



Kyrgyz Republic: Accession to the Eurasian Economic Union—Capturing the Opportunities and Addressing the Risks

Project Name	Accession to the Eurasian Economic Union—Capturing the Opportunities and Addressing the Risks	
Project Number	49061-001	
Country	Kyrgyz Republic	
Project Status	Active	
Project Type / Modality of Assistance	Technical Assistance	
Source of Funding / Amount	TA 8978-KGZ: Accession to the Eurasian Economic Union-Capturing the Opportunities and Addressing the Risks	
	Technical Assistance Special Fund	US\$ 500,000.00
	TA: Accession to the Eurasian Economic Union_Capturing the Opportunities and Addressing the Risks	
	People's Republic of China Regional Cooperation and Poverty Reduction Fund	US\$ 200,000.00
Strategic Agendas	Inclusive economic growth Regional integration	
Drivers of Change	Governance and capacity development	
Sector / Subsector	Industry and trade - Industry and trade sector development Public sector management - Economic affairs management	
Gender Equity and Mainstreaming	No gender elements	
Description	The proposed TA will support the Kyrgyz Republic following its accession to the EEU, with the view of capturing the economic opportunities presented by the EEU's larger market and its free movement of goods, services, capital, and labor, and minimizing the potential economic and social costs of the accession.	
Project Rationale and Linkage to Country/Regional Strategy	The Kyrgyz Republic became a member of the Eurasian Economic Union (EEU) on 12 August 2015. The country's accession to the EEU is expected to have diverse and significant implications for the country's economy. With the EEU's combined population of about 180 million and its larger market, the intended free movement of goods, services, capital, and labor, and elimination of customs controls and nontrade barriers, the EEU presents significant economic opportunities to the Kyrgyz Republic. The Kyrgyz Republic's economic policies, regulations, and the legal framework need to be adjusted to those of the EEU, and the potential economic and social costs of the accession need to be minimized. It is in this context that the Government of the Kyrgyz Republic has requested the Asian Development Bank (ADB) to provide the proposed technical assistance (TA), which was included into the country operations business plan, 2015_ to 2017.	
Impact	Improved prospects of the Kyrgyz Republic's economy within the framework of the Eurasian Economic Union (Action Plan on Adaptation of the Kyrgyz Republic to the EEU, 2015_2016).	

Project Outcome

Description of Outcome	Improved capability of the Kyrgyz Republic's government to conduct sound economic and social policies pertinent to the country's accession to the EEU
Progress Toward Outcome	tbd

Implementation Progress

Description of Project Outputs	<ol style="list-style-type: none"> 1. Policy advice and analytical support to the Kyrgyz Republic's government on the EEU accession issues 2. Improved methodology, coverage, and collection of statistical data for monitoring the impact of the country's accession to the EEU 3. Tailored training and public awareness programs
Status of Implementation Progress (Outputs, Activities, and Issues)	<p>So far, 13 consultants (three international on: macroeconomics, international trade and regional integration, statistics; and 10 national on: macroeconomics, international trade and regional integration, technical regulation and national quality standards, statistics, legal, tax and customs, business development and monetary policy) have been recruited to provide broad range of advisory support to the Ministry of Economy_the executing agency for the project. Recruitment of consultants to provide training and awareness campaign is ongoing.</p> <p>Additional financing from the PRC Poverty Reduction and Regional Cooperation Fund (PRCF) was approved in December 2016.</p>
Geographical Location	

Summary of Environmental and Social Aspects

Environmental Aspects	
Involuntary Resettlement	
Indigenous Peoples	
Stakeholder Communication, Participation, and Consultation	
During Project Design	<p>The TA's proposed objectives and components were discussed during the reconnaissance and fact-finding phases with the representatives of the Ministry of Economy, Ministry of Finance and other key ministries and agencies, as well as with the key development partners. To seek the views of the country's private sector and think tanks on the opportunities, risks, and the current needs associated with the EEU accession, a roundtable discussion was held with selected representatives of the country's private sector and experts.</p> <p>The TA's design, implementation arrangements, and detailed terms of reference for consulting services were discussed in further detail with key stakeholders during the fact-finding mission (29 July to 3 August 2015), and an MOU, including the proposed implementation arrangements, was signed with the government.</p>
During Project Implementation	<p>Consultations with the the Ministry of Economy, Ministry of Finance and other key ministries and agencies are held on a regular basis.</p>

Business Opportunities

Consulting Services	<p>A total of 12 person months of International consulting will be required with expertise in macroeconomics, international trade, and statistics.</p> <p>National consultants will also be engaged with expertise in economics, statistics, legal, social and labor market. Resource persons will be engaged during workshops.</p>
Procurement	<p>All procurement of goods will be conducted in accordance with ADB's Procurement Guidelines (2015, as amended from time to time). The equipment will be used for implementation of the TA and will be transferred to the executing agency at TA completion.</p>

Responsible Staff

Responsible ADB Officer	Tentieva, Gulkayr
Responsible ADB Department	Central and West Asia Department
Responsible ADB Division	Kyrgyz Resident Mission
Executing Agencies	<i>Ministry of Economy 106, Chui Prospect, Bishkek, Kyrgyz Republic</i>

Timetable

Concept Clearance	20 Jul 2015
Fact Finding	29 Jul 2015 to 03 Aug 2015
MRM	-
Approval	21 Oct 2015
Last Review Mission	-
Last PDS Update	31 Mar 2017

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Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
21 Oct 2015	20 Nov 2015	20 Nov 2015	31 Dec 2017	-	-

Financing Plan/TA Utilization						Cumulative Disbursements		
ADB	Cofinancing	Counterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor	Others			
500,000.00	0.00	0.00	0.00	0.00	0.00	500,000.00	21 Oct 2015	339,696.58

Project Page	https://www.adb.org/projects/49061-001/main
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