



Kyrgyz Republic: Second Investment Climate Improvement Program

Project Name	Second Investment Climate Improvement Program								
Project Number	41544-086								
Country	Kyrgyz Republic								
Project Status	Active								
Project Type / Modality of Assistance	Technical Assistance								
Source of Funding / Amount	<table border="1"> <tr> <td colspan="2">TA 8721-KGZ: Second Investment Climate Improvement Program</td> </tr> <tr> <td>Technical Assistance Special Fund</td> <td>US\$ 600,000.00</td> </tr> <tr> <td colspan="2">TA 8721-KGZ: Second Investment Climate Improvement Program (Supplementary)</td> </tr> <tr> <td>Technical Assistance Special Fund</td> <td>US\$ 500,000.00</td> </tr> </table>	TA 8721-KGZ: Second Investment Climate Improvement Program		Technical Assistance Special Fund	US\$ 600,000.00	TA 8721-KGZ: Second Investment Climate Improvement Program (Supplementary)		Technical Assistance Special Fund	US\$ 500,000.00
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Technical Assistance Special Fund	US\$ 500,000.00								
Strategic Agendas	Inclusive economic growth								
Drivers of Change	Governance and capacity development Knowledge solutions Private sector development								
Sector / Subsector	Finance - Central banking systems - Inclusive finance - Trade finance Public sector management - Public expenditure and fiscal management								
Gender Equity and Mainstreaming	Effective gender mainstreaming								
Description	The Project preparatory technical assistance (TA) will help (i) complete due diligence on areas proposed for support; (ii) identify key reforms including the adjustment costs in preparing, implementing, and monitoring the proposed reforms; and (iii) reach agreements on reform activities, outputs, and program outcome and impact.								
Project Rationale and Linkage to Country/Regional Strategy	Progress has been made in improving the investment climate, but substantial work is needed to increase the role of the formal private sector in economic growth. Constraining factors include lack of transparency and corruption; weak institutional frameworks and capacity to implement reforms; lack of access to affordable and long-term finance, particularly for small and medium-sized enterprises (SMEs); deteriorating infrastructure; dwindling productive skills and skills mismatch with industry requirements; and weak coordination for investment promotion, and export product and market diversification. Project preparatory technical assistance (TA) is required to assist the government in designing and implementing reforms for financial deepening, access to finance, and trade and investment to increase the role of the formal private sector in the economic development of the Kyrgyz Republic.								
Impact									

Project Outcome

Description of Outcome	
Progress Toward Outcome	
Implementation Progress	
Description of Project Outputs	
Status of Implementation Progress (Outputs, Activities, and Issues)	
Geographical Location	Nationwide

Summary of Environmental and Social Aspects

Environmental Aspects	
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Involuntary Resettlement

Indigenous Peoples

Stakeholder Communication, Participation, and Consultation

During Project Design	Design of subprogram 3 underway; key stakeholders being consulted in the design of reforms/policy actions for subprogram 3 Key stakeholders being consulted in the design of reforms/policy actions for subprogram 3 Key stakeholders will be consulted in firming up the reforms/policy actions for subprogram 3. Key stakeholders were consulted in firming up the reforms/policy actions for subprogram 2. Key stakeholders were consulted during design of reforms/policy actions for subprogram 1 and indicative policy actions for subprograms 2 and 3. Key stakeholders in the public and private sector will be consulted during project design (subprogram 1, 2, 3).
During Project Implementation	Key stakeholders in the public and private sector have been consulted during reforms implementation of subprogram 2, and will be consulted in the implementation of subprogram 3. Key stakeholders in the public and private sector have been consulted during project (i.e., reforms) implementation of subprogram 1. Key stakeholders in the public and private sector will be consulted during project (i.e., reforms) implementation.

Business Opportunities

Consulting Services	Consultant team recruited and Program Preparatory Technical Assistance (PPTA) underway (start - October 2014). The TA will engage three international and five national consultants with investment and trade promotion, finance sector development, mobile services development, legal, and social expertise. PPP experts will be hired under a separate TA project (footnote 1). Given the diversity of expertise required, individual consultants are better suited than a firm. While working independently, the technical teams will coordinate as needed. All consultants will be recruited in accordance with ADB's Guidelines on the Use of Consultants (2013, as amended from time to time). Disbursements will be made in accordance with ADB's Technical Assistance Disbursement Handbook (2010, as amended from time to time). Procurement will be in accordance with ADB's Procurement Guidelines (2013, as amended from time to time). 15_ The Ministry of Economy (MOE) will be the executing agency. The proposed implementing agencies are MOE, the Ministry of Finance, and NBKR. The Macroeconomic and Investment Policy Coordination Council will be the high-level steering committee overseeing program implementation. To ensure continuity and sustainability of reforms, the implementation arrangements are the same as for the first ICIP. The TA will be implemented from September 2014 to June 2015.
Procurement	Not required

Responsible Staff

Responsible ADB Officer	Sood, Priyanka
Responsible ADB Department	Central and West Asia Department
Responsible ADB Division	Public Management, Financial Sector and Trade Division, CWRD
Executing Agencies	<i>Ministry of Economy 106, Chui Prospect, Bishkek, Kyrgyz Republic</i>

Timetable

Concept Clearance	-
Fact Finding	-
MRM	-
Approval	23 Sep 2014
Last Review Mission	-
Last PDS Update	20 Mar 2017

TA 8721-KGZ

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
23 Sep 2014	03 Oct 2014	03 Oct 2014	30 Jun 2015	30 Dec 2017	-

Financing Plan/TA Utilization						Cumulative Disbursements		
ADB	Cofinancing	Counterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor	Others			
1,100,000.00	0.00	0.00	0.00	0.00	0.00	1,100,000.00	23 Sep 2014	604,612.97

Project Page <https://www.adb.org/projects/41544-086/main>

Request for Information <http://www.adb.org/forms/request-information-form?subject=41544-086>

Date Generated 06 July 2017

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