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**TRADE FACILITATION AND INVESTMENT PROJECT
CONTRACT # 116-C-00-01-00015**

**SIXTEENTH QUARTERLY REPORT
CONTRACT PERIOD 1 JUNE 2005– 31 AUGUST 2005**

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TRADE FACILITATION AND INVESTMENT PROJECT

ПРОЕКТ ПО РАЗВИТИЮ ТОРГОВЛИ И ИНВЕСТИЦИЯМ



16th Quarterly Report
June 1, 2005 through August 31, 2005

INTRODUCTION

The first quarter of the final project year was marked by continued political turmoil in the Kyrgyz Republic and uncertainty regarding continued assistance to the government of Uzbekistan. At the same time, parliaments throughout the region were in recess and most government reform activity slowed in the latter part of the summer, leaving many legislative initiatives and proposals to be considered in the fall. Despite these setbacks, however, progress was achieved in advancing our efforts to build sustainable public-private forums in all the countries of Central Asia and our partners successfully reduced constraints in all but Uzbekistan. TFI also made great strides to increase the efficiency and transparency in trade throughout Central Asia, most notably through the continued development of International Trade Guides and their promotion through Customs Consultative Councils and TFI's Transit Corridor Cost Analysis.

REGIONAL ACTIVITIES

TRADE FACILITATION & CUSTOMS

International Trade Guides (ITG)

TFI completed the Tajikistan ITG Project Proposal and submitted it to the OSCE Center in Dushanbe. After carefully reviewing the proposal and the budget, the OSCE Center pre-approved the proposal and submitted it for final approval to its headquarters in Vienna. An answer from Vienna is expected in September. TFI, together with Customs Committee of Tajikistan, also identified the appropriate customs staff to comprise the ITG working group. The group members have now been approved by the Customs Committee and are awaiting the project approval by OSCE to begin their work. TFI will be coordinating and monitoring development of the ITG for Tajikistan, based on the models already produced in the Kyrgyz Republic and Kazakhstan.

Transit Corridor Cost Analysis

TFI has completed compilation of all data for the Osh-Bishkek-Novosibirsk and Alashankov-Almaty-Kurgan transit routes through Kazakhstan. The data were finalized and confirmed on cost, time and distance. Once confirmation of the legal basis for the time delays and costs are finalized, the transit corridor analyses for the two main transit routes through Kazakhstan will be completed.

While the Kazakhstan Transit Corridor Cost Analysis is now ready for distribution, strategically, TFI would like to present a Corridor Analysis for at least one other country, in order to avoid giving the mistaken impression that Kazakhstan is the only territory that represents transit challenges. Consequently, work is now underway to compile the data on the main transit routes in Tajikistan and will begin one for the main transit routes through Uzbekistan. A considerable amount of data on the Khujand-Tashkent-Almaty-Alashankov transit route for Tajik exporters has been gathered and data are currently being gathered on the Khujand-Tashkent-Almaty-Semipalatinsk-Novosibirsk route. TFI has received research support from private sector interests such as, the Tajikistan Transporters' Association (ABBAT).

In Kazakhstan, TFI's original scope of work on the Transit Corridors has been extended to include pre-departure and post-arrival procedures and costs for Kazakhstan transit routes. Greater understanding of these

costs will be useful to businesses (both transporters and traders) and once completed will represent more complete “Cost-to-Market” data.

Intellectual Property Rights (IPR)

TFI, in collaboration with the World Intellectual Property Organization (WIPO), the World Customs Organization (WCO), the United Nations Economic Commission for Europe (UNECE), the IP Committee (Ministry of Justice, Astana) and the Customs Control Committee of Kazakhstan, conducted an IPR Enforcement Conference in Almaty from July 5th through 7th. The Customs Control Committee presented detailed operating procedures for the apprehension, handling and prosecutions on imported goods that violate IP rights. Private sector representatives also made presentations on their product-specific IP details to assist customs officials in the identification and apprehension of goods that violate their rights. Plans are now being made to conduct follow-on trainings for customs officers in four regions of Kazakhstan.

While the Conference was planned primarily to deal with improvements in IPR enforcement in Kazakhstan, TFI, WIPO and the WCO used the occasion to increase the exposure of administrators in the region to effective procedures for the enforcement of IP rights. The WCO and WIPO arranged for the participation of IP officials from Uzbekistan and the Kyrgyz Republic and TFI funded the participation of IP officials from Tajikistan (customs officers and patent office officials).

The objective was to share with and convey to Uzbek, Tajik and Kyrgyz officials the more advanced enforcement techniques in Kazakhstan, notably in terms of customs procedures for improving the enforcement of IPRs on imported goods, the handling of detained goods and the relationship between the customs administration and General Prosecutor's Office in the strengthening of IP rights in accordance with international best practices. With the exception of the Kyrgyz Republic, all these countries find themselves on the USTR's 301-watch list.

METROLOGY, ACCREDITATION, STANDARDIZATION – QUALITY (MAS-Q)

The ILAC and IAF have produced a series of documents on their membership requirements designed to generate more and link existing multi-lateral mutual recognition Arrangements for the benefit of regional accreditation co-operations, such as the CAC-MAS-Q. The goal in developing these Arrangements is to increase world-wide accreditation coverage.

Through these Arrangements, both ILAC and IAF delegate authority to their “recognized” Regional Group Members. The members may then evaluate, survey and re-evaluate Member Accreditation Bodies within their defined territory and make decisions related to ILAC and IAF Arrangements in that territory. A technical document on requirements for evaluation of a Regional Group was recently translated into Russian and distributed to the members for review and consideration.

CAC MAS-Q to Meet

TFI has successfully leveraged the support of the World Bank, ITC and TACIS to conduct a joint meeting of the CAC MAS-Q in October to discuss recent changes in ILAC/IAF rules and approaches for regional bodies and the possibility of CAC MAS-Q membership in ILAC as a regional body. If the members of the CAC-MAS-Q agree to move forward with joint efforts and reforms TFI hopes other donors will continue to support their ambitions.

In preparation for this meeting, a representative of the CAC MAS-Q will attend the next ILAC/IAF 2005 Conference in Auckland, New Zealand from September 11th through the 21st, 2005. The Auckland meetings will provide the opportunity to consolidate and further develop the work carried out by various committees during 2005, as well as facilitate and enhance the continuing development of the ILAC and IAF approach to Regional Cooperation Organizations engaged in regional accreditation. TFI is providing financial support for the Director of the Kazakhstan National Center on Accreditation to attend the Conference as the CAC MAS-Q representative and he will be presenting a detailed report on the Conference at the next CAC MAS-Q meeting scheduled in October.

FERGHANA VALLEY ACTIVITY

Political instability also affected activities in the Ferghana Valley, as power struggles and inexperience plague local governments in the region. Established authority within the region is being contested and conflicts between various government offices and levels of government arose. As a result, little was accomplished within the government this quarter not only due to conflicts, but because virtually all administrative staff members in the Kyrgyz Republic were charged with the responsibility of preparing for and conducting the Presidential election in July. Despite these difficulties, some progress was made in improving cross-border trade and the availability of information.

Ferghana Border Crossing Made Easier

In June, TFI organized a series of meetings between the Ferghana oblast beekeepers and Kyrgyz state officials including customs officials and members of the Veterinary department of Batken oblast, who expressed their willingness to assist and support the beekeepers. Reviews of the border crossing process for Ferghana beekeepers showed signs of improvement. When provided with all of the necessary legal documents for entry into the Kyrgyz Republic, Customs officials performed a simplified inspection of the beekeepers who were able to enter Batken oblast and conduct their beekeeping activities with improved ease.

ITG Demonstrations for Osh Entrepreneurs

In June, TFI organized a seminar for the entrepreneurs of Osh in which TFI introduced the Central Asian ITG (International Trade Guide) website and demonstrated how to use it, its informational contents, and how to communicate with the website managers. In addition, TFI handed out copies of a reference booklet detailing the rules and procedures of importing and exporting between the Kyrgyz Republic and Uzbekistan. The seminar served as a means for TFI to transfer knowledge on rules and procedures of external economic activity directly to entrepreneurs.

COUNTRY ACTIVITIES

KYRGYZ REPUBLIC

TFI's progress in the Kyrgyz Republic continues to be influenced by the changing political climate. Presidential elections were held in July and resulted in the election of Kurmanbek Bakiev, but many questions remain regarding the direction reform will take in the country. Various plans and proposals were discussed during the revolution, election, and inauguration, but real and lasting improvements in governance, policy and the legal system remain to be realized. A window of opportunity exists to consider the past and improve the future reform mechanism, but early steps, particularly by the president's administration, are of concern.

TFI continues to dialogue with government and private-sector counterparts. During the interim period, the Project encouraged, where possible, improvements in the reform mechanism itself, rather than governmental focus on specific issues. Also, coordination with TFI counterparts is underway to ensure involvement on legal drafting procedures with the new government once it is formed. It is anticipated that the appointment of former Osh Oblast Governor Kasiev within the Prime Minister's Office, given his familiarity with the issues surrounding changes in the drafting process, will promote positive changes in the government regulation requiring draft publication. Also, the completion of the website managed by the Ministry of Justice for publication of draft regulations under a European Commission program is consistent with recommendations made by TFI and provides one solution to the publication challenge faced during implementation of procedures requiring notice and comment.

RIC Training

The development of advocacy capacity in private-sector counterparts remains a priority. While some associations openly advocated for changes during the interim period, it remains to be seen whether or not that momentum will continue now that the government appears to be reasserting itself. Skills transfer to

partner associations to conduct both independent advocacy and to advocate through, and thereby support, Customs Consultative Councils and Prosecutors' Working Groups continues. Building on last year's work, training has been provided for private-sector partners and representatives from regional and national prosecutors' offices and discussions are underway with local law faculties at universities. It is anticipated that working groups will receive much needed legal assistance from students who will also benefit from direct and practical application of their on-going legal training. In a system with few internal checks and balances on power, these groups are particularly important in highlighting and addressing problematic and illegal government conduct. These forums and association advocacy efforts are the best way to enhance the rights of businesses. Preparation of training materials and identification of potential partner associations are underway for future skills transfer empower representative advocacy.

Customs Reform

The Customs Service has received a great deal of attention from the new government. As a revenue body, it is the source of a significant portion of the official and unofficial money flowing into the government. TFI continues to recommend that the Customs Service consider the ASYUDA World computer system, and, through USAID, has conveyed those recommendations to the ADB which is funding a Customs computerization initiative and considering a similar program for tax computerization. Also, discussions with the IMF are anticipated regarding greater integration of IMF assistance to both tax and customs agencies to reform civil service practices and policies to promote professionalism and address corruption.

MAS-Q

In the area of technical regulation reform, the government needs to demonstrate the greatest commitment to deregulate. Transitioning from a system of total control to one of market control requires relinquishing power. While government bodies such as the Ministry of Economic Development, Industry and Trade and the National Institute of Standards and Metrology have been vigorously engaged in a fight over jurisdiction and power with each other, both are unwilling to relinquish power. As a result, benefits to businesses that would decrease costs and increase trade are slow in coming. The government, at the highest levels, must make a deliberate decision to cede power, cut staff and jurisdictions, and to allow the market to operate, which neither body will do independently. It is hoped that the Prime Minister's Office will take a controlling role in the process of the deregulation of the GOST system and an elimination of technical barriers to trade, and given the changes in government and a possible new approach within the Prime Minister's Office, their involvement and management of the process will be encouraged by TFI.

Additionally, TFI is working closely with TACIS, ITC and the World Bank on joint trainings and other activities to combine expertise and to present all counterparts with a common message. TFI is also working closely with the World Bank as it prepares for a large project anticipated for 2006. It is hoped that issues which have reached a relative impasse at the ministry level under the previous government can be addressed through World Bank attention and through the increased involvement and control over the process by the Prime Minister's Office.

KAZAKHSTAN

Reduction of Trade and Investment Constraints

TFI successfully reduced constraints related to 8 separate processes in 3 cities over the course of the quarter. These reductions impacted import and export trade, commercial transportation, land use and construction and tax assessments. These reductions will have a positive impact on thousands of SME's throughout the whole of Kazakhstan.

Highlights from the quarter include:

- In Atyrau the processing time for issuing land use permits was reduced by more than 80 days due to the success of a working group formed by TFI's partner association, the Union of Entrepreneurs and Employers and the Atyrau City Department of Land Resources Management and the Department of City Planning and Construction. By eliminating redundancies and setting strict time limits for each

stage of the process, entrepreneurs will now be able to put their land to commercial use 2-3 months sooner than before and will save thousands of dollars as a result.

- The Ust-Kamenogorsk Department of State Sanitary and Epidemiological Control agreed to end its practice of inspecting and approving certain premises for non-hazardous commercial use. The elimination of this previously required permit will impact 1,000 entrepreneurs in East Kazakhstan Oblast annually.
- TFI's partner association, the East Kazakhstan Oblast Association on Protection of Entrepreneurs Rights successfully lobbied the Interregional Tax Committee in Astana to end its practice of charging entrepreneurs a "Subscription Bonus" in the amount of \$1,500 before completing a required tax assessment for new gas stations. When implemented nationally, the elimination of this fee will impact roughly 700 entrepreneurs annually for a total savings of \$1 million.

Prosecutorial Working Groups

In June, the Forum of Entrepreneurs of Kazakhstan and the Office of the General Prosecutor signed an MOU to form working groups throughout Kazakhstan that will identify and eliminate normative acts that create barriers to SME development and are in violation of national legislation. TFI has worked closely with the Prosecutor's Office for the last three months to help them develop the model of the working groups as well as their composition and operating rules. The working groups will be comprised of prosecutors and entrepreneurs and a private sector participant will act as working group secretary. According to the terms of the MOU, the working groups will meet at least quarterly and notice of the meetings as well as the agenda will be published in the mass media. The working groups are modeled on prosecutors working groups already working successfully in Kyrgyzstan. The first working group meeting will be held in Astana in September.

Cluster Groups

TFI assisted in drafting changes to the Kazakh Law on Technical Regulation at the request of the Oil and Gas Machinery Cluster Group. The changes will allow legal implementation of international standards in conjunction with the Kazakh national system. The drafted changes were delivered to the Government for review.

Trade Facilitation

Last quarter, President Nazarbayev signed the Law introducing amendments to the Customs Code of the Republic of Kazakhstan. Those based directly on TFI recommendations will greatly lower the time period for customs clearance, simplify import procedures, decrease customs inspections and allow greater flexibility in customs valuations. More detail on these amendments and their impact can be found in the constraint reduction chart.

TFI continued to work closely with the Custom Control Committee's Risk Management Department on implementation of TFI's risk management program. In June the Chairman of the Customs Control Committee, Mr. Saparbaev, approved a set of criteria (internal regulations) that are used by customs officers to classify certain traders as "low risk". Low risk traders benefit from expedited customs clearance and are not subject to cargo inspections at the time of import or export. Instead, these traders are subject to "post-entry control" which consists of periodic audits of the trader's books and records. Low risk traders are placed in a public register that is available on the Custom Control Committee's website <http://www.customs.kz/exec/stat/showdoc?id=461>. In the first six weeks of the program Customs registered 362 low risk traders. TFI is now working with Customs to ensure that post-entry audits are as minimally invasive as necessary.

TAJIKISTAN

Reduction of Investment Constraints (RIC)

TFI provided legal drafting assistance on the Presidential Decree directing the establishment of a “one-stop-shop” for business registration; required amendments to the Law on Registration; and Government regulation on approval of the State Program on Measures for Simplifying Registration and Introduction of a “one-stop-shop”. All three pieces of legislation were drafted and submitted to the Ministry of Justice for review and to the Government for approval. In support of these steps, a well-known Tajik lawyer and the Head of the Ministry of Justice Mr. Shavkat Mustafokulov wrote a book on the subject for businesses wishing to register in Tajikistan, which includes a step-by-step flow chart of the present registration process prepared by TFI. This edition was in two languages intended for existing businesses, those planning to register a business and academics. Seven hundred copies of the book were published with financial support from ARD/Checchi and will be distributed among business associations as well as departments of the Ministry of Justice in the regions.

Harmonization of Laws and Regulations with the New Law “On Licensing”

During the quarter TFI developed a draft Licensing Law and submitted it to the Presidential Executive Office for review. TFI proposed 18 articles for changes and/or additions into the separate provisions of the Law. The following changes, additions and suggestions were made:

- Specifying reasons for suspension;
- Abolishing certain licensing requirements;
- Right of refusal on issuing licenses;
- Examining the procedures for export and import licenses;
- Reducing the list of types of activity subject to licensing by 38;

TFI also assisted in the drafting of changes to 40 separate laws to bring them into compliance with the new requirements of Tajikistan’s Licensing Law. Twenty of these were approved by the Government in August and are now under consideration by the lower chamber of Parliament. Work continues on the remainder.

Issuance of Seals and Stamps for Individual Entrepreneurs

TFI developed the new Instruction on permissions to make stamps and seals for individual entrepreneurs. Previously individual entrepreneurs were not entitled to such stamps and seals, which are necessary to engage in any foreign economic activity. The Instruction was submitted to the Ministry of State Revenue and Ministry of Internal Affairs for review, following TFI-led discussions with the two agencies. The Ministry of State Revenue offered to organize a meeting with representatives from the Ministry of Internal Affairs and the Executive Presidential Office to jointly develop the final version of the new Instruction which will be held in September 2005.

Public-Private Working Groups

Preparations continued in Tajikistan in anticipation of the RIC Working Groups that will be established with entrepreneurs and local administrations. Meetings were held with the Women’s Business Association in Khojand and attended by local business and administration representatives to discuss the structure and functions of the RIC working groups. Similar meetings were also held in Soghd Oblast with Antimonopoly Agency.

Also in Soghd, the Tax Advisory Council, TFI and the Association of Beekeepers prepared a statement to the Chairman of the Hukumat of Soghd Oblast requesting an exemption for beekeepers from taxes on retail trade in order to develop the beekeeping industry and promote exports of Tajik honey.

Trade Facilitation

Customs Consultative Councils

TFI assisted the Khujand Customs Consultative Council to prioritize its work plan for September 2005 to May 2006. The main work plan priorities are to develop trade with foreign countries, to decrease excessive bureaucracy and to motivate business to succeed. The next Council meeting is planned for September when a working party responsible for future technical coordination of the Council's activities will be selected.

So far the Khujand Council developed a draft Order on the Registration of banks and credit organizations with TFI's assistance. The Draft includes rules governing inclusion of various credit institutions, terms of consideration, required application documents and procedures to eliminate banks and credit organization from the Register. The draft Order was sent to the legal department of the Ministry of State Revenue and Collections for review.

In July, planning began on the creation of another Council in Khatlon Oblast with the Head of the Khatlon Customs Department. The main objectives and tasks of the council, its staffing, the preliminary date of the first meeting and other organizational issues were finalized and the first meeting is scheduled for September.

Plans are also underway to assist the Chairman of the Association of Entrepreneurs in Khorog to establish a Council there. The Chairman agreed with the idea of establishing the Council and will take the lead in engaging entrepreneurs and Customs Officials. Further meetings will take place in September.

WTO

Technical Support and Training

Written questions posed by the WTO Working Party members after the 2nd Working Party Meeting were translated and distributed among the relevant Ministries and Agencies. TFI will assist the MET in preparing the answers after the draft replies are collected and consolidated.

Customs Legislation

In conjunction with its Customs Code efforts in Tajikistan, TFI assisted in drafting the Customs Valuation Regulation in compliance with WTO requirements. The draft is currently being reviewed by various Departments within the Ministry of Revenues. TFI is also working jointly with the Ministry to revise the draft of the regulation on Customs Fees to ensure its WTO-compliance.

TRIPS Implementation

TFI met with representatives of the EU-funded Project on Support for Implementation of Trade Cooperation Agreement. This project intends to focus on assisting the Tajik Government in TRIPS compliance issues. TFI will coordinate its TRIPS implementation component to establish synergies and avoid duplication.

TBT and SPS Implementation

TFI is continuing to assist the Working Group in developing and reviewing the draft Technical Regulation Law. A Working Group training session was combined to include a draft law review with experts from Kazakhstan, the Kyrgyz Republic and the Russian Federation. The seminar introduced basic principles of technical regulation and international experience to the working group members charged with drafting the law. A wide variety of topics were discussed at the seminar including:

- WTO, TBT, SPS Agreements;
- Standards and technical regulations;
- The Code of Good Practice, declarations of compliance and inquiry points;
- Reform of technical regulation in Kyrgyzstan;
- Basic elements Russian Federation Technical Regulations Law;

The international experts offered members of the working group comments and recommendations on the Tajik draft law. Those which are applicable and reasonable will be incorporated into the draft law.

MAS-Q

TFI conducted a full review of the legal acts and practices of Tajikstandard in the areas of standardization, certification and accreditation and found some that contradict international practices or violate Tajik legislation. TFI prepared a detailed analysis of the system and its negative impact on business and trade and presented it to USAID in hopes of getting its support to promote the necessary reforms with key government officials.

TFI also presented its analysis at a World Bank-sponsored workshop entitled “Improving the Business Climate in Tajikistan” June 29-30 in Dushanbe. High-level government officials as well as donor organization were present at the workshop and heard, many for the first time, the main problems with Tajikistan’s certification system. The presentation was well received and TFI’s MAS-Q expert Jamilya Ruzieva was complimented on the quality and frankness of her presentation. A clear indication that the presentation struck a chord and had an impact was Tajikstandard’s public admission that the problems highlighted did exist and that they were taking steps to address them. A document on the workshop’s findings, which included TFI’s recommendations, was submitted to the Government by FIAS/MIGA, the organization implementing the Business Climate Project. TFI is hopeful this will give prominence to these issues and others and help build the political will necessary for meaningful reform.

UZBEKISTAN

The situation in Uzbekistan remains unchanged and politics continue to hinder TFI’s progress in assisting the Uzbek government with its WTO accession efforts. In fact, TFI was prohibited from providing any assistance to the Central Government of Uzbekistan in the past quarter as the “notwithstanding waiver” expired and all obligated funds for this activity were exhausted. The Project stands poised to continue its assistance if and when a decision is made and funding becomes available, but is now focusing its efforts on private sector partners and local government agencies to advance reform efforts.

WTO

In the meantime, the government of Uzbekistan has continued its efforts toward WTO accession and was successful in setting the date of the third Working Party meeting for October 14. Part of this effort included the submission of the initial market access offers on goods and services as well as the revised Legislative Action. This would seem to confirm the GOU’s commitment to pursue the WTO accession negotiations. The Working Party members will now be able to analyze and evaluate the initial offers and legislative proposals and their questions and subsequent responses should indicate the level of the GOU’s commitment to continue the process.

Trade Facilitation

TFI together with the Association of International Freight Forwarders drafted an information booklet for importers and exporters. The book includes an Uzbek version of Incoterms, which are internationally accepted commercial terms defining the respective roles of the buyer and seller in the arrangement of transportation and other responsibilities, clarify when the ownership of the merchandise takes place, and contains a commercial terminology glossary. The final edits to the Uzbek version should be completed in September at which time the booklet will be published, distributed among the members of the association and placed on the association’s website.

Customs Consultative Councils

In Ferghana, the first meeting of the Consultative Council on Foreign Economic Activity took place in June. The meeting, which was chaired by the Ferghana Customs Service, included representatives of the regional government agencies, local businesses and NGO’s, and entrepreneurs. The meeting was broadcast on local TV and covered in the local press.

The meeting resulted in an approved list of members and an approved work plan which includes conducting regularly scheduled round table meetings and seminars with local businesses participation. The first of these also took place in June, when the Consultative Council organized a seminar for over 60 representatives of local businesses to address issues related to exporting agricultural products, including questions of favorable taxation and providing subsidies to local producers. Future seminars on specific topics will be conducted with invitations going to decision-making government agencies qualified to address participants and answer questions. The round tables and seminars should result in addressing concrete recommendations to the local government. The Council intends to continue having its meetings broadcast on local TV and publishing the Council's activities in local newspapers. The next Council meeting is scheduled for the end of August.

MAS-Q

TFI, in coordination with the Chamber of Commerce, conducted a seminar for the Law on Technical Regulating working group. TFI provided recommendations and proposed a version of the latest draft that includes both technical regulations and conformity assessment procedures. TFI strongly recommended reducing the number of products subject to mandatory certification. Both recommendations for the draft Law and the recommendations on the reduction of the list will be presented to the Coordination Council of entrepreneurs and consumers governed by the Deputy Prime Minister in the next quarter.

Progress toward the PMP

Reduction of Trade & Investment Constraints				
Country	CY 2005 - 2006		1 Mar 2004 – 28 May 2005	
	RIC	WTO	RIC	WTO
Kazakhstan	40	0	10	0
Kyrgyz Republic	30	2	3	0
Tajikistan	20	17	2	0
Uzbekistan	3	20	0	4

List of Attachments:

- 1) Constraint Reduction Chart – Kyrgyz Republic
- 2) Constraint Reduction Chart – Kazakhstan
- 3) Constraint Reduction Chart – Tajikistan
- 4) WTO Accession Checklist – Tajikistan
- 5) WTO Accession Checklist – Uzbekistan

PART II: PROGRESS TOWARD WORK PLAN

Trade Facilitation and Investment Project Quarterly Report

June 1, 2004 – May 31, 2005

KAZAKHSTAN			
<i>Reduction of Investment Constraints (RIC)</i>			
No.	Objective	Start Date	End Date
KZ RIC 01	Nationally and Locally Imposed Constraints Reduced in Selected Oblasts	1 Jun 2005	31 May 2006
Description	<i>National legislation and the locally created rules, processes or procedures that implement them create constraints for SMEs in Kazakhstan's oblasts. TFI consultants and existing members of the TFI partnership program will work with local government counterparts to reduce identified constraints.</i>		
Intermediate Objectives	<ul style="list-style-type: none"> • Locally created constraints identified by TFI field offices and partner program members – Ongoing • Provide recommendations to reduce identified constraints to appropriate Kazakh government officials – Ongoing • When adopted, monitor implementation and impact – Ongoing 		
Quarter	Status & Comments		
1 Jun 2005 – 31 Aug 2005	During the quarter, TFI and its partner associations identified and reduced constraints related to 8 separate processes at both the national and local level. Details of those reductions are contained in the constraint reduction chart.		
No.	Objective	Start Date	End Date
KZ RIC 02	Technical Capacity and Sustainability of Local Organizations and Institutions Implementing Constraint Reduction Programs Developed	1 Jun 2005	31 May 2006
Description	<i>TFI has expanded the scope and impact of its constraint reduction activities by supporting the development and technical capacity of local organizations and institutions as well as public/private partnerships. TFI successfully trained 34 business associations and local government bodies in the RIC methodology, supported the development of Customs Consultative Councils and is now advising the office of the General Procuracy on the establishment of working groups that will target illegal or outdated government acts for elimination. TFI will work with all of these organizations to develop their technical capacity and financial capabilities to continue to identify and reduce constraints after the conclusion of the TFI program.</i>		
Intermediate Objectives	<ul style="list-style-type: none"> • Establish and conduct pilot Prosecutorial working group – 31 Aug 2005 (30 Sep 2005) • Conduct baseline surveys of participants to determine effectiveness of Prosecutorial working groups in resolving issues of concern – 31 Oct 2005 • Partner business associations provide training and mentoring to at least 8 other business associations in the RIC methodology – 28 Feb 2006 • Business Plan to market training in the RIC methodology as a fee-based association-to-association service – 28 Feb 2006 • At least five newly trained business associations reduce at least one constraint each – 31 May 2006 		

	<ul style="list-style-type: none"> • At least one business association in Central Asia has contracted to receive fee based RIC training. – 31 May 2006 • Surveys of participants indicate at least 2/3 of respondents find Consultative Councils effective in resolving issues of concern - 31 May 2006 • Follow-up surveys of participants indicate at least 2/3 of respondents find Prosecutorial working groups effective in resolving issues of concern – 31 May 2006 		
Quarter	Status & Comments		
1 Jun 2005 – 31 Aug 2005	On June 27, 2005 The Forum of Entrepreneurs of Kazakhstan and the Office of the General Prosecutor signed an MOU to form the prosecutorial working groups. TFI has worked closely with the Prosecutor's Office for the last three months to help them develop the model of the working groups as well as their composition and operating rules. Due to summer vacation schedules, the first working group meeting will be held in Astana and has been scheduled for 22 nd September.		
No.	Objective	Start Date	End Date
KZ RIC 03	Implement Electronic Governance Systems in Kazakhstan	1 Jun 2005	31 May 2006
Description	<i>During the previous two contract years, TFI successfully laid the foundation for E-governance - Implementing regulations have been drafted and a physical infrastructure has been developed to allow for business-to-government and government-to- business interaction; a pilot electronic government procurement system has been designed to allow for procurement of standardized goods such as office equipment and furniture, medical supplies, vehicles and spare parts. TFI will now work with the GOK and private sector counterparts to continue the implementation of electronic governance systems, including online business registration, online submission of statistics reports and will assist with further development of a national web portal. TFI will also assist in launching the electronic procurement system, which will increase the ability of SMEs to participate in a market that in 2003 was valued at 3.2 billion US dollars.</i>		
Intermediate Objectives	<ul style="list-style-type: none"> • Pilot e-procurement system launched – 31 Jul 2005 (31 May 2006) • Project proposal on electronic submission of statistical reports by SME drafted and submitted to the Agency on Statistics for consideration - 31 Sep 2005 • Full roll-out of e-procurement system - 28 Feb 2006 • Provide commentary to GoK on draft e-commerce (and e-government) implementing regulations – 31 Mar 2006 		
Quarter	Status & Comments		
1 Jun 2005 – 31 Aug 2005	TFI working with the Center for Electronic Commerce under the Committee on Financial Control and State Procurement of Ministry of Finance finished the creation of the e-procurement system in May 2005. Implementation rules on Electronic Government Procurement were also drafted and submitted to the government for approval twice this year. Both times the rules were not approved due to a “technical conflict” with the Law on State Procurement (specifically, the law does not define the term “auction” which is used in the Rules). In addition, the government has delayed the launch due to a lack government certification authority in the law, which is necessary for digital signature use. Initially, the creation of a government certification authority was planned for 2005, according to the draft e-Government Action plan prepared in 2003. The new team at the Agency of Informatization and Communications has changed the action plan, setting the date for certification authority as "end of 2007". Until the implementation rules are approved and the digital signature issued resolved, the system cannot be launched. TFI continues to work with the Center for Electronic Commerce to lobby government officials to adopt the rules and push forward on creating the government certification agency, but at this time were are unable to guarantee that the system will be launched prior to the end of the project year.		
No.	Objective	Start Date	End Date
KZ RIC 04	Constraints Related to Permitting and Licensing Procedures Reduced	1 Jun 2005	31 May 2006

Description	<i>Excessive or redundant requirements relating to permitting and licensing procedures create considerable constraints to SME development. Duplications are found in licensing, accreditation, and standardization. The GoK has requested TFI's assistance to develop proposals to simplify permitting procedures and reduce the number of business activities subject to licensing.</i>		
Intermediate Objectives	<ul style="list-style-type: none"> Identify constraints created by excessive and redundant requirements related to permitting procedures (licensing, standardization, certification, accreditation, attestation, permitting documents) – 31 Aug 2005- COMPLETED Recommendations on eliminating redundant or unnecessary permitting procedures and documents are issued and submitted to the Government – 30 Nov 2005 When adopted, monitor implementation and impact – Ongoing 		
Quarter	Status & Comments		
1 Jun 2005 – 31 Aug 2005	During the quarter TFI identified specific licensing and permitting constraints within the health, tourism and pharmaceutical sectors. TFI is now working with its partner organizations to map the constraints and develop constraint reduction recommendations.		
World Trade Organization (WTO)			
No.	Objective	Start Date	End Date
KZ WTO 01	Increase IPR Enforcement in Kazakhstan.	1 Jun 2005	31 May 2006
Description	<i>Training front line customs officers in the identification and seizure of pirated goods will help Kazakhstan: (a) meet the standards set by the TRIPS agreement (b) achieve removal from the Special 301 Watch List; and (c) accede to the WTO.</i>		
Intermediate Objectives	<ul style="list-style-type: none"> Comprehensive training on identification and seizure of pirated goods by Kazakh Customs Officers completed in Almaty, Shymkent, Pavlodar, Ust-Kamenogorsk & Uralsk – 31 Oct 2005 As a result of Customs trainings, a statistical increase of at least 10% over the previous year in seizures of pirated goods and prosecution of counterfeiters – 31 May 2006 		
Quarter	Status & Comments		
1 Jun 2005 – 31 Aug 2005	TFI organized a major Conference on IPR Enforcement in Kazakhstan July 5-7 in Almaty. At the Conference, the Customs Control Committee clearly delineated newly introduced customs procedures for the enforcement of IPRs. Plans are continuing for the additional regional IPR training sessions for customs officials; TFI is collaborating with IP industry association representatives and with the Customs Committee in plans for four additional training sessions. Funding assistance for the training is being sought from the IP Associations.		
Trade Facilitation (TF)			
No.	Objective	Start Date	End Date
KZ TF 01	Transparency Increased and Transit Times & Costs Reduced for SMEs Importing, Exporting or Transiting Goods Through Kazakh Territory	1 Jun 2005	31 May 2006
Description	<i>Time frames and costs associated with importing, exporting or transiting commercial cargo through Kazakh territory is unacceptably high for most entrepreneurs. Streamlining the legal and regulatory framework for these processes, increasing the knowledge of Kazakh Customs Officers of the TIR system & other transit guarantee mechanisms and educating foreign and domestic traders of the cost to market for major Kazakh transit routes will greatly lower transit costs and timeframes.</i>		
Intermediate Objectives	<ul style="list-style-type: none"> Complete and distribute Cost to Market analysis for major Kazakh transit routes – 31 Aug 2005 (30 Sep 2005) Contingent on World Bank funding in July 2005, the Transit Insurance Guarantee Mechanism will be drafted and submitted for 		

	<p>approval to Customs – 30 Sep 2005</p> <ul style="list-style-type: none"> • Provide recommendations to reduce legal and regulatory constraints to transit trade in Kazakhstan to appropriate government officials – 31 Oct 2005 • If approved for implementation by Customs, disseminate results through the ITG, CCCs, and other media – 30 Mar 2006
Quarter	Status & Comments
1 Jun 2005 – 31 Aug 2005	<p>The Transit Corridor Analysis for Kazakhstan is now complete; TFI is reconfirming the legal constraints, which are causing delays and increasing costs for transit trade, to ensure that the information is accurate and remains valid.</p> <p>Work on the Transit Insurance Guarantee (TIG) is at the point where further progress will depend on the direct participation of the insurance sector in Kazakhstan in the Guarantee Mechanism. The World Bank has been unable to assist this activity in a timely manner, so TFI's strategy is now to have an insurance consultant (Londongate Insurance) solicit the insurance companies in Kazakhstan on their commercial interest in the initiative. Obviously, if the insurance companies are not interested, no further work can be done on the TIG.</p> <p>While TFI has prepared detailed logistics for public information and for the administration of the TIG by Customs, participation of the insurance sector (national insurance companies selling the insurance product to transporters engaged in transit trade, and international re-insurance companies to back the entire mechanism) have been drafted.</p>
Metrology, Accreditation, Standardization & Quality (MAS-Q)	
KZ MAS-Q	
Description	<p><i>In the previous project year, TFI participated in the drafting of the law On Technical Regulation, which was adopted by Parliament in December 2004 and came into force in May 2005. TFI also provided Gosstandard of Kazakhstan with a Road Map for achieving international recognition of its conformity assessment results that focused on the technical and institutional reforms that need to be undertaken. Gosstandard has since advised USAID management, that while continued support from TFI is welcome, they will determine the pace of any work and reforms, including the implementation of and any possible improvements to the law On Technical Regulations. At the same time, other donor organizations are actively involved in similar activities in Kazakhstan. In June 2005, EU/TACIS will launch a 2-year assistance project to work with Gosstandard on the implementation of the law On Technical Regulation and compliance with the WTO TBT Agreement, while the International Trade Centre (ITC) will provide support on accreditation reform and the preparation of select laboratories for international accreditation in 2005-2006.</i></p> <p><i>TFI believes it can continue to provide valuable assistance to both government and the private sector in reforming MAS-Q structures, processes and procedures but will define any future objectives and tasks during the project year in response to direct requests from counterparts or by identifying gaps in other donor assistance projects once they begin.</i></p> <p><i>TFI will, however, continue to work toward implementation of the law On Technical Regulation and ensuring meaningful reductions in the scope of regulation and compliance costs to businesses posed by MAS-Q requirements, but will undertake these efforts as part of the RIC component of the Project. These activities are ongoing and are in direct response to constraints identified by our private sector counterparts, specifically Partner Associations and select working groups of the Center for Marketing and Analytical Research (CMAR)-</i></p>

KYRGYZ REPUBLIC (KG)**Reduction of Investment Constraints (RIC)**

No.	Objective	Start Date	End Date
KG RIC 01	Improved Regulatory Drafting Procedures at the National and Local Level	1 Jun 2005	31 May 2006
Description	TFI has been successful in supporting the adoption at the regional level of implementing regulations instituting the requirements for justification, impact analysis, review and comment by non-governmental parties for certain regulatory acts regulating business activities. However, the national government has been slow to adopt similar procedures and the necessary changes to the Law "On Normative Legal Acts" requiring 60-day comment periods, though approved by Government, have not been adopted by Parliament. Given the political uncertainty in the country, it is unclear whether a new national government will move to implement these procedures, though TFI will continue to promote their adoption and implementation with the new government after elections in July. At the same time, TFI will continue to promote the implementation model adopted in Osh, Bishkek, Issyk Kul, and Jalal-Abad in the previous project year in other regions of the country as well as assist in the implementation of working mechanisms to realize the benefits of the procedures to the business community.		
Intermediate Objectives	<ul style="list-style-type: none"> • Submit recommendations to government counterparts regarding improving mechanisms, procedures and regulations necessary to introduce publication, comment and cost benefit provisions – 30 Sep 2005 • Government counterparts approve new procedures and implementation mechanisms – 31 Dec 2005 • Following adoption of procedures, seminars are conducted with government and association counterparts to increase familiarity with the procedures and encourage private-sector participation in the drafting process – 31 May 2006 • In at least 2 regions, regulations are adopted using the new mechanisms for public involvement – 31 May 2006 		
Quarter	Status & Comments		
1 Jun 2005 – 31 Aug 2005	<p>Discussions with government representatives are underway on changing legal drafting procedures at the national level. Additionally, a European Commission project completed work on a database for government-originated draft laws, and includes draft regulations to the July 2005 law on Electronic Database of Drafted Normative and Legal Acts. TFI hopes to build on the EC project by institutionalizing database usage as part of the drafting process.</p> <p>The Union of Entrepreneurs of Kara-Balta following discussions with Urban Institute and with TFI technical and grant support developed a legal drafting guide for local keneshes. The guide will improve local keneshes' procedures and increase participation of entrepreneurs and other constituents in the regulatory process at the local level. Once completed, the association has agreed to work with other associations and projects to ensure dissemination of the information to all rural, city, rayon, and oblast government bodies.</p>		
No.	Objective	Start Date	End Date
KG RIC 02	Improvement of State Regulation of Licenses and Inspections of Entrepreneurial Activity	1 Jun 2005	31 May 2006
Description	In 2004, draft laws on licensing and inspections support by TFI were submitted to Parliament as a package, but adoption has been delayed due to the revolution, parliamentary focus on constitutional and political issues, and new scheduled elections. The licensing		

	<i>law, if adopted and properly implemented, will radically change inefficient practices of state regulating, limit governmental discretion to create new licenses, extend the validity of licenses and institute judicial protections for license holders. The inspections law, if adopted and properly implemented, will institute provisions favoring compliance over sanction, provide for remedial periods, opportunities to seek relief for questionable inspections, and place burdens of proving violations on the government. If adopted, proper implementation of both laws will be necessary for business to benefit. It is anticipated that some bodies in the government may submit competing drafts which do not contain significant changes for business. Future TFI work in this area assumes the TFI-supported drafts will be adopted rather than competing versions.</i>		
Intermediate Objectives	<ul style="list-style-type: none"> • If TFI-supported laws on licensing and inspections previously submitted to Parliament are adopted, provide consultation on the development of implementing regulations including recommending publication for private-sector comment, resulting in submission to the Government – 31 Dec 2005 • Seminars are conducted for private sector and government representatives in Bishkek and Osh on provisions of the new laws in order to insure they are properly implemented – 31 Mar 2006 • Monitor implementation of new licensing rules and if necessary work with counterparts and Prosecutorial Working Groups to take corrective action – 31 May 2006 • Surveys of entrepreneurs indicate a decline in the level of harassment and illegal action by inspectors and a general improvement in the conduct of inspections – 31 May 2006 		
Quarter	Status & Comments		
1 Jun 2005 – 31 Aug 2005	Draft laws on inspections and licensing have been officially submitted to parliament. TFI, with ARD/Checchi and representatives from the IRT presented an informational seminar for parliamentarians and entrepreneurs on June 22-23, 2005 promoting the draft laws on licensing and inspections. The drafts were discussed in committee on June 28, 2005, further consideration is likely to occur in September or thereafter as soon as Parliament finishes addressing political issues, such as, appointment of Prime minister, and new Government structure.		
No.	Objective	Start Date	End Date
KG RIC 03	Procedures for State Registration and Liquidation of Business Entities are Simplified	1 June 2005	31 May 2006
Description	<i>The process of registration and liquidation of enterprises is often lengthy, costly and non-transparent. The lack of coordination between government bodies also creates barriers to market entry and exit, reducing investments and the tax base, distorting official statistics and further encouraging informal business. In early 2005, draft laws and regulations that address these problems and introduce a true one-stop shop for business registration were developed. These now need to be adopted by Parliament and properly implemented by the relevant government agencies.</i>		
Intermediate Objectives	<ul style="list-style-type: none"> • If TFI-supported law is submitted to and adopted by Parliament, provide consultation on the development of implementing regulations governing simplified procedures for state registration of business entities, including publication for private sector comment, resulting in submission to the Government – 31 Jan 2005. • Following adoption of implementing regulations, seminars are conducted for private sector and government representatives in Bishkek and Osh on provisions of the new procedures to insure they are properly implemented – 31 May 2006 • Through a survey of at least 30 new registrants following implementation of new procedures, businesses indicate procedures have improved and the registration process conforms to the law – 31 May 2006 		
Quarter	Status & Comments		

1 Jun 2005 – 31 Aug 2005	The draft Law “On State Registration of Legal Entities, Branches or Representatives Offices of Legal Entities and Private Entrepreneurs” was agreed to by all ministries and agencies through an “agreement” process within the Government, which is currently awaiting the Prime Minister’s signature. Once signed, it will be forwarded to Parliament for consideration.		
No.	Objective	Start Date	End Date
KG RIC 04	Strengthen the Sustainability of Prosecutor’s Office Working Groups with Private Sector Participation at the National and Regional Levels	1 June 2005	31 May 2006
Description	<i>The interaction of the business community with Prosecutor’s Office bodies in Joint Working Groups during the previous contract year has proven the effectiveness of such cooperation. For future sustainable work on identification of administrative barriers, the active and regular participation of businesses is required. TFI will implement sustainable partnerships between business associations and government counterparts as well as train them in the RIC methodology and operation of Prosecutor’s Office Working Groups to expand advocacy opportunities for businesses at the national and multiple regional locations.</i>		
Intermediate Objectives	<ul style="list-style-type: none"> Working groups agree to collaborate with designated private sector counterparts in at least 3 areas of the country – 30 Jun 2005 - COMPLETED Associations and government counterparts are trained on RIC methodology as applied through Prosecutors’ Working Groups to increase the efficiency and effectiveness of the groups as well as empower associations as advocates and increase business participation – 30 Sep 2005 Surveys of participants indicate at least 2/3 of respondents find Prosecutorial Working Groups effective in resolving issues of concern - 31 May 2006 		
Quarter	Status & Comments		
1 Jun 2005 – 31 Aug 2005	<p>On June 21, 2005, with the support of TFI and AED, over 40 prosecutors and private sector representatives from all oblasts in the Kyrgyz Republic participated in a public-private working group training. The training focused on replication of the successful prosecutors’ working group methodology in additional oblasts and increased participation of the private sector.</p> <p>Following the training, in July, working groups were created in Talas, Batken, and Naryn including representatives from the Union of Entrepreneurs of Talas Oblast, LARC Public Association, Union of Farmers, the Justice Department, the Association of Agribusiness and National Handicrafts, Young Lawyers of Kyrgyzstan, Pir-Solomon, and the Coalition for Democracy and Civil Society.</p> <p>In August, the Prosecutor’s Working Group in Issyk-Kul Oblast successfully identified and protested against an Order which levied payments for passage through Enlichek river. The problem with illegal certification of service businesses was identified and recommendations are pending.</p> <p>While the businesses and prosecutors continue to actively engage in the promotion of remedies to rule of law barriers, working group capacity challenges are being addressed by TFI. The project has already enlisted the support of it is in consultation with legal associations, including the “Young Lawyers of the South”, and law faculties to provide additional legal support to the groups. Through these partnerships, legal associations and law faculties gain valuable experience and the working groups receive the free assistance they require for sustainability.</p>		

Trade Facilitation (TF)			
No.	Objective	Start Date	End Date
KG TF 01	Strengthen the Customs Consultative Councils with Private Sector Participation at the National and Regional Level	1 June 2005	31 May 2006
Description	<i>Customs Consultative Councils in Bishkek and Osh have proven to be valuable forums for discussion of trade-related business issues and for fostering dialogue between Customs and the private sector. For sustainability, private sector ownership of the groups is required. Private sector counterparts have been selected by the business community to work with Customs to manage those duties currently performed by TFI. To promote sustainability, continued, but decreasing support to associations and Customs is essential.</i>		
Intermediate Objectives	<ul style="list-style-type: none"> • TFI completes transition to the association counterpart for management of the agenda process – 31 Aug 2005 - COMPLETED • TFI completes transition to the association counterpart to effectively track results and expand business participation in the Council. – 31 Dec 2005 • Surveys of participants indicate at least 2/3 of respondents find Consultative Councils effective in resolving issues of concern - 31 May 2006 		
Quarter	Status & Comments		
1 Jun 2005 – 31 Aug 2005	<p>Through support provided by TFI to the Association of Customs Brokers and the Young Lawyers of the South, the Associations have assumed the duties of working with Customs to develop agendas for council meetings as well as preparation of all necessary materials, ensuring interaction of representatives of various ministries, agencies and organizations regarding agenda issues, informing all interested parties of forthcoming meetings, completing protocols, and ensuring their publication at Customs web-site.</p> <p>In Bishkek, it is anticipated that there will be leadership changes in the Association of Customs Brokers, but as support has been provided to administrative personnel and all members, a change in director would not diminish capacity or its role in the Council. While the association has been successful in the past, members anticipate that new leadership will enhance effectiveness.</p> <p>Oral decision making by Customs officials during meetings remains a concern for participants. However, discussions are underway with partners to conduct further RIC methodology training, including usage of constraint tables and monitoring techniques, as well as utilizing additional feedback techniques during meetings to ensure all decisions are documented and to track and verify implementation.</p>		
World Trade Organization (WTO)			
No.	Objective	Start Date	End Date
KG WTO 01	Strengthen the WTO Department and the Inter-Ministerial Commission on WTO	1 June 2005	31 May 2006
Description	<i>In the previous contract year, TFI provided significant support to the WTO Department within MEDIT to assist in the fulfillment of its duties in support of WTO compliance. Similarly, TFI has supported the activities of the Inter-Ministerial Commission for WTO for over 2 years as a coordination and monitoring body composed of the relevant ministries, state committees and select members of the private sector. At the same time, the relevant ministries and agencies each have a WTO specialist independently responsible for WTO compliance issues. TFI will seek to unify the WTO specialists assigned to various ministries into an expert group coordinated by the WTO Department responsible for reviewing and commenting on regulations for WTO compliance, transferring many tasks</i>		

	<i>currently carried out by TFI, creating a support mechanism for the IMC and establishing a body of professionals whose expertise can be enhanced across the government. Additionally, following elections for President, a new government will likely assign new representatives to the IMC, which will require training and support.</i>		
Intermediate Objectives	<ul style="list-style-type: none"> • Following elections, provide WTO training to any new members of the IMC – 31 Oct 2005 • The IMC creates an expert group composed of specialists from relevant ministries – 30 Nov 2005 • The IMC expert group is trained by TFI on agreed upon operational procedures and WTO principles – 31 Jan 2006 • Through the combined activities of the IMC and expert group at least 4 draft regulations are reviewed and comments are provided to the government – 31 May 2006 		
Quarter	Status & Comments		
1 Jun 2005 – 31 Aug 2005	<p>Based on recommendations from TFI, the WTO Department has agreed to submit to the IMC a proposal creating an expert working group consolidating WTO experts from various disparate ministries and agencies to support the work of the IMC, which would analyze and prepare expert opinions and recommendations regarding WTO implications of drafted and adopted normative and legal acts.</p> <p>TFI, TACIS, and the WTO Department are developing plans for a joint training seminar anticipated for October 2005 for all IMC Commission members on the Doha Round.</p>		
No.	Objective	Start Date	End Date
KG WTO 02	Identify and Implement Improvements to the Customs Code	1 June 2005	31 May 2006
Description	<i>In 2004, TFI assisted in the development of the Customs Code for the Kyrgyz Republic. While the Code is a significant improvement, minor modifications to further incorporate business-friendly provisions and international best practice are needed.</i>		
Intermediate Objectives	<ul style="list-style-type: none"> • Review with Customs and private sector counterparts proposed changes to the Customs Code and implementing regulations and present to Customs final recommendations regarding proposed changes – 30 Nov 2005 • Following submission of TFI-supported recommendations to the Government, lobby for adoption through informational meetings, roundtables, and other advocacy activities – 28 Feb 2006 • Following submission of TFI-supported recommendations to the Parliament, lobby for adoption through informational meetings, roundtables, and other advocacy activities - 31 May 2006 		
Quarter	Status & Comments		
1 Jun 2005 – 31 Aug 2005	<p>Customs and private sector counterparts together with TFI have begun to review the Customs Code and its implementing regulations. While major changes are not anticipated, TFI and private-sector participation is important to the process to monitor any changes the government may propose as well as to clear up some outstanding issues. Some issues raised during Council sessions will be the basis of recommendations for minor changes, including issues related to branch offices and institutionalizing improvements in the licensing regime.</p>		
Metrology, Accreditation, Standardization & Quality (MAS-Q)			
No.	Objective	Start Date	End Date
KG MAS-Q 01	Key Provisions of the Law “On the Fundamentals of Technical Regulation” Implemented that Reduce the Scope of Regulation and Compliance Costs for	1 Jun 2005	31 May 2006

	Business		
Description	<p><i>To continue work in the area of technical regulation reform, regulations to implement the Law “On the Fundamentals of Technical Regulation” are necessary. Properly drafted and implemented regulations will reduce costs to businesses and simplify customs clearance of goods by reducing the number of regulated products. They will also allow for more flexibility in complying with mandatory requirements by offering conformity assessment choices. Considering recent political events, and uncertainty surrounding upcoming presidential and expected parliamentary elections, government policy and the ability to implement reforms in this area is unclear. However, it is hoped the development of the recommendations will spur attention to this area.</i></p>		
Intermediate Objectives	<ul style="list-style-type: none"> • First package of recommendations on mandatory conformity assessment and accreditation finalized by the working group and submitted to the Government – 31 Aug 2005 - COMPLETED • When adopted, public meetings for businesses and government representatives held to introduce the new regulations – 31 Oct 2005 • Adopted List of Goods Subject to Mandatory Conformity Assessment reduces number of items subject to conformity assessment by 50% – 31 Dec 2005 • Second package of recommendations on procedures for development of technical regulations, acceptance of conformity declarations and state supervision submitted to the Government – 31 Dec 2005 • When adopted, public meetings for businesses and government representatives held to introduce the new regulations – 31 Mar 2006 • Supplier’s / manufacturer’s declarations of conformity are being accepted – 31 May 2006 		
Quarter	Status & Comments		
1 Jun 2005 – 31 Aug 2005	<p>The working group on technical regulations completed work on implementing regulations, including the list of goods subject to mandatory conformity assessment and procedures for importing products subject to mandatory assurance of conformity. Many TFI recommendations have been incorporated in the drafts, and they continued to be made available for further public comment. However, some problems still exist with the drafts, but there is significant intransigence within the government bodies particularly in terms of limitation on their power. Also, the Project is recommending against the adoption of a regulation on mandatory technical norms which is being championed by MEDIT which would give MEDIT broad oversight powers in all areas of business regulation, create conflicts in the area of state supervision, and directly contradict the Law on the Fundamentals of Technical Regulation as well as a number of other laws which articulate specific powers for other government bodies.</p> <p>During July, Mauricio Froto, a short-term expert in the area of MAS-Q consulted with TFI and counterparts to ensure successful collaboration between the World Bank, ITC, MEDIT, NISM and other entities involved in the reform area in light of future World Bank and ITC activities. Additional consultation was provided on draft regulations related to accreditation, import procedures and goods subject to regulation. As the World Bank is anticipating a new project in this area in 2006, TFI is working closely with its representatives to promote a unified message and seamless assistance.</p> <p>At present, government counterparts are awaiting decisions regarding the government structure and the reform mechanism. Particularly regarding the elimination of technical barriers to trade, it is recommended that the highest levels of government oversee the process due to difficult decisions that are required which must negatively impact the scope and scale of the power of some government bodies if further reforms are to occur.</p>		

TAJIKISTAN (TJ)

Reduction of Investment Constraints (RIC)

No.	Objective	Start Date	End Date
TJ RIC 01	Simplification of Business Registration Procedures	1 Jun 2005	31 May 2006
Description	<i>TFI provided recommendations on creating a “one-stop-shop” business registration process in Tajikistan. Through TFI support, a working group developed a draft Regulation “On Business Registration”. This Regulation, when adopted, will coordinate the activities of several government agencies involved in the registration process, thus reducing registration costs, time and the number of documents required. Limiting the number of officials with whom entrepreneurs have direct contact with will also help reduce corruption by reducing opportunities for unofficial payments.</i>		
Intermediate Objectives	<ul style="list-style-type: none"> • Draft (a) Presidential Decree directing the establishment of a “one-stop-shop” for business registration; (b) required amendments to the Law on Registration; (c) Government regulation on approval of the State Program on Measures for Simplifying Registration and Introduction of a “one-stop-shop” – 31 Aug 2005 - COMPLETED • If the proposed normative acts are approved, conduct seminars with government and private sector representatives to disseminate information on the new procedures - 28 Feb 2006 • Through a survey of at least 15 new registrants following implementation of new procedures, businesses indicate procedures have improved and the registration process conforms to the law – 31 May 2006 		
Quarter	Status & Comments		
1 Jun 2005 – 31 Aug 2005	<p>During the quarter, TFI participated in the drafting of Presidential Decree directing the establishment of a “one-stop-shop” for business registration; required amendments to the Law on Registration; a Government regulation on approval of the State Program on Measures for Simplifying Registration and Introduction of a “one-stop-shop”. All were submitted to the Tajik Ministry of Justice for review and further submission to the Government for approval.</p> <p>A well-known Tajik lawyer and the Head of the Pledge Registry Department at the Ministry of Justice Mr. Shavkat Mustafokulov wrote a book on the subject for businesses wishing to register in Tajikistan, which includes the step-by-step registration process prepared by TFI. This edition was in two languages intended for existing businesses, those planning to register a business and academics.</p> <p>Seven hundred copies of book were published with financial support from ARD/Checchi, and will be distributed among business associations as well as departments of the Ministry of Justice in the regions.</p>		
No.	Objective	Start Date	End Date
TJ RIC 02	Harmonization of Laws and Regulations with New Law “On Licensing”	1 Jun 2005	31 May 2006
Description	<i>The Law On Licensing was drafted with TFI’s support and enacted on May 17, 2004. While this is the most important legal act, over 40 existing laws still require amendments to comply with the new law on licensing. Regulations to implement the Law on Licensing are still pending approval by the Government. Once approved, they will require continued monitoring to ensure full implementation.</i>		
Intermediate Objectives	<ul style="list-style-type: none"> • Amendments to bring all non-conforming laws into compliance with the newly adopted Law On Licensing drafted and submitted to 		

	Parliament for approval – 31 Oct 2005 <ul style="list-style-type: none"> Public seminars held to educate the public and government officials on key features of the new licensing regulation and to ensure its full implementation – 30 Nov 2005 Monitor implementation of new licensing rules and if necessary work with counterparts to take corrective action – 31 May 2006 		
Quarter	Status & Comments		
1 Jun 2005 – 31 Aug 2005	During the quarter TFI developed a draft Licensing Law and submitted it to the Presidential Executive Office for review. TFI proposed 18 articles for changes and/or additions into the separate provisions of the Law. The following changes, additions and suggestions were made: <ul style="list-style-type: none"> Specifying reasons for suspension; Abolishing certain licensing requirements; Right of refusal on issuing licenses; Examining the procedures for export and import licenses; Reducing the list of types of activity subject to licensing by 38; <p>TFI also assisted in the drafting changes into 40 separate laws to bring them into compliance with the new requirements of Tajikistan's Licensing Law. Currently 20 of them were approved by the Government in August and are under consideration by the Lower chamber of Parliament.</p>		
No.	Objective	Start date	End date
TJ RIC 03	Simplification of Procedures for Issuance of Seals and Stamps for Businesses	1 Jun 2005	31 May 2006
Description	<i>A seal provided by the Ministry of Internal Affairs is required for opening bank accounts or signing contracts and is critical for conducting transactions, particularly with foreign businesses. Unfortunately, the Ministry of Internal Affairs is not authorized to provide stamps and seals to individual entrepreneurs. To address this deficiency TFI prepared a preliminary draft of an instruction to be passed by the MIA to modify the procedure and allow individual entrepreneurs to engage in foreign economic activity.</i>		
Intermediate objectives	<ul style="list-style-type: none"> The final draft of the new instruction for issuing seals and stamps completed and presented to the Ministry of Internal Affairs - 30 Sep 2005 New procedures published and distributed to government and businesses - 31 Dec 2005 Monitor implementation of the new instruction and if necessary work with counterparts to take corrective action – 31 May 2006 		
Quarter	Status & Comments		
1 Jun 2005 – 31 Aug 2005	TFI helped develop a new Instruction on stamp engraving enterprises (businesses engaged in making stamps and seals) and analyzed normative legal acts that regulate these businesses. TFI held in-depth discussions with both State Revenue Ministry and the Internal Affairs Ministry before submitting it to them for review. The State Revenue Ministry offered to organize a meeting with representatives from Internal Affairs and the Executive Presidential Office to discuss it further and develop the final version of new Instruction. The meeting is scheduled for September 2005.		
No.	Objective	Start Date	End Date
TJ RIC 04	Establish and Promote Sustainable Public-Private Working Groups that Identify and Reduce Burdensome Regulations	1 Jun 2005	31 May 2006
Description	<i>Many regulations adopted by local government bodies are ambiguous and often conflict with superior legislation. Through the establishment of public-private working groups that employ consultative practices proven successful elsewhere in Central Asia,</i>		

	<i>businesses will be able to raise and advocate for the elimination of illegal and burdensome regulations while fostering constructive dialogue with regional government bodies.</i>		
Intermediate objectives	<ul style="list-style-type: none"> Establish at least 3 local working groups with entrepreneurs and local administrations, beginning in Khojand – 31 Aug 2005 (30 Nov 2005) Working groups are trained on the RIC methodology and how to properly conduct a Consultative Council – 31 Oct 2005 (30 Nov 2005) Surveys of participants indicate at least 2/3 of respondents find Working Groups effective in resolving issues of concern - 31 May 2006 		
Quarter	Status & Comments		
1 Jun 2005 – 31 Aug 2005	<p>TFI held meetings with the support of the Business Women’s Association in Khatlon Oblast to discuss the establishment of RIC Working Groups. Entrepreneurs, business and local administration representatives were in attendance at these meetings. The Deputy Chairman of the Khatlon Khukumat, the Chief of Customs Department of Ministry of State Income and Revenues, and the Chairman of Management of Commercial and Industrial Chamber of the Khatlon Oblast agreed with the concept of the RIC Working Groups. A Regulation to establish a Working Group under the Khatlon Khukumat’s office was drafted and submitted to the Chairman of the Khatlon Khukumat Oblast for his review and approval. No final decision to establish the Working Group was made during this quarter due to scheduling conflicts, but it is expected to happen in the coming quarter.</p> <p>TFI prepared a document which briefly describes the functions and duties of the RIC Working Groups and provided copies to Khatlon Oblast business representatives.</p> <p>In Soghd Oblast, TFI conducted similar meetings with the Antimonopoly Agency to discuss the creation of a RIC Working Group under the Soghd Oblast Khukumat. While the Working Group has not yet been formally established, TFI has agreed to work with both the Khukumat and the Antimonopoly Agency to conduct two round tables, scheduled for September, to discuss Land and Certification related issues. Participant lists for the round tables have been compiled including all relevant government agencies and business representatives. These round tables will serve as the first step in formally establishing RIC Working Groups in Soghd.</p> <p>The Tax Advisory Council, TFI, and the Association of Beekeepers of Soghd prepared a document and submitted it to the Chairman of Soghd Khukumat requesting retail tax exemptions for the beekeepers. Exemption for retail traders will be a big stimulus for the development of beekeeping industry and increase of honey exports.</p>		
TRADE FACILITATION (TF)			
No.	Objective	Start date	End date
TJ TF 01	Promote the Sustainability of Customs Consultative Councils	1 Jun 2005	31 May 2006
Description	<p><i>A critical factor in modern trade administration is the inclusion of all stakeholders in the development of trade policy and administrative procedures. Requiring customs administrators to consult with their “clientele” is a principle of the revised Kyoto Convention and has also been added, through TFI’s efforts, to the new Customs Code in Tajikistan. TFI established Customs Consultative Councils in Khojand and Dushanbe in the previous contract year but sustainability requires continued support from TFI and greater private-sector ownership of the forums.</i></p>		
Intermediate	<ul style="list-style-type: none"> Identification and training of private sector counterparts to coordinate Customs Consultative Councils in Khorog, Kurgan-tube and 		

Objectives	Khojand – 31 Aug 2005 (30 Nov 2005) <ul style="list-style-type: none"> Surveys of participants indicate at least 2/3 of respondents find Customs Consultative Councils effective in resolving issues of concern - 31 May 2006 		
Quarter	Status & Comments		
1 Jun 2005 – 31 Aug 2005	<p>Partners have been identified in all three cities, but due to summer vacations the Consultative Councils training schedules have been delayed, and have been rescheduled to begin in October.</p> <p>TFI assisted the Khojand Customs Consultative Council to prioritize their work-plan for September 2005 to May 2006. The main work plan priorities are to develop trade with foreign countries, to decrease excessive bureaucracy and to motivate business to succeed. The next Council meeting is planned for September when a working party responsible for future technical coordination of Council's activities will be selected.</p> <p>So far the Khojand Council developed a draft Order Registration of banks and credit organizations with TFI's assistance. The Draft includes rules governing inclusion of various credit institutions, terms of consideration, required application documents and elimination procedures of banks and credit organization form the Register. The draft Order was sent to the legal department of the Ministry of State Revenue and Collections for review.</p> <p>In July, planning began on the creation of another Council in Khatlon Oblast with the Head of the Khatlon Customs Department. The main objectives and tasks of the council, it's staffing, the preliminary date of the first meeting and other organizational issues were finalized and the first meeting is scheduled for September 2005.</p> <p>Plans are also underway to assist the Chairman of the Association of Entrepreneurs in Khorog to establish a Council there. The Chairman agreed with the idea of establishing the Council and will take the lead in engaging entrepreneurs and Customs Officials. Further meetings will take place in September.</p>		
No.	Objective	Start Date	End Date
TJ TF 02	International Trade Guide (ITG) of Tajikistan is Developed and Launched	1 Jun 2005	31 May 2006
Description	<i>One of the main constraints to trade in Central Asia is the dearth of accurate information on the obligations and rights that traders have in relation to import, export, transit and other processes. The development of an International Trade Guide (ITG) and the integrated on-line tariff for each country is intended to eliminate this constraint and also help each customs administration to provide more uniform (equal treatment of competing traders), consistent (over time, and from office to office) and equitable (fair application and enforcement of level playing field) administration of trade legislation.</i>		
Intermediate Objectives	<ul style="list-style-type: none"> Test version of the ITG completed – 30 Nov 2005 Final version approved and launched – 28 Feb 2006 Public Information Sessions on the ITG held – 31 Mar 2006 Monitor usage and, if feasible, survey users to determine overall usefulness of the site and its content – 31 May 2006 		
Quarter	Status & Comments		
1 Jun 2005 – 31 Aug 2005	Collaboration between TFI and the OSCE is nearing completion, and it is expected that work on the Tajikistan ITG will begin by late October. The issue of ITG development in Tajikistan was discussed with Top Management of Customs Department of RT and representatives of OSCE in RT in June 2005. The issue was approved. The project has not yet been implemented due to a delay with		

	OSCE financing.		
WORLD TRADE ORGANIZATION (WTO)			
TJ WTO 01	Progress Toward WTO Accession Achieved through Technical Support and Training	1 Jun 2005	31 May 2006
Description	<i>The Tajik Government successfully completed the first two WTO Working Party Meetings and made significant progress in bringing its legislation into WTO compliance. While Tajikistan's target date for achieving WTO membership is within the next two or three years, it is important to continue the progress made thus far and assist in ensuring that the required documentation is properly submitted. It is anticipated that the 3rd Working Party Meeting will be held in early 2006.</i>		
Intermediate Objectives	<ul style="list-style-type: none"> • Customs Code is translated and submitted to the WTO Secretariat – 30 Sep 2005 • Replies to questions from WTO Working Party members are prepared and submitted as needed – 31 Dec 2005 • WT/ACC4 document updated and submitted to the WTO Secretariat – 31 Dec 2005 • Replies to WT/ACC4 follow-up questions/requests completed and submitted to the WTO Secretariat – 31 Dec 2005 • Comments and revisions to the Factual Summary of Points Raised prepared – 31 Dec 2005 • Responses to WTO Working Party Members' questions on market access to goods reviewed and answers provided – 31 Dec 2005 • Responses to WTO Working Party Members' questions on market access to services reviewed and answers provided – 31 Dec 2005 • WTO Legislative Action Plan updated and submitted to the WTO Secretariat prior to the 3rd Working Party Meeting – 31 Dec 2005 • Technical support and advice provided in preparation for the 3rd Meeting of the Working Party and bilateral negotiations – 28 Feb 06 • Trainings on WTO agreements provided as needed – Ongoing 		
Quarter	Status & Comments		
1 Jun 2005 – 31 Aug 2005	The new Customs Code was translated and provided to the State Revenues Ministry and to the Ministry of Economy and Trade (MET) for further submission to the WTO Secretariat. Written questions posed by the WTO Working Party members after its Second Meeting were translated and distributed among the relevant ministries and agencies. TFI will assist the MET after the draft replies are collected and consolidated.		
No.	Objective	Start Date	End Date
TJ WTO 02	Secondary Customs Legislation Drafted, Adopted and Implemented	1 Jun 2005	31 May 2006
Description	<i>Tajikistan's new Customs Code was enacted and entered into force on January 1, 2005. After thorough TFI analysis, it was determined that the Customs Code is not fully compliant with the Revised Kyoto Convention but meets most of the WTO Agreements' requirements. TFI is now involved with Tajik authorities in the development of the regulations (by-laws) pursuant to the new Code. In this regard, we are continuing our efforts to improve transparency in customs administration in Tajikistan and to introduce measures to facilitate trade.</i>		
Intermediate Objectives	<ul style="list-style-type: none"> • Regulations on IPR border measures approved by the Government – 31 Aug 2005 (31 Oct 2005) • WTO Customs Valuation Interpretative Notes submitted for approval to the Government – 31 Oct 2005 • Regulations establishing cost-based customs fees developed and submitted to be adopted – 31 Oct 2005 		

	<ul style="list-style-type: none"> Monitor implementation through Customs Consultative Councils and, if necessary, work with counterparts to take corrective action – 31 May 2006 		
Quarter	Status & Comments		
1 Jun 2005 – 31 Aug 2005	Approval of the Regulations on IPR border measures was delayed due to problems in Tajik translation of the regulation. Customs Valuation regulations drafted with TFI's assistance have gone through the review process among various Departments within the Ministry of Revenues. The first draft of the Regulations on customs fees developed by the Ministry of Revenues was found to be inconsistent with the WTO requirements. TFI will work with the Ministry to revise the draft regulation within the next quarter.		
No.	Objective	Start Date	End Date
TJ WTO 03	Complete Steps Required for TRIPS Implementation	1 Jun 2005	31 May 2006
Description	<i>Compliance with the requirements of the WTO Agreement on Trade Related Intellectual Property Rights (TRIPS) is one of the key conditions for acceding countries. Tajikistan's IPR laws and mechanisms do not meet minimal standards set by the WTO TRIPS Agreement. Therefore, Tajikistan is continuing to bring its IPR legislation into conformity with the TRIPS Agreement, which includes revision of existing laws and joining international conventions on IPR.</i>		
Intermediate Objectives	<ul style="list-style-type: none"> Draft regulations on patent duties and duties levied for trademark registration drafted and enacted – 31 Dec 2005 Accession to the Rome Convention completed – 31 Dec 2005 The Law on Trademarks and Service Marks drafted and submitted for Government approval – 31 Jan 2006 The Law On Geographical Indication drafted and submitted for Government approval – 31 Jan 2006 IPR enforcement provisions are drafted and introduced in relevant legislation – 28 Feb 2006 Amendments to the Copyright Law and Related Rights drafted and submitted for Government approval – 28 Feb 2006 The Law on Topology of Integrated Circuits drafted and submitted for Government approval– 31 May 2006 Should any of these acts be adopted in a WTO-compliant form, conduct trainings for government and business in proper implementation – 31 May 2006 		
Quarter	Status & Comments		
1 Jun 2005 – 31 Aug 2005	No progress to report. Meeting with the representative of the EU funded Support for implementation of Trade Cooperation Agreement Project was conducted. This project is planning to focus on assisting Tajik government in TRIPS compliance issues		
No.	Objective	Start Date	End Date
TJ WTO 04	Complete TBT and SPS Implementation Steps Required for WTO Accession	1 Jun 2005	31 May 2006
Description	<i>With TFI's assistance, the Tajik Government has made some progress in TBT and SPS compliance. For example, the WTO Information Center is serving as the interim TBT and SPS Inquiry Point and a first draft law on technical regulations was prepared and submitted to the members of the working group for review. However, much more needs to be done. TFI will continue to support the Tajik Government in its WTO accession efforts and help ensure that the work done thus far will not be negated.</i>		
Intermediate Objectives	<ul style="list-style-type: none"> WTO-compliant law on Technical Regulations drafted and submitted to Parliament for approval - 30 Apr 2006 Permanent TBT and SPS Inquiry Point established and WTO Working Party notified -31 May 2006 		
Quarter	Status & Comments		
1 Jun 2005 – 31 Aug 2005	TFI is continuing to assist the Working group in developing the draft law on Technical Regulating. A training session was conducted for the members of the Working Group. In the session working group members reviewed of the draft law with assistance from Kazakh, Kyrgyz, and Russian experts. Currently, comments received from the experts are being reviewed and incorporated into the		

	text.		
No.	Objective	Start Date	End Date
TJ WTO 05	Implement the WTO Legislative Action Plan	1 Jun 2005	31 May 2006
Description	<i>WTO legislative compliance is a pre-requisite for the WTO membership. Tajikistan has submitted to the WTO its updated Legislative Action Plan listing legislation it intends to revise or adopt for the purpose of bringing them into compliance with the requirements of WTO agreements. A number of legislative acts were adopted and remaining acts are being drafted. TFI will focus on the specific items of the Action Plan where target dates for adoption before May 31 were set by the Tajik Government. Depending on the plans of the Government, the work plan could be revised to add new legislation.</i>		
Intermediate Objectives	<ul style="list-style-type: none"> • New regulations eliminating restrictions on export and import of precious metals and stones drafted, enacted, and submitted to the WTO Secretariat – 31 Dec 2005 		
Quarter	Status & Comments		
1 Jun 2005 – 31 Aug 2005	No activities conducted.		
Metrology, Accreditation, Standardization & Quality (MAS-Q)			
No.	Objective	Start Date	End Date
TJ MAS-Q 01	Illegal, Unjustified and Non-WTO-compliant Practices in Standardization, Certification and Accreditation Eliminated	1 Jun 2005	31 May 2006
Description	<i>TFI conducted a full review of the legal acts and practices of Tajikstandard in the areas of standardization, certification and accreditation and found that some of them contradict international practice and, in some cases, violate Tajik legislation. The practices are regularly cited by businesses as some of the most intrusive and costly, not to mention unnecessary as they duplicate other forms of regulation. TFI plans, therefore, to work closely with USAID and other donor organizations, in addition to Tajikstandard, to encourage reforms that will have an immediate and positive impact on local businesses.</i>		
Intermediate Objectives	<ul style="list-style-type: none"> • Prepare and present analysis of certification system to the Tajik Government, USAID, and other donor organizations involved in SME and trade development - 31 Jul 2005 - COMPLETED • Prepare a package of recommendations for approval by the Government that address, at a minimum, the legalization, registration and publication of Tajikstandard fees; the exclusion of all services from the List of Goods and Services Subject to Mandatory Certification; reduction in the number of goods subject to mandatory certification; and the legalization, registration and publication of the List of Goods and Services Subject to Mandatory Certification – 31 Oct 2005 • If these recommendations are approved, conduct a series of seminars to disseminate information to promote full implementation – 28 Feb 2006 • Survey EDP clients and other counterparts to monitor implementation and, as necessary, work with counterparts to take corrective action – 31 May 2006 		
Quarter	Status & Comments		
1 Jun 2005 – 31 Aug 2005	<p>TFI's analysis of Tajikistan's certification system was submitted to USAID, Government and other donor organizations.</p> <p>Tajikstandard officially stated that the list of goods and services subject to mandatory certification has been rewritten and is in compliance with ministers and agencies; the Ministry of Justice will provide its conclusion on draft document in the next quarter. TFI</p>		

has agreed to assist the Ministry of Justice in preparing its conclusion. The Ministry of Justice has not received the document as it is currently being translated into Tajik.

UZBEKISTAN (UZ)

Reduction of Investment Constraints (RIC)

No.	Objective	Start Date	End Date
UZ RIC 01	Regulations and Procedures Governing Land Site Acquisition and Improvement for Commercial Purposes Revised and Adopted in Ferghana	1 Jun 2005	31 May 2006
Description	<i>The process of obtaining permission to acquire land to engage in construction of commercial building or even repair of a building is lengthy and non-transparent. TFI studied the process of land acquisition in the Ferghana region and determined that the main barrier for businesses is the absence of a clear regulatory framework with identified criteria for the Mayor's office to issue or reject permission for land site acquisition and improvement.</i>		
Intermediate Objectives	<ul style="list-style-type: none"> • Regulation containing procedures for land acquisition and improvement and establishing timeframes and criteria for refusal, revocation and suspension of the permits, and appeals procedures, prepared and presented for adoption – 31 Aug 2005 (31 Dec 2005) • Amendments to local acts compliant with national laws prepared and presented for adoption to the local Government - 31 Dec 2005 (28 Feb 2006) • If adopted, assist in the implementation and monitoring of the new amendments and, as necessary, work with counterparts to take corrective action - 31 May 2006 		
Quarter	Status & Comments		
1 Jun 2005 – 31 Aug 2005	Managerial changes in the Regional Khokim Office have delayed the preparation of the land acquisition regulation. Preparation is not expected to be completed until December 2005.		
No.	Objective	Start Date	End Date
UZ RIC 02	Strengthen Collaboration with Local Partners to Identify and Reduce Constraints in Ferghana	1 Jun 2005	31 May 2006
Description	<i>In order to effectively advocate for the interests of their members, local associations and Chambers of Commerce often require technical and methodological assistance. Through the continuing cooperation of TFI, the activities of these partners will be enhanced in order to identify constraints, develop recommendations and implement solutions. Thanks to TFI efforts in Ferghana, the Mayor's office approved the establishment of a Consultative Council with representatives of various government agencies as well as businesses to address business constraints. TFI also collaborated successfully with the Ferghana branch of the Chamber of Commerce and its members to prepare a draft regulation on obtaining business permits in Ferghana. TFI plans to focus its continuing efforts on these groups to strengthen their ability to identify and reduce constraints.</i>		
Intermediate Objectives	<ul style="list-style-type: none"> • Together with the Chamber of Commerce and the Ferghana Consultative Council, develop a work plan for reducing identified constraints in the area of certification of goods and services and other regulatory processes - 31 Aug 2005 (28 Feb 2006) • New regulation on obtaining permits for conducting certain types of businesses, including retail and wholesale trade in food products, personal services, opening food facilities (restaurants, cafes, etc.), small and medium size production sites (bakery, etc), 		

	<p>adopted by the Ferghana Region Khokim. The new regulation shall include the timeframes for completion of permit review and approval procedures and criteria for rejection, revocation and suspension of permits – 30 Sep 2005 (31 Dec 2005)</p> <ul style="list-style-type: none"> • Work plan implemented and at least four constraints reduced – 31 May 2006 		
Quarter	Status & Comments		
1 Jun 2005 – 31 Aug 2005	<p>Certification issues are part of the broader reforms on technical regulating, which are WTO required under the accession process. Reforming the certification system in the local regions without the new legislation adopted on the national level is not feasible. Therefore we propose replacing the wording in the intermediate objective as indicated above.</p> <p>With TFI assistance, the first Consultative Council on Foreign Economic Activity meeting was held in Ferghana in June. Eighteen representatives from regional government agencies, local businesses, and NGO's, including: Tax, Customs, Central Bank, Ferghana mayor's office, Ministry of Justice, Ferghana branch of Uzstandard, Customs broker, Chamber of Commerce, ABA CEELI, and 4 small size enterprises were in attendance. The first meeting resulted in an approved Council work plan and member list. The Council will identify main constraints by the next meeting which will be held in the end of September.</p>		
No.	Objective	Start Date	End Date
UZ TF 01	Develop Informational Tools for Road Carriers and Freight Forwarders in Collaboration with the Association of International Freight Forwarders (AIFF)	1 Jun 2005	31 May 2006
Description	<p><i>Absence or lack of information is a serious barrier to conducting import/export operations in Uzbekistan. To address this deficiency, TFI has agreed to work with the AIFF to develop informational tools containing data on existing rules and practices on the borders, customs, import/export regulations, route maps, TIR carnets and other relevant information for road carriers and freight forwarders that would be easily accessible to the Association's members.</i></p>		
Intermediate Objectives	<ul style="list-style-type: none"> • Determine what information is required for businesses to conduct import/export operations in Uzbekistan – 30 Sep 2005 • Place the available information on the AAIF website – 31 Dec 2005 • Publish booklets with Uzbek-English translation of Incoterms and commercial glossaries – 31 Dec 2005 • Monitor the impact of publications distribution and website information by surveying Association members – 31 May 2006 		
Quarter	Status & Comments		
1 Jun 2005 – 31 Aug 2005	<p>At the request of the Association of Freight Forwarders, TFI has agreed to prepare amendments to existing transportation and transit facilitation legislation in order to remove identified constraints and improve the legal framework. TFI has also agreed to conduct a round table discussion with the Association and Chamber of Commerce in the next quarter.</p> <p>The translation of the Incoterms into Uzbek and preparation of the Uzbek-Russian-English Trade Terms Glossary was completed. The first publications will be issued next quarter. The content will also be placed on the Association's website.</p>		
World Trade Organization (WTO)			
UZ WTO			
Description	<p><i>Should USAID funding become available to continue technical assistance to the Uzbekistan Central Government during the course of this contract year (2005-2006), and subject to modification based on discussions between USAID and TFI to take into account such factors as time remaining on the Project, personnel availability and other relevant factors, WTO accession-related objectives may be added to this work plan.</i></p>		

REGIONAL

Metrology, Accreditation, Standardization & Quality (MAS-Q)

No.	Objective	Start Date	End Date
R MAS-Q 01	Promote Greater Regional Cooperation and Reform in the Fields of MAS-Q by Supporting the Activities of the Central Asian Cooperation on MAS-Q (CAC-MAS-Q).	1 Jun 2005	31 May 2006
Description	<p><i>TFI helped create and continues to support the CAC-MAS-Q as a regional cooperation body bringing together the respective National standards, accreditation and metrology agencies (Gosstandards) of Central Asia. One of the primary goals of the CAC-MAS-Q is to achieve international recognition and acceptance of certification and accreditation results for products and services originating in Central Asia. In the previous project year, with TFI support, the CAC-MAS-Q achieved recognition by the International Laboratory Accreditation Cooperation (ILAC) as a regional accreditation coordination body and the International Accreditation Forum (IAF) has granted the CAC-MAS-Q special regional observer member status. The CAC-MAS-Q has also promoted regional harmonization of MAS-Q practices by sharing, translating, adopting and implementing specific international guides and standards on a regional basis. This, plus regional training on MAS-Q topics, has also encouraged greater cooperation and understanding between the Gosstandards in Central Asia and stimulated, to varying degrees, national-level MAS-Q reform efforts, such as the removal of thousands of mandatory documentary standards, new technical regulation reform in Kazakhstan and the Kyrgyz Republic and the reorganization of Kyrgyzstandard into the National Institute for Standards and Metrology (NISM,) transforming it from a primarily regulatory and enforcement agency to a service provider.</i></p> <p><i>The future success and sustainability of the CAC-MAS-Q depends on a number of factors, most crucially the continued cooperation and commitment of the individual members, which, unfortunately, has waned recently due to a number of factors. Since the revolution in the Kyrgyz Republic, the director of NISM, historically the strongest supporter of the CAC-MAS-Q, Mr. Davlesov, has been removed from his position and an interim director appointed. After Presidential elections in July, a new government will be formed, which may result in a new director at NISM. Recent events in Uzbekistan have also led to less direct support to the Government of Uzbekistan, which will limit TFI's ability to organize and direct the work of the CAC-MAS-Q. Moreover, the director of Tajikstandard, Mr. Khatamov, has shown little interest in undertaking reforms necessary for the CAC-MAS-Q to be successful, and finally, the director of Gosstandard in Kazakhstan, Mr. Kusainov, has recently advised USAID management that his organization prefers that any direct support to the CAC-MAS-Q continue to be provided by USAID/TFI.</i></p> <p><i>While TFI continues to believe that mutual recognition of accreditation and certification schemes is a critical factor in reducing transaction costs for cross-border regional trade as well as increasing local SMEs' access to international markets, it is highly unlikely, given the present environment, that the CAC-MAS-Q will be the driving force towards achieving this objective in the coming project year. In fact, until after the Kyrgyz elections and once the USG has determined its level of continued support to the Uzbek government no regional agreements or initiatives can even be undertaken by TFI. Should the situation in these countries change and a renewed interest and commitment in the CAC-MAS-Q become evident, TFI will reassess its assistance, considering the available resources remaining in the project.</i></p> <p><i>In the meantime, and if approved by USAID, TFI will continue to provide minimal support to the members of the various technical</i></p>		

	<i>working groups under the CAC-MAS-Q to promote regional cooperation and encourage national-level reform efforts. These are described below.</i>
Intermediate Objectives	<ul style="list-style-type: none"> • Distribute to CAC-MAS-Q members information on new ISO/IEC standards on accreditation and other forms of conformity assessment and new joint ILAC-IAF requirements for regional accreditation bodies – 31 Aug 2005 -COMPLETED • Transfer the CAC-MAS-Q Secretariat from TFI to one of the CAC-MAS-Q members – 31 May 2006 • Translate and distribute select guides and standards for the purpose of increasing awareness of international rules and promoting their adoption and implementation - Ongoing • Continue to increase the visibility of the CAC-MAS-Q among ILAC, IAF, BIPM, NCSL and others as required - Ongoing
Quarter	Status & Comments
1 Jun 2005 – 31 Aug 2005	<p>The ILAC and IAF have produced a series of documents on their membership requirements designed to generate more and link existing multi-lateral, mutual recognition Arrangements for the benefit of regional accreditation co-operations, such as the CAC-MAS-Q. The goal in developing these Arrangements is to increase world-wide accreditation coverage.</p> <p>Through these Arrangements, both ILAC and IAF delegate authority to their “recognized” Regional Group Members. The members may then evaluate, survey and re-evaluate Member Accreditation Bodies within their defined territory and make decisions related to ILAC and IAF Arrangements membership in that territory. A technical document on requirements for evaluation of a Regional Group was recently translated into Russian and distributed to the members for review and consideration.</p>

**ATTACHMENT 1: KYRGYZ REPUBLIC CONSTRAINT
REDUCTION CHART
1 JUNE 2005 – 31 AUGUST 2005**

Kyrgyz Republic Constraint Reductions

1 June 2005 – 31 August 2005

Constraint Reductions

Kyrgyz Republic					
Constraint Reductions					
#	CITY / PROJECT	Constraint Details	Recommendations	Result	Impact
1.	Jalal-Abad – <i>Order creating commission to increase inspections</i> Melis Date: June 2005	Following on the creation of an investigative group at the national level, the Jalal-Abad Governor signed an order on May 24, 2005 (#86-6) to create a redundant commission to carry out additional inspections verifying that all taxes and customs duties are collected from specific gas and oil companies with representing over 60% of the retail market through over 25 outlets in Jalal-Abad. In addition, TFI was notified that a verbal order was given by the Head of Customs in Jalal-Abad to closely scrutinize the raw material imports of certain companies. However, the local order is not in compliance with the national law and could lead to an increase in the number of unjustified inspections for the aforementioned companies and other importers as well.	Following creation of the working group, its first action was a review of recent regulations and the commission was revealed. The Prosecutor's office of Jalal-Abad wrote an official protest (# 11/5-665-05) dated June 9, 2005 to have the local order repealed.	As a result of the Prosecutor's protest, the Jalal-Abad Governor signed decree #3-5/845 on August 10, 2005, which eliminated the order and the commission directing additional local inspections.	The affected companies are large businesses in the Kyrgyz Republic. When their operations are interrupted by unnecessary inspections, the companies incur losses as a result. During branch office inspections, all retail outlet operations are halted, resulting in supply problems to the public. In addition, it is the high season for fuel suppliers and cotton processors, so events impacting the supply of fuel will have direct impact on other local businesses in the agricultural sector. For example, on the average a gas station sells 7,000 liters of gas per day at 18 som/liter = 126,000 soms worth of gas. If fuel suppliers' operations are disrupted and they cannot deliver fuel to 25 gas stations in the Jalal-Abad area, the impact could be significant.
2.	Jalal-Abad – <i>Road Checkpoint to Prevent Exportation of Goods</i>	To prevent the exportation of walnut trees and burls popular in furniture making via sales in bazaars in Kurgan and Suzak regions, the Jalal-Abad Oblast Administration enacted Decree #127-B on June 17, 2005,	Although special permission is required to harvest/sell walnut trees, the decree created an excessive restriction on travel and trade activities and was illegal since only the national	The protest was accepted and the Governor issued decree #196-B on August 18, 2005 to eliminate the restrictions.	Up to 150 vehicles, including 120 commercial trucks, were estimated the cross the checkpoint areas daily and according to reports,

Kyrgyz Republic					
Constraint Reductions					
#	CITY / PROJECT	Constraint Details	Recommendations	Result	Impact
	Melis Date: July 2005	which established 4 temporary and permanent checkpoints on the main roadways in Jalal-Abad Oblast.	government can establish new road checkpoints and these checkpoints were not included into the list of nationally approved checkpoints. Following complaints from the private-sector, the Prosecutor of Jalal-Abad issued an official protest (#11/9-877-05) on July 22, 2005 recommending the elimination of the checkpoints.		approximately 60% (72) of the trucks were searched. During the search, drivers reportedly paid an average of 20 Soms in unofficial fees, resulting in an average savings of $72 \times 20 \times 365 = 525,600$ (\$13,140) In addition, each vehicle subjected to a search at the checkpoint experienced an average delay of approximately 10 minutes, elimination of which resulted in a time savings of $72 \times 10 \times 365 = 262,800$ minutes (4,380 hours).
3.	Issyk-Kul - Tourist Toll Fees Roza Date: August 2005	Pursuant to Order # 9 of January 17, 2001 "Kyrgyzaltyn" JSC placed a toll bar near Enilchek river and levied fees for all vehicles crossing the bridge. Up to 300 tourist and private vehicles transit the site monthly, including traveling to Khan Tengri Peak. As a result tourism operators and individual drivers were charged unnecessary fees and interference in their travel.	Based on complaints from private sector counterparts, the Prosecutor's Office Working Group of Issyk-Kul Oblast recommended the Prosecutor's Office of Karakol City to submit a formal protest and recommend repealing this Order.	On August 24, 2005, the Prosecutor's Office of Karakol City submitted the protest #115. According to Order #59 of September 5, 2005 "Kyrgyzaltyn" JSC repealed the illegal order eliminating the toll site.	On average, travelers reported being required to pay 50 Soms at the site. Eliminating the site is expected to result in a savings to tourism companies and travelers of 180,000 Soms (\$4,500) annually (50 soms x 300 travelers x 12).

**ATTACHMENT 2: KAZAKHSTAN CONSTRAINT REDUCTION
CHART
1 JUNE 2005 – 31 AUGUST 2005**

Kazakhstan Constraint Reductions

1 June 2005 – 31 August 2005

Constraint Reductions

KAZAKHSTAN					
#	City / Project	Constraint Details	Recommendations	Result	Impact
1	Ust-Kamenogorsk (PP) – Transport License for Hazardous Substances Date: June 2005 Alexander Yepishkin	Because of a lack of clarity in the law on licensing, the Department of Transportation Control in East Kazakhstan Oblast would only issue three month licenses for the transportation of hazardous goods even though they could issue the licenses without an expiration date. In addition, the Department imposed unnecessary and excessive documentary requirements on the applicants. (Reduced Costs, Reduced Time – 2)	TFI, with its partner association, the East Kazakhstan Oblast Association of Entrepreneurs' Rights Protection, recommended eliminating certain documentary requirements during the application process and issuing a license of unlimited duration.	As a result of those recommendations, the Department of Transportation Control in East Kazakhstan Oblast issued an internal order that eliminated license expiration dates and eliminated the requirement that applicants submit a transport itinerary sheet with the application. Also, the new application forms with new procedures have been posted on the East Kazakhstan Oblast government website at http://oskemen.kz/uk4_2_4.htm .	The immediate economic impact will be the elimination of quarterly license fees which had cost effected entrepreneurs \$88 per year. In addition, entrepreneurs will save up to eight working days per year that had been devoted to the license application process Finally, elimination of the itinerary sheet that had been required during the application process will save entrepreneurs \$400 per year.
2	Astana – Import and Export of Commercial Goods Date: June 2005 Zhannat Rakhimzhanova	Traders had been subjected to mandatory physical inspection of their cargo at the time of import or export. This caused undue delays and additional costs related to things such as warehousing fees and spoilage of produce. (Reduced Costs, Reduced Time, Increased Transparency – 3)	TFI recommended establishing a risk management program in which certain traders would be deemed low risk and not subject to mandatory inspections.	In June the Chairman of the Customs Control Committee, Mr. Saparbaev, approved a set of criteria (internal regulations) that are used by customs officers to classify certain traders as "low risk". Low risk traders benefit from expedited customs clearance and are not subject to cargo inspections at the time of import or export. Instead, these traders are subject to "post-entry control" which consists of periodic audits of the trader's books and records. Low risk traders are placed in a public register that is available on the Custom Control Committee's website http://www.customs.kz/exec/stat/showdoc?id=461 . In the first six weeks of the program Customs registered 362 low risk traders. TFI is now	As of July 23, 2005 362 traders are no longer subject to mandatory inspections at the time of import or export. This number is expected to grow significantly throughout the year. The final impact will be determined after monitoring in Spring 2006.

KAZAKHSTAN					
#	City / Project	Constraint Details	Recommendations	Result	Impact
				working with Customs to ensure that post-entry audits are as minimally invasive as necessary.	
3	Astana (PP) – Import of Commercial Goods Date: June 2005 Zhanna Alexandrova	Customs officials in Astana had required that the importer of commercial goods by automobile produce an original bond note before the import would be cleared. Often these imports were carried out by proxies, requiring the owner of record to travel to Astana with the original document before the shipment would be cleared. (Reduced Costs, Reduced Time – 2)	TFI’s partner association, the Astana Association of Entrepreneurs’ Rights Protection, recommended that the importer (regardless of whether the importer was the shipment’s owner of record) be permitted to produce a facsimile of the bond note.	As a result of lobbying by TFI’s partner, the Customs Control Committee issued an official letter “On Bond Notes” (№ KTK-2-5-11/2753 dated March 26, 2005 and effective in June 2005) which directed all local customs agencies to “accept registered bond notes on goods delivery from the destination customs body via all operational communication channels (facsimile, e-mail, etc.)”.	To be determined. In Astana alone, 1,666 traders faced import delays of up to one day due to the bond note requirement. After monitoring, TFI will calculate the national impact of this change.
4	Astana – Import of Commercial Goods Date: June 2005 Zhannat Rakhimzhanova	Multiple provisions of the customs code as well as complex clearance procedures led to unnecessary delays in the clearance of imported goods, excessive inspections of low risk traders and unduly high customs valuations. (Reduced Costs, Reduced Time, Increased Transparency – 3)	TFI spent much of 2004 and 2005 working closely with Customs Consultative Councils throughout Kazakhstan to identify specific constraints caused by existing customs procedures and to draft detailed recommendations to reduce those constraints. Those recommendations were then presented to a working group that was convened in April 2004 by the RK Customs Control Committee to propose amendments to the Customs Code.	TFI recommendations led directly to the following improvements that were contained in the RK law “On Making Changes and Additions to the RK Customs Code”, which came into force on June 25, 2005: Simplified Customs Procedures: Businesses now classified as low-risk are not subject to mandatory inspection of goods and vehicles at the time of import or mandatory impoundment of cargo pending clearance. Minimum risk importers can now submit periodic customs declarations without paying a deposit on estimated customs duties and taxes. (See number 2 above.) A required delivery control document may now be completed by the declarant <i>or</i> a freight forwarder (and in cases when both are unavailable – by a	TBD after implementation and monitoring, but taken together, these changes will result in no less than a seven figure cost and times savings for importers nationwide.

KAZAKHSTAN					
#	City / Project	Constraint Details	Recommendations	Result	Impact
				<p>Customs official).</p> <p>Importers may now pay customs duties and taxes based on a Customs pay-in slip without having to complete Customs declarations forms.</p> <p>Businesses may submit mandatory conformity certificates up to one month after a shipment has cleared customs.</p> <p>In certain cases, importers are now permitted to submit declarations without all supporting documentation if such documentation is subsequently provided.</p> <p>Customs Valuation: Certain classes of importers may now retroactively amend customs valuations if there are discrepancies in the quantity of goods declared and actually delivered.</p> <p>Periodic and pre-arrival declaration procedures: Periodic and pre-arrival declarations are now permitted.</p> <p>In case of pre-arrival declarations, customs duties and taxes are paid prior to release of goods and vehicles. In case of periodic declarations, a security is paid and final payment is made at the time of the declaration.</p> <p>Under these procedures, goods are not subject to impoundment pending</p>	

KAZAKHSTAN					
#	City / Project	Constraint Details	Recommendations	Result	Impact
				<p>payment.</p> <p>Transfer of Ownership: Ownership of imported goods may be transferred to a purchaser while those goods are on hold in a customs warehouse upon preliminary notification to Customs.</p> <p>Limited Customs Inspections: New provisions in the code strictly regulate the procedure for inspecting/auditing businesses by Customs authorities. Those provisions very clearly outline the purpose of inspections/audits; differentiate between scheduled, unscheduled, counter-inspections/audits and documentary inspections/audits. In addition, Customs must provide reasonable cause for approved inspections or audits.</p>	
5	<p>Ust-Kamenogorsk (PP) – Transport License for Hazardous Substances</p> <p>Date: July 2005</p> <p>Alexander Yepishkin</p>	<p>In a continuation of work reported in June related to the licensing of hazardous waste transportation, TFI identified that entrepreneurs who transported their own waste (as opposed to professional service providers,) were subject to licensing requirements in violation of national legislation.</p> <p>(Reduced Costs, Reduced Time – 2)</p>	<p>TFI, with its partner association in Ust-Kamenogorsk, the East Kazakhstan Oblast Association of Entrepreneurs' Rights Protection, recommended eliminating this licensing requirement.</p>	<p>As a result of those recommendations, the Department of Transportation Control in East Kazakhstan Oblast issued an internal order that eliminated the licensing requirement for entrepreneurs who transport their own waste.</p>	<p>This change will save approximately 70 entrepreneurs in Ust-Kamenogorsk \$88 per year.</p>
6	<p>Atyrau (PP) – Land Use</p>	<p>Unnecessarily long processing times for permit applications</p>	<p>TFI's partner association, the Union of</p>	<p>As a result of the working group's recommendations, the following changes in the</p>	<p>TBD, but the processing time for issuing land use permits</p>

KAZAKHSTAN					
#	City / Project	Constraint Details	Recommendations	Result	Impact
	Permits Date: July 2005 Assiya Zhumina	(of up to seven months), as well as excessive documentary requirements led to unduly high costs and lost profits for applicants. (Reduced Costs, Reduced Time, Increased Transparency – 3)	Atyrau Oblast Entrepreneurs and Employers, formed a working group comprised of the City Department of Land Resources Management; the Department of Architecture, Construction and City Planning; the Atyrau Branch of Subsidiary State Enterprise Land Tenure Organization (GosNPTSzem); the Department of Economy and Budget Planning; and the Department of Entrepreneurship and Industry. As a result of working group meetings specific recommendations were made to the Oblast Akimat to impose time limits on document and applications reviews, to eliminate unnecessary document requirements, and to prepare detailed information on the application process and disseminate it to entrepreneurs in Atyrau.	<p>process were approved by order of the city Department of Land Resources Management, the Department of City Planning and Construction, and GosNPTSzem:</p> <p>The City Department of Architecture, City Planning and Construction must complete its document review within 3 days instead of 6.</p> <p>Site visits, if required, are now carried out by the newly created Commission on Land Allotment together with the applicant. The commission is comprised of representatives of each government agency involved in the approval process. Previously, individual agencies would conduct redundant visits at times of their choosing. This change will reduce the time period for site visits by up to a week.</p> <p>The legal mechanism for final approval of an application was changed from “Akim’s Decision” to “Conclusion of the Commission on Land Allotment”. This change will reduce the number of required signatures and final approval time period.</p> <p>The Family Certificate is not required to be submitted with the application. The elimination of this document eliminates one process step and related costs.</p> <p>The required “architecture design assessment” must be completed by the City Architecture Department within 3 days instead of 7.</p> <p>Notwithstanding all of the above, all decisions on applications must be made within 3 months of their submission. Previously, the average</p>	was reduced by more than 80 days on average. By targeting redundancies in the process and setting strict time limits for each stage of the process, entrepreneurs will be able to put their land to commercial use 2-3 months sooner than before and will collectively save hundreds of thousands of dollars

KAZAKHSTAN					
#	City / Project	Constraint Details	Recommendations	Result	Impact
				<p>application period was 6-7 months.</p> <p>An applicant must be notified of a refusal of an application within 7 days instead of 10.</p> <p>A booklet containing comprehensive information on how to apply for a land use permit including application forms, a step-by step application guide, the procedure for granting rights to the land lots, and how to obtaining permits for design and construction was created and, thus far, 200 copies have been distributed to applicants.</p> <p>The same information contained in the booklets was also placed on information boards located in the Department of State Architectural Construction, the City Committee on Land Resources Management, and the Atyrau Real Estate Center.</p>	
7	<p>Ust-Kamenogorsk</p> <p>– Construction Permits</p> <p>Date: July 2005</p> <p>Alexander Yepishkin</p>	<p>The process for applying for and obtaining a construction permit is complex and contains many stages. In Ust-Kamenogorsk, the Oblast government provided no information to applicants regarding the process. As a result, applicants spent too much time gathering required documents and preparing applications. Also, processing times were lengthened when incorrectly completed applications were returned to applicants.</p> <p>(Reduced Costs, Reduced</p>	<p>TFI recommended to the East Kazakhstan Oblast government that the entire process be mapped out and detailed instructions be made available to applicants.</p>	<p>TFI prepared comprehensive information on how to apply for a construction permit including application forms, a step-by step application guide, a list of required documents and the text of all laws regulating the procedure. This information was then uploaded to the East Kazakhstan Oblast government website and is available at http://oskemen.kz/uk4_2_4.htm .</p>	TBD after monitoring.

KAZAKHSTAN					
#	City / Project	Constraint Details	Recommendations	Result	Impact
		Time, Increased Transparency – 3)			
8	Ust-Kamenogorsk –Commercial Use Permits Date: August 2005 Alexander Yepishkin	The unnecessary requirement of the Ust-Kamenogorsk Department of State Sanitary and Epidemiological Control to inspect and approve certain premises for non-hazardous commercial use creates unnecessary time and costs for entrepreneurs. (Reduced Costs, Reduced Time – 2)	Eliminate this requirement if the commercial purpose of the property will not involve hazardous activities.	The Director of the Ust-Kamenogorsk Department of State Sanitary and Epidemiological Supervision on East Kazakhstan Oblast issued Order N280, effective from August 1, 2005, which states that SES approval is not required for facilities located on the first floors of apartment and administrative buildings if they do not represent any sanitary or epidemiological threat. A complete list of exempted uses was included with the order.	Approximately 1,000 new businesses will benefit from this change annually. Elimination of the requirement will save applicants eight days. The average daily profit for Ust-Kamenogorsk entrepreneurs is \$20. In addition, direct application fees of \$2.65 have been eliminated. $(8 * 20 + 2.65) * 1000 = \\$162,650$ per year.
9	Ust-Kamenogorsk – Registration of Property Rights Date: August 2005 Alexander Yepishkin	The Government’s requirement to submit originals or Xerox copies of applicants’ Tax Registration Numbers (TRN) and passport identifications (ID) added unnecessary costs and steps to the process. (Reduced Costs, Reduced Time – 2)	TFI forwarded details of this constraint as well as the recommendation that the standard application form simply request the applicants’ TRN and ID number in lieu of the actual forms to the Working Group on Debureaucratization under the RoK Prime Minister. The recommendations were based on an a new application form that was put into use in EKO	As a result of that recommendation, the Prime Minister’s Office issued Order N197 “On Approval of Forms of Documents on State Registration of Rights to real estate” dated July 26, 2005. The order introduces a new standard application form that contains columns for specification of the applicants TRN and ID.	TBD after implementation and monitoring.

KAZAKHSTAN					
#	City / Project	Constraint Details	Recommendations	Result	Impact
			and which were created through an agreement between TFI's partner association the East Kazakhstan Oblast Association on Protection of Entrepreneurs Rights and Deputy Akim and Heads of Department of Architecture and Land Committee. When the Prime Minister's Office became aware that this procedure was already being implemented in EKO, it was inclined to adopt it nationally.		
10	Ust-Kamenogorsk (PP) – Tax Assessment Fees Date: August 2005 Alexander Yepishkin	Prior to start-up of a retail gasoline sales business, the Interregional Tax Committee in Astana had required that entrepreneurs pay a "Subscription Bonus" in amount of \$ 1,500 before completing a required tax assessment. Article 286 of the RoK Tax Code, which governs tax assessments, does not mandate such a payment. (Reduced Costs, Reduced Time – 2)	TFI's partner association, the East Kazakhstan Oblast Association on Protection of Entrepreneurs Rights was made aware of this problem by one of its members and proceeded to lobby tax authorities in Astana and request that the "Subscription Bonus" be eliminated.	Based on the recommendations of the East Kazakhstan Oblast Association on Protection of Entrepreneurs Rights, the Interregional Tax Committee issued an order eliminating the "Subscription Bonus" for East Kazakhstan Oblast applicants. What remains unclear is whether that order is effective throughout Kazakhstan. TFI is now working to ensure that this change is implemented nationwide.	This change positively impacts approximately 10 entrepreneurs in Ust-Kamenogorsk for a cumulative savings of \$15,000. If the new rule is implemented nationally, it will affect roughly 700 entrepreneurs annually for a total savings of \$1,050,000.00.

**ATTACHMENT 3: TAJIKISTAN CONSTRAINT REDUCTION
CHART
1 JUNE 2005 – 31 AUGUST 2005**

Tajikistan Constraint Reductions
1 June 2005 – 31 August 2005
Constraint Reductions

TAJIKISTAN					
#	CITY / PROJECT	Constraint Details	Recommendations	Result	Impact
1	Khujand, Soghd Illegal Inspections Date: June 2005 Sergey Panyutin	Controlling bodies were conducting inspections without official orders, or even documentation confirming their authority. Pharmacies were being inspected without permission of owners and authorities were making illegal house-checks. These illegal actions by tax officials obstructed normal business activities and negatively affected profit earnings as the inspections were taking up to 3-4 business days (Reduce time, cost – 2)	TFI immediately reviewed the normative and legal acts regulating the tax inspection procedures and established a focus group with entrepreneurs. TFI then recommended that the Union of Pharmacists file suit in the Soghd Oblast court. TFI consultants assisted the Union in filing its claim, and with other issues associated with substantive and procedural laws	On June 16, 2005, the Economic Court of Soghd Oblast ruled in favor of the plaintiff's demands and determined that the inspections made by Khujand Tax Police were illegal and unjustified, and based on the Court's decision the inspections by the Tax Police were ordered to stop.	Estimated cost savings to pharmaceutical entrepreneurs is calculated through costs saved from interruption of business activities due to the inspections, imposition of penalties, and unofficial payments. All tolled, the approximate cost savings to the 97 pharmacies affected by these inspections is \$39576, however, that figure can be substantially higher given the fact that the illegal inspections were occurring up to 5 times per year.
2	Khujand, Soghd Service Certifications Date: June 2005 Iskandar Shomurodov	TFI conducted an analysis of the certification process for establishing a service related business and found that to get a certificate entrepreneurs had to complete duplicative and contradictory steps, which caused unnecessary costs and time delays for entrepreneurs. (Reduce time, cost, transparency – 3)	TFI analyzed all of the legal documents regulating the process and conducted a focus-group with the participation of entrepreneurs who receive certificates to render services. The focus group provided a detailed set of recommendations to the Khojand Public Prosecutor which outlined specific redundancies and other illegal procedural steps to be eliminated from the process.	The Khujand Prosecutor accepted TFI's recommendations and sent a protest to the Hukumat. As a result, the Hukumat eliminated redundancies and illegal steps in the processes creating more efficiency and transparency.	Through the cancellation of the old practice, every entrepreneur on average saves 5 to 7 days at a daily wage rate of \$10 USD and in the Soghd region, there are 6000 registered entrepreneurs that need certificates. This change has a potential savings to entrepreneurs of \$300,000 USD.

**ATTACHMENT 4: WTO ACCESSION CHECKLIST –
TAJKISTAN**

WTO ACCESSION CHEKLIST – TAJIKISTAN

	Steps	Status
Application		
1.	Submission of application for membership in the WTO	Application submitted in May 2001
2.	WTO General Counsel meeting: Review of the application for membership – setting up the Working Party on accession.	WTO General Council met in July 2001 and established a WP on accession of Tajikistan
3.	Appointment of Chairman of the WTO Working Party on accession.	Mr. Klyde Kull, Ambassador of Estonia to the WTO, was appointed as a Chairman of the WP on accession of Tajikistan
Accession documentation		
4.	Preparation and submission of the memorandum on foreign trade regime (FTM).	Foreign Trade Memorandum was submitted to the WTO Secretariat in February 2003
5.	Preparation of answers to FTM follow-up questions posed by WTO Working Party members.	<p>Answers to Questions posed by EU and Australia were submitted to the WTO Secretariat in September 2003</p> <p>Answers to Questions posed by US were submitted to the WTO Secretariat in January 2004</p> <p>Replies to additional questions from US were submitted on February 20, 2005</p> <p>Replies to additional questions from EC were submitted on February 20, 2005</p> <p>Replies to additional questions from Australia were submitted in March 2005</p>
6.	Information on Domestic Support and Export Subsidies in Agriculture is prepared and submitted to the WTO WP.	Document in WT/ACC/4 format was submitted in February 2004
7.	Prepare answers to ACC/4 follow-up questions	
8.	Submit updated ACC/4 document as necessary	
9.	Plurilateral Working Party meetings review the data in the ACC/4 tabulations.	
10.	Information on Policy Measures Affecting Trade in Services is prepared and submitted to the WTO WP	Submitted as part of the FTM
11.	Prepare answers to ACC/5 follow-up questions	

12.	Submit updated the ACC/5 document as necessary	
13.	Checklist of Illustrative SPS Issues for Consideration in Accessions is prepared and submitted to the WTO WP	Document in WT/ACC/8a format was submitted in February 2004
14.	Prepare answers to ACC/8a follow-up questions	
15.	Submit updated the ACC/8a document as necessary	
16.	Checklist of Illustrative TBT Issues for Consideration in Accessions is prepared and submitted to the WTO WP	Document in WT/ACC/8b format was submitted in February 2004
17.	Prepare answers to ACC/8b follow-up questions	
18.	Submit updated the ACC/8b document as necessary	
19.	Implementation of the WTO Agreement on Trade-related Aspects of Intellectual Property Rights (TRIPS)	Document in WT/ACC/9 format was submitted in February 2004
20.	Prepare answers to ACC/9 follow-up questions	
21.	Submit updated the ACC/9 document as necessary	
WTO Legislative Compliance		
22.	Review of the foreign trade and investment legislation for compliance with requirements of the WTO Agreements	Initial review conducted and a memo provided to the MET in March 2003.
23.	Translate and submit existing and draft legislation to the WTO WP.	Ongoing.
24.	Prepare WTO Legislative Action Plan and submit to the WTO WP.	General legislative action plan was submitted in February 2004.
25.	Prepare Legislative Action Plans for implementation of specific WTO agreements and submit them to the WTO WP	
26.	Draft and enact necessary laws and regulations necessary for WTO compliance	Excise tax rates are brought into compliance with the WTO National treatment principle by the Resolution No. 153, "On Setting up excise tax rates on selected goods originated in the RT and imported into the territory of RT" adopted in April 2003. The Law On Normative-Legal Acts #54 adopted in December 8, 2003. The Law On Inventions was adopted in February 2004. The Law On Industrial Designs was

		<p>adopted in February 2004.</p> <p>The Law On Amendments to the Law on Foreign Economic Activity of December 27, 1993 was adopted in February 2004.</p> <p>The Law On Amendments to the Criminal Code (TRIPs compliance) was enacted on May 17, 2004.</p> <p>The Law On Licensing of Certain Types of Activities was enacted on May 17, 2004.</p> <p>Amendments to the Law “On copyright and neighboring rights” enacted on August 7, 2003</p> <p>Customs Code adopted by Parliament in November 2004 and entered into force on January 1, 2005.</p> <p>New Tax Code enacted and entered into force on January 1, 2005.</p> <p>Tajikistan has officially accepted the obligations of Article VIII of the IMF Agreement on 9 December 2004.</p> <p>Civil Code (Part III) enacted and entered into force on March 15, 2005.</p>
27.	Regularly update the Legislative Action Plan and other specific action plans to show the progress in enacting necessary legislation and submit to the WTO WP	A revised WTO Legislative Action Plan was submitted to the WTO WP in April 2005.
Multilateral and bilateral negotiations		
28.	Conduct WTO Working Party meeting (multilateral) on accession	<p>1st Meeting of the WP was conducted on March 18, 2004.</p> <p>2nd Meeting of the WP was conducted on April 26, 2005.</p>
29.	Participation in preparation of the Report of the Working Party on accession which contains description of commitments taken by the acceding country	The initial draft of the Factual Summary of Points Raised is issued in April 2005.
30.	Initial offer on market access on goods is prepared and submitted to the WTO WP;	Initial offer on market access on goods was submitted to the WTO in February 2004.

		Revised offer on market access on goods was submitted to the WTO in April 2004.
31.	Conduct bilateral market access negotiations on goods	<p>First round of bilateral negotiations with US, EU, Switzerland; Turkey, Canada, and Australia were conducted in March 2004.</p> <p>Second round of bilateral negotiations with US, EU, Australia and Japan were conducted in April 2005.</p>
32.	Signing of bilateral protocols that reflect results of negotiations and submit to the WTO Secretariat	
33.	Initial offer on market access on services is prepared and submitted to the WTO WP;	<p>Initial offer on market access on services was submitted to the WTO in February 2004.</p> <p>Revised offer on market access on services was submitted to the WTO in April 2004.</p>
34.	Conduct bilateral market access negotiations on services	<p>First round of bilateral negotiations with US, EU, Switzerland; Turkey, Canada, and Australia were conducted in March 2004.</p> <p>Second round of bilateral negotiations with US, EU, Australia and Japan were conducted in April 2005.</p>
35.	Signing of bilateral protocols that reflect results of negotiations and submit to the WTO Secretariat	
36.	Preparation of the Consolidated Schedule of Specific Commitments on Goods and Services.	
37.	Approval and submission of the Working Party Report and draft Protocol of accession to the WTO General Counsel	
Institutional		
38.	Inquiry point on TBT is established	
39.	Inquiry point on SPS is established	
40.	Inquiry point on services is established	<p>The WTO Information/Reference Center, which was launched on December 29, 2004, will serve as a GATS Enquiry point.</p> <p>The WTO Information/Reference Center,</p>

		was officially notified to the WTO WP as Tajikistan's Enquiry Point on services.
41.	WTO Library/Information center established	The WTO Information/Reference Center was launched on December 29, 2004.
Accession to Plurilateral Agreements		
42.	Agreement on Government Procurement	Not obligatory unless acceding country agrees to accede.
43.	Agreement on Trade in Civil Aircraft	Not obligatory unless acceding country agrees to accede.
Doha Development Agenda Negotiations		
44.	Participation in the Negotiating Groups established under the Doha Development Agenda negotiations. Acceding country may be requested to join and implement new agreements and provisions to be developed as a result of Doha Round multilateral negotiations.	
Final accession procedures		
45.	Approval by the General Council of the Working Party Report and the Protocol of Accession	
46.	The WTO Director General issues certified copies of the Protocol of Accession to WTO Members. The Protocol of Accession is registered with the United Nations.	
47.	Internal ratification procedures by the acceding country	
48.	Submission of the ratification instrument to the WTO Secretariat.	
49.	Thirty days after the submission of ratification instrument acceding country becomes a member.	
Public information and consultation		
50.	Throughout the accession process - regular meetings and round-table discussions on benefits and challenges of the WTO membership with industry representatives and private sector institutions.	Trade Consultative Council meeting was conducted with participation of MET representative in January 2004.
51.	Public information campaign upon accession	Interviews, articles and etc.
Post – WTO accession implementation issues		
52.	Institutional structures for post WTO accession implementation are established.	
53.	Notifications required under various WTO agreements are submitted on a timely basis	
54.	Implementation of various commitments reflected in the	

	protocol accession of a particular member.	
55.	Review of various legislation of a member by relevant WTO committees.	
56.	Constant monitoring of legislative compliance – all trade related draft laws and regulations are reviewed for WTO compliance	
57.	Regional trade agreements – review by the WTO Committee on Regional Trade Agreements of a member's compliance with the WTO requirements	
58.	Participation in the new Doha round of multilateral negotiations	
59.	Implementation of results of the Doha Round of WTO negotiations by making necessary domestic policy changes	
60.	Accession to the plurilateral agreements if committed in the protocol of accession	
61.	WTO review of a member's trade policy.	

**ATTACHMENT 5: WTO ACCESSION CHECKLIST –
UZBEKISTAN**

Performance Monitoring Plan for Uzbekistan

Period of December 1994 – May 2005

Checklist of WTO accession procedures

	Steps	Status
Application		
1.	Submission of application for membership in the WTO	Application submitted in December 8, 1994
2.	WTO General Council meeting: Review of the application for membership – setting up the Working Party on accession.	WTO General Council met in December 21, 1994 and established a WP on accession of Uzbekistan
3.	Appointment of Chairman of the WTO Working Party on accession.	Mr. Supermanian, Ambassador of Malaysia to the WTO, was appointed as a Chairman of the WP on accession of Uzbekistan H.E. Mr. Hyuck Choi, Ambassador of the Republic of Korea appointed as a Chairman of the WP in 2004 May.
Accession documentation		
4.	Preparation and submission of the memorandum on foreign trade regime (FTM).	Foreign Trade Memorandum was submitted to the WTO Secretariat in 1998
5.	Preparation of answers to FTM follow-up questions posed by WTO Working Party members.	In document WT/ACC/UZB/3, dated of October 12, 1999, Uzbekistan submitted Replies to Questions posed by USA and EU. In document WT/ACC/UZB/4, dated of April 20, 2001, Uzbekistan submitted additional Answers to Questions posed as a follow up by WTO Working Party members on Foreign Trade Regime (FTM) document. In document WT/ACC/UZB/8, dated of September 16, 2003, Uzbekistan submitted additional Replies to Questions raised by EU and South Korea.

		<p>In document WT/ACC/UZB/9, dated of November 26, 2003, Uzbekistan submitted additional Replies to Questions raised by USA</p> <p>In document WT/ACC/UZB/8/Add., Uzbekistan submitted revised Replies to Questions raised by EU</p> <p>In document WT/ACC/UZB/9/Add., Uzbekistan submitted revised Replies to Questions raised by USA</p> <p>In document WT/ACC/UZB/13, Uzbekistan submitted replies to questions raised by USA, EU, Australia, Kyrgyzstan.</p>
6.	Information on Domestic Support and Export Subsidies in Agriculture is prepared and submitted to the WTO WP.	ACC-4 Checklist on domestic support and export subsidies in Agriculture submitted to the WTO WP in May.
7.	Prepare answers to ACC/4 follow-up questions	
8.	Submit updated the ACC/4 document as necessary	
9.	Plurilateral Working Party meetings review the data in the ACC/4 tabulations.	
10.	Information on Policy Measures Affecting Trade in Services is prepared and submitted to the WTO WP	Submitted as part of the FTM
11.	Prepare answers to ACC/5 follow-up questions	
12.	Submit updated the ACC/5 document as necessary	
13.	Checklist of Illustrative SPS Issues for Consideration in Accessions is prepared and submitted to the WTO WP	Document in WT/ACC/8a format was submitted in September 16, 2003 Updated ACC/8a checklist in document WT/ACC/5/Rev.1 was submitted to WTO.
14.	Prepare answers to ACC/8a follow-up questions	
15.	Submit updated the ACC/8a document as necessary	
16.	Checklist of Illustrative TBT Issues for Consideration in Accessions is prepared and submitted to the WTO WP	Document in WT/ACC/8b format was submitted in September 16, 2003 Updated ACC/8b checklist in document WT/ACC/6/Rev/1 was submitted to WTO.
17.	Prepare answers to ACC/8b follow-up questions	
18.	Submit updated the ACC/8b document as necessary	
19.	Implementation of the WTO Agreement on Trade-related Aspects of Intellectual Property Rights	Document in WT/ACC/9 format was submitted in September 16, 2003

	(TRIPS)	
20.	Prepare answers to ACC/9 follow-up questions	
21.	Submit updated the ACC/9 document as necessary	
WTO Legislative Compliance		
22.	Review of the foreign trade and investment legislation for compliance with requirements of the WTO Agreements	Initial review conducted and a memo provided to the MET in 1998.
23.	Translate and submit existing and draft legislation to the WTO WP.	Document WT/ACC/UZB13/Add.1 with the list and translation of existing and draft legislation submitted to WTO.
24.	Prepare WTO Legislative Action Plan and submit to the WTO WP.	The WTO Legislative Action Plan prepared and submitted to the WTO WP in June, 2004.
25.	Prepare Legislative Action Plans for implementation of specific WTO agreements and submit them to the WTO WP	
26.	Draft and enact necessary laws and regulations necessary for WTO compliance	<p>The Law On Inventions and Industrial Designs was adopted in 1994.</p> <p>The Law on Copyright and Neighboring Rights adopted in August 30, 1996, with amendments made in 2000.</p> <p>The Law on Breeding Achievements adopted in August 1996, with amendments of April 25, 1997.</p> <p>The Law on Protection of Computer Programs and Electronic Databases was adopted in May 6, 1994.</p> <p>The Law on Integrated Circuits was adopted in 2001.</p> <p>The Law On Antidumping and Countervailing Duties adopted in December 2003.</p> <p>The Draft Law on Technical Regulations</p> <p>The Draft Law on Conformity Assessment</p> <p>The Draft Law on IPR legislative changes</p>

		<p>The Draft Law on Copyright and Related Rights</p> <p>The Draft Resolution on TBT/SPS Inquiry Point</p> <p>The Decision on joining the Bern Convention taken by the Parliament on August 27, 2004.</p> <p>The Decision on joining the International Plant Varieties Protection taken by the Parliament on August 27, 2004</p> <p>WIPO accepted Uzbekistan's decision to join Bern Convention on January 18, 2005</p> <p>GOU resolution on authorization of the Agency of Foreign Economic Relations as an authorized government body to conduct antidumping investigations.</p> <p>The Draft Customs Code</p>
27.	Regularly update the Legislative Action Plan and other specific action plans to show the progress in enacting necessary legislation and submit to the WTO WP	The revised Legislative Action Plan prepared and submitted to WTO in September 2005.
Multilateral and bilateral negotiations		
28.	Conduct WTO Working Party meeting (multilateral) on accession	<p>1st Meeting of the WP was conducted on July 19, 2002.</p> <p>2nd Meeting of the WP was conducted on June 29-30, 2004.</p>
29.	Participation in preparation of the Report of the Working Party on accession which contains description of commitments taken by the acceding country	
30.	Initial offer on market access on goods is prepared and submitted to the WTO WP;	Initial offer on market access on goods is prepared and submitted to WTO WP in September 2005.
31.	Conduct bilateral market access negotiations on goods	
32.	Signing of bilateral protocols that reflect results of negotiations and submit to the WTO Secretariat	
33.	Initial offer on market access on services is prepared and submitted to the WTO WP;	Initial offer on market access on services is prepared and submitted to WTO WP in September 2005.

34.	Conduct bilateral market access negotiations on services	
35.	Signing of bilateral protocols that reflect results of negotiations and submit to the WTO Secretariat	
36.	Preparation of the Consolidated Schedule of Specific Commitments on Goods and Services.	
37.	Approval and submission of the Working Party Report and draft Protocol of accession to the WTO General Counsel	
Institutional		
38.	<i>Inquiry point on TBT is established</i>	Decision taken by the GOU to establish TBT/SPS Inquiry Point
39.	Inquiry point on SPS is established	Decision taken by the GOU to establish TBT/SPS Inquiry Point
40.	Inquiry point on services in established	
41.	WTO Library/Information center established	
Accession to Plurilateral Agreements		
42.	Agreement on Government Procurement	Not obligatory unless acceding country agrees to accede.
43.	Agreement on Trade in Civil Aircraft	Not obligatory unless acceding country agrees to accede.
Doha Development Agenda Negotiations		
44.	Participation in the Negotiating Groups established under the Doha Development Agenda negotiations. Acceding country may be requested to join and implement new agreements and provisions to be developed as a result of Doha Round multilateral negotiations.	
Final accession procedures		
45.	Approval by the General Council of the Working Party Report and the Protocol of Accession	
46.	The WTO Director General issues certified copies of the Protocol of Accession to WTO Members. The Protocol of Accession is registered with the United Nations.	
47.	Internal ratification procedures by the acceding country	
48.	Submission of the ratification instrument to the WTO Secretariat.	

49.	Thirty days after the submission of ratification instrument acceding country becomes a member.	
Public information and consultation		
50.	Throughout the accession process - regular meetings and round-table discussions on benefits and challenges of the WTO membership with industry representatives and private sector institutions.	<p>Two -week seminar on WTO Agreements and Accession process held in March 2004. Negotiation Team was established by the GOU in December 2003.</p> <p>One-week Trade Remedies and State Trading Enterprises Seminar held in July 2004.</p> <p>One day round table held on the Draft Copyright Law and Bern Convention requirements in June, 2004</p> <p>One day round table held on the Certification Resolution in August, 2004.</p> <p>One day seminar on author's rights held in October 2004.</p> <p>One week training on drafting the initial market offers for services held in November 2004.</p> <p>Round tables for businesses on WTO held in Tashkent, Urgench and Bukhara.</p> <p>5 GOU officials and 1 academician participated at WTO annual Symposium in April in Geneva WTO headquarters.</p> <p>3 GOU officials took training on market offers for goods in Geneva.</p> <p>International conference on Bern Convention held in May 2005.</p> <p>Two weeks training on Trade Remedies and Agricultural support held in WTI in Berne for one Uzbek participant.</p>
51.	Public information campaign upon accession	Ongoing
Post – WTO accession implementation issues		
52.	Institutional structures for post WTO accession implementation are established.	

53.	Notifications required under various WTO agreements are submitted on a timely basis	
54.	Implementation of various commitments reflected in the protocol accession of a particular member.	
55.	Review of various legislation of a member by relevant WTO committees.	
56.	Constant monitoring of legislative compliance – all trade related draft laws and regulations are reviewed for WTO compliance	
57.	Regional trade agreements – review by the WTO Committee on Regional Trade Agreements of a member’s compliance with the WTO requirements	
58.	Participation in the new Doha round of multilateral negotiations	
59.	Implementation of results of the Doha Round of WTO negotiations by making necessary domestic policy changes	
60.	Accession to the plurilateral agreements if committed in the protocol of accession	
61.	WTO review of a member’s trade policy.	