors have been provided with their counterpart team member's name, e-mail address, and requested to contact them directly.

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ISSUES & CONCERNS

Budgeted Time / Expenses

Issue A: No separate translation time or funds were budgeted. 100% of both time and funds were allocated to individuals. This implies that the translation is to be performed by the Russian counterpart team. This issue needs to be addressed by Mike Higgins as senior relationship and engagement manager.

Mike: please let me know if the role of the Russian authors is also to translate.

Impact: No issue if the scope of the Russian authors includes translation. Or, the potential impact is to increase the budget by an estimated \$1,500 to \$2,000, and more significantly, extend the final deliverable by at least one month from 12-Mar-97 - possibly into May-97.

Solution: Assuming additional translation is required, advise Bill Gould and obtain his approval to extend hand-off to the editorial board.

Contract / Project Scope

Issue B: What is the role of the Russian authors? It would seem logical that their role be divided into three parts:

1. Review the Barents document and adjust for specific legal and regulatory compliance factors
2. Augment Barents document examples with Russian examples where appropriate
3. Translate into Russian

Solution: This issue needs to be answered by Mike Higgins as the individual who negotiated both the deal with USAID and the Russian Editor/Authors.

Mike: please advise definition of Russian author role.

Deliverables / Project Work Plan

Issue C: The executive summaries and outlines for Accounting, Auditing, and Risk Management are three weeks past due and have not been delivered as of 06-Jan-97.

Resolution: I have e-mailed, left voice messages, and spoken with Brant Shuman and Lori Yerzyk regarding this issue. I have also requested the assistance of Kirt Gardner and Pat Bryski to emphasize the importance of meeting deadlines in order to maintain the professional image of Barents. It is my understanding that each will deliver their material no later than 08-Jan-97.

Issue D: The Russian editor has not been able to obtain authors for Accounting, Audit, and Risk Management because of the missing executive summaries and outlines.

Resolution: I have e-mailed Valdimir Platonov and advised him of the new delivery date.

Issue E: It is expected that the next due date of 10-Jan-97 for completion of the sections will be missed for Accounting, Audit, and Risk Management.

Resolution: I have spoken with Brant Shuman (Accounting & Audit) and he has requested an extension until 15-Jan-97. This is acceptable since it will provide the Russian author time to be better prepared. (see Issue D.)

Resolution: I have spoken with Lori Yerzyk (Risk Management) and she has indicated that she will have the material on-time.

NEXT STEPS

- A. Work with the Russian Editor to develop an overall format for the manual and resolve translation issues.
- B. Receive completed sections and prepare for delivery to Russian Editor.

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Russian Commercial Bank Manual
KPMG/Barents Group
Thomas F. Barrell
as of 1/6/97

Dates			
Start:	11/4/96	Finish:	3/12/97
Baseline Start:	11/4/96	Baseline Finish:	3/12/97
Actual Start:	11/4/96	Actual Finish:	NA
Start Variance:	0d	Finish Variance:	0d

Duration			
Scheduled:	88d	Remaining:	59.48d
Baseline:	88d	Actual:	28.52d
Variance:	-0d	Percent Complete:	32%

Work			
Scheduled:	322d	Remaining:	252.82d
Baseline:	322d	Actual:	69.18d
Variance:	0d	Percent Complete:	21%

Costs			
Scheduled:	\$162,719	Remaining:	\$117,291
Baseline:	\$162,719	Actual:	\$45,428
Variance:	\$0		

Task Status		Resource Status	
Tasks not yet started:	76	Resources:	22
Tasks in progress:	19	Overallocated Resources:	0
Tasks completed:	15		
Total Tasks:	110	Total Resources:	22

Notes
USAID Project - Moscow

Russian Commercial Bank Manual

Detailed Work Plan

Last Update as of 1/6/97

Task Name	Duration	Start	Finish	Resources	Link	Status	Comments & Status
Russian Commercial Bank Manual	88d	11/4/96	3/12/97			32%	
Task 1: Barents Editor	17d	11/4/96	11/26/96			100%	
Project design and initiation	15d	11/4/96	11/22/96	RPM,BPM		100%	
Produce and distribute	2d	11/25/96	11/26/96	RPM,BPM,PBF	3	100%	
Task 2: Barents Executive Summary	5d	12/11/96	12/17/96			70%	
Write executive summary & outline	5d	12/11/96	12/17/96			70%	
Accounting & MIS	1d	12/11/96	12/11/96	Acct/MIS	4	0%	B. Situman committed to deliver by 08-Jan-97
Asset & Liability Management	1d	12/11/96	12/11/96	ALM	4	100%	
Audit	1d	12/11/96	12/11/96	Audit	4	0%	B. Situman committed to deliver by 08-Jan-97
Credit Risk Management	1d	12/11/96	12/11/96	CreditMngmt	4	100%	
HR / Org / Training	1d	12/16/96	12/16/96	HR/Org/Trng	4	100%	
Marketing Strategy	1d	12/11/96	12/11/96	BPM	4	100%	
Operations (HO/BR.)	1d	12/17/96	12/17/96	Ops	4	100%	
Risk Management	1d	12/11/96	12/11/96	RiskMngmt	4	0%	L. Yerzyk committed to deliver by 08-Jan-97
Strategic Planning	1d	12/12/96	12/12/96	BPM	4,12	100%	
Technology	1d	12/11/96	12/11/96	Tech	4	100%	
Task 3: Barents Editor	4d	12/13/96	12/18/96			100%	
Review/collate execsum and outline	1d	12/13/96	12/13/96	BPM	6	100%	
Produce and distribute	1d	12/14/96	12/16/96	BPM,PBF	18	100%	
Review NIS course material	2d	12/17/96	12/18/96		19	100%	
Task 4: Russian Editor	11d	12/17/96	1/3/97			69%	
Review/collate execsum and outline	1d	12/17/96	12/17/96	RPM	19	70%	
Translate	2d	12/18/96	12/19/96	RT	22	70%	
Produce and distribute	1d	12/20/96	12/20/96	RPM	23	70%	
Review NIS course material	7d	12/23/96	1/3/97	RPM	24	100%	
Task 5: Russian Authors	0.09d	12/23/96	12/23/96			68%	
Review Barents NIS course material	0.05d	12/23/96	12/23/96	RA	24	70%	
Review Barents execsum and outline	0.05d	12/23/96	12/23/96	RA	27	70%	
Task 6: Barents Draft Version	14d	12/19/96	1/10/97			21%	
Write draft of chapter	14d	12/19/96	1/10/97			21%	
Accounting & MIS	7d	1/2/97	1/10/97	Acct/MIS	20	0%	Projected delivery 17-Jan-97
Asset & Liability Management	7d	1/2/97	1/10/97	ALM	20	30%	
Audit	7d	1/2/97	1/10/97	Audit	20	0%	Projected delivery 17-Jan-97

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Russian Commercial Bank Manual

Detailed Work Plan

Last Update as of 1/6/97

Task Name	Duration	Start	Finish	Resources	Link	Status	Comments & Status
Credit Risk Management	7d	1/2/97	1/10/97	CreditMngmt	20	30%	
HR / Org / Training	7d	1/2/97	1/10/97	HR/Org/Tmg	20	30%	
Marketing Strategy	7d	12/19/96	12/31/96	BPM	20	30%	
Operations (HO/BR.)	7d	1/2/97	1/10/97	Ops	20	30%	
Risk Management	7d	1/2/97	1/10/97	RiskMngmt	20	0%	Projected delivery unknown
Strategic Planning	7d	1/2/97	1/10/97	BPM	36	30%	
Technology	7d	1/2/97	1/10/97	Tech	20	30%	
Task 7: Barents Editor	5d	1/13/97	1/17/97			0%	
Review and collate drafts	4d	1/13/97	1/16/97	BPM	30	0%	
Produce and distribute	1d	1/17/97	1/17/97	BPM,PBF,DHL	42	0%	
Barents Draft Version Handoff	0d	1/17/97	1/17/97			0%	
Task 8: Russian Editor	5d	1/20/97	1/24/97			0%	
Review and collate drafts	1d	1/20/97	1/20/97	RPM	43	0%	
Translate	3d	1/21/97	1/23/97	RT	46	0%	
Produce and distribute	1d	1/24/97	1/24/97	RPM	47	0%	
Task 9: Instructor Review	6d	1/20/97	1/27/97			0%	
Barents instructor review	4d	1/20/97	1/23/97	BI	43	0%	
Produce and distribute	1d	1/24/97	1/24/97	BI,PBF	50	0%	
Russian instructor review	5d	1/21/97	1/27/97			0%	
Russian instructor review	3d	1/21/97	1/23/97	RI	46	0%	
Translate	1d	1/24/97	1/24/97	RT	53	0%	
Produce and distribute	1d	1/27/97	1/27/97	RT	54	0%	
Task 10: Barents Editor	6d	1/27/97	2/3/97			0%	
Review/collate B-Instructor comments	2d	1/27/97	1/28/97	BPM	51	0%	
Produce and distribute	1d	1/29/97	1/29/97	BPM,PBF	57	0%	
Review/collate R-Instructor comments	2d	1/30/97	1/31/97	BPM	58	0%	
Produce and distribute	1d	2/3/97	2/3/97	BPM,PBF	59	0%	
Task 11: Russian Editor	8d	1/27/97	2/5/97			0%	
Review/collate B-Instructor comments	1d	1/27/97	1/27/97	RPM	51	0%	
Translate	2d	1/28/97	1/29/97	RT	62	0%	
Produce and distribute	1d	1/30/97	1/30/97	RPM,PBF	63	0%	
Review/collate R-Instructor comments	1d	1/31/97	1/31/97	RPM	64	0%	
Translate	2d	2/3/97	2/4/97	RT	65	0%	

Russian Commercial Bank Manual

Detailed Work Plan

Last Update as of 1/6/97

Task Name	Duration	Start	Finish	Resources	Link	Status	Comments & Status
Produce and distribute	1d	2/5/97	2/5/97	RPM,PBF	66	0%	
Task 12: Russian Draft Version	7d	1/24/97	2/3/97			0%	
Review Barents draft of chapter	1d	1/24/97	1/24/97	RA	47	0%	
Write Russian draft of chapter	4d	1/27/97	1/30/97	RA	69	0%	
Review/incorporate instructor comments	1d	1/31/97	1/31/97	RA	70	0%	
Detail comments/recommended revisions	1d	2/3/97	2/3/97	RA	71	0%	
Task 13: Russian Editor	3d	2/4/97	2/6/97			0%	
Review/collate Russian Author comments	1d	2/4/97	2/4/97	RPM	72	0%	
Translate	1d	2/5/97	2/5/97	RT	74	0%	
Produce and distribute	1d	2/6/97	2/6/97	RPM,PBF	75	0%	
Russian Draft Version Complete	0d	2/13/97	2/13/97			0%	
Task 14: Barents Editor	2d	2/7/97	2/10/97			0%	
Review/collate Russian Author comments	1d	2/7/97	2/7/97	BPM	76	0%	
Produce and distribute	1d	2/10/97	2/10/97	BPM,PBF	79	0%	
Task 15: Barents Final Version	4d	2/11/97	2/14/97			0%	
Write final of chapter	4d	2/11/97	2/14/97			0%	
Accounting & MIS	2d	2/11/97	2/12/97	Acct/MIS	80	0%	
Asset & Liability Management	2d	2/11/97	2/12/97	ALM	80	0%	
Audit	2d	2/11/97	2/12/97	Audit	80	0%	
Credit Risk Management	2d	2/11/97	2/12/97	CreditMngmt	80	0%	
HR / Org / Training	2d	2/11/97	2/12/97	HR/Org/Trng	80	0%	
Marketing Strategy	2d	2/11/97	2/12/97	BPM	80	0%	
Operations (HO/BR.)	2d	2/11/97	2/12/97	Ops	80	0%	
Risk Management	2d	2/11/97	2/12/97	RiskMngmt	80	0%	
Strategic Planning	2d	2/13/97	2/14/97	BPM	88	0%	
Technology	2d	2/11/97	2/12/97	Tech	80	0%	
Task 16: Barents Editor	3d	2/17/97	2/19/97			0%	
Review and collate final chapters	2d	2/17/97	2/18/97	BPM	82	0%	
Produce and distribute	1d	2/19/97	2/19/97	BPM,PBF	94	0%	
Barents Final Version Handoff	0d	2/21/97	2/21/97			0%	
Task 17: Russian Editor	5d	2/20/97	2/26/97			0%	
Review and collate final chapters	3d	2/20/97	2/24/97	RPM	95	0%	
Translate	1d	2/25/97	2/25/97	RT	96	0%	

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Russian Commercial Bank Manual

Detailed Work Plan

Last Update as of 1/6/97

Task Name	Duration	Start	Finish	Resources	Link	Status	Comments & Status
Produce and distribute	1d	2/26/97	2/26/97	RPM,PBF	99	0%	
Task 18: Russian Final	2d	2/27/97	2/28/97			0%	
Review Barents final of chapter	1d	2/27/97	2/27/97	RA	100	0%	
Write Russian final of chapter	1d	2/28/97	2/28/97	RA	102	0%	
Task 19: Russian Editor	6d	3/3/97	3/10/97			0%	
Review and collate final chapters	3d	3/3/97	3/5/97	RPM	103	0%	
Translate	1d	3/6/97	3/6/97	RT	105	0%	
Produce and distribute	2d	3/7/97	3/10/97	RPM,PBF	106	0%	
Russian Final Version Handoff	0d	3/5/97	3/6/97			0%	
Task 20: Editorial Board	2d	3/11/97	3/12/97			0%	
Approve and hand-off	2d	3/11/97	3/12/97	USAID,RPM,BEM	107	0%	

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Russian Commercial Bank Manual

Resources, Baseline Cost & Actual

Last Update 1/6/97

Resource Type	Resource	Initials	Days	Std. Rate	Cost Per	Budgeted Cost	Worked	%	Actual Cost
USAID Engagement Manager	Bill Gould	USAID	2d	\$0/d	\$0	\$0	0d	0%	\$0
Russian Editor	Valdimir Plantonov	RPM	45d	\$200/d	\$0	\$9,000	25.4d	56%	\$5,080
Russian Authors		RA	100d	\$200/d	\$0	\$20,000	0.68d	1%	\$137
Russian Translators		RT	14d	\$0/d	\$0	\$0	1.4d	10%	\$0
Russian Instructors		RI	3d	\$0/d	\$0	\$0	0d	0%	\$0
<u>Barents Project Team</u>									
Barents Engagement Manager	Pat Bryski/Mike Higgins	BEM	2d	\$0/d	\$0	\$0	0d	0%	\$0
Barents Editor	Thomas F. Barrell	BPM	55d	\$986/d	\$0	\$54,252	25.2d	46%	\$24,857
Accounting & MIS	Brant Shuman	Acct/MIS	10d	\$986/d	\$0	\$9,864	0d	0%	\$0
Asset & Liability Management	Gary Vance	ALM	10d	\$986/d	\$0	\$9,864	3.1d	31%	\$3,058
Audit	Brant Shuman	Audit	10d	\$986/d	\$0	\$9,864	0d	0%	\$0
Credit Risk Management	Norma Baxter	CreditMngmt	10d	\$986/d	\$0	\$9,864	3.1d	31%	\$3,058
HR / Org / Training	Elis Anwar	HR/Org/Trng	10d	\$986/d	\$0	\$9,864	3.1d	31%	\$3,058
Marketing Strategy	Thomas F. Barrell	Mktg	0d	\$986/d	\$0	\$0	0d	0%	\$0
Operations (HO/BR.)	Elis Anwar	Ops	10d	\$986/d	\$0	\$9,864	3.1d	31%	\$3,058
Risk Management	Laurie Yerzyk	RiskMngmt	10d	\$986/d	\$0	\$9,864	0d	0%	\$0
Strategic Planning	Thomas F. Barrell	SPlan	0d	\$986/d	\$0	\$0	0d	0%	\$0
Technology	Steve Shipley	Tech	10d	\$986/d	\$0	\$9,864	3.1d	31%	\$3,058
Barents Instructors		BI	5d	\$0/d	\$0	\$0	0d	0%	\$0
<u>Reimbursable Expenses</u>									
		R	0d	\$0/d	\$0	\$0	0d	0%	\$0
Document Delivery		DHL	1d	\$0/d	\$50	\$50	0d	0%	\$0
Printing Binding & Fax		PBF	15d	\$0/d	\$40	\$505	1d	7%	\$65

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