

BUSINESS INSIGHT

AMERICAN CHAMBER OF COMMERCE IN THE KYRGYZ REPUBLIC

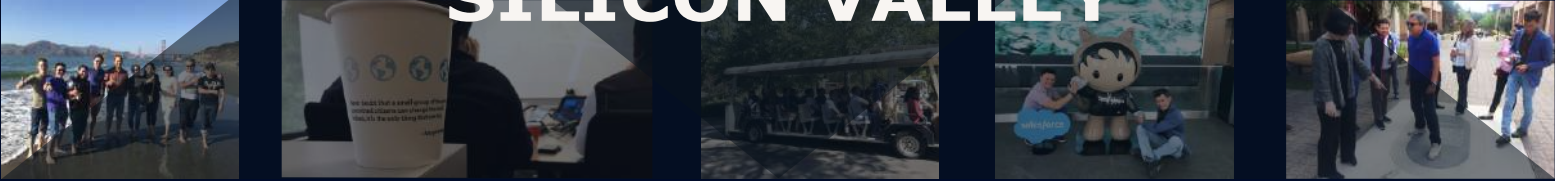


INNOVATIVE



BUSINESS TOUR TO

SILICON VALLEY



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**WELCOME New AmCham Members - MICROSOFT, ARABIS GROUP, MIRSOFT,
MOSCOW RESTAURANT COMPLEX**

INNOVATIVE BUSINESS TOUR TO SILICON VALLEY



The American Chamber of Commerce in the Kyrgyz Republic organized its 4th Innovative Business Tour to the United States of America for a delegation of business owners and top managers of the country's leading companies from September 16 to 24, 2017.

The tour started in San Francisco with a meeting with the Vice President of Salesforce Company - Mr. Daniel Chang. Salesforce, the world's #1 CRM Company, is listed in Fortune's 100 best companies to work for. Thereafter, the tour continued with a visit to Stanford University - the institution that stood at the beginnings of formation of Silicon Valley in 1950s. Further, business delegates had the opportunity to meet AmBAR Board member and co-founder - Mr. Stas Kirman. Mr. Kirman spoke about the culture of Startups, its importance in the Silicon Valley, and AmBAR's role in its advancement.

**AmBAR – the American Business Association for Russian speaking professionals - brings together over 50 000 members from the Silicon Valley and serves as a great networking platform to connect with venture capitalists, angel investors and business partners.*

The growing popularity of cryptocurrency could not pass us by. One of the long-awaited meetings for the participants of the Business Tour was the meeting with Coinbase. Our own compatriot Maksim Stepanenko talked us through the latest trends and insights of the company. As of today, Coinbase is the world's most popular platform for the exchange and purchase/sale of cryptocurrencies, such as BITCOIN, LITECOIN and ETHEREUM.

Just recently, the company received a major investment of \$100 million, which led to the need to hire more human resources and expand its office space at the company's Headquarters in San Francisco. In the short term, a new representative office will be opened on the East coast of the US – in New York City. Maksim also shared that the company was recruiting over 10 new employees per week immediately after the major investment was received.

“
*Invest gradually in cryptocurrency
and in small amounts*
”



The participants inquired whether it is worth investing in cryptocurrencies. Of course, there is no unequivocal answer. However, Maksim advised to invest gradually and in small amounts.

The Innovative Business Tour followed by visiting Cisco - American transnational corporation, a worldwide leader in IT and networks - headquartered in the heart of Silicon Valley, the city of San Jose.

The main topics covered during the sessions included: Digitization, Privacy and Security of Data for financial institutions, Internet of Things (IoT) and demos of the latest Architecture solutions for collaboration.

We would like to take this opportunity to express our gratitude for the organization of this meeting to our partners – the Greenlight Company and Representative Office of CISCO in Kazakhstan.

Moreover, the delegates had the opportunity to join a tour to the HQ of Google X, which was kindly hosted by our own fellow-countryman, Tilek Mamutov. During the tour, Mr. Mamutov shared about the latest products, insights and on how he became a member of the Google X team.

The next visiting stop was the Amazon office, where the delegates got to know the employees and the amazing corporate culture of the company. Executive director of Amazon Jeff Bezos initiated an unusual move aimed at contributing to the healthy lifestyle of his employees and everyone in the community by distributing the bananas in kiosks located on the company's premises. About 8,000 bananas are distributed daily.

The next business tour stop was the office of VISA Company, where the delegation met the Vice President of US Government Relations, Mr. Todd Fox, and VP of Innovations & Strategic Partners, Ms. Kellie Goodwin.

The speakers talked about the newest products and technologies that VISA develops in cooperation with its worldwide partners.

Ms. Goodwin took the group to VISA's Innovation Center to receive hands-on experience with the prototypes used everywhere - grocery shopping, purchasing a car, dealing with home appliances and others.

Afterwards, the business delegation was welcomed at the HQ of LinkedIn Company, which developed the renowned business- and employment-oriented social networking platform.

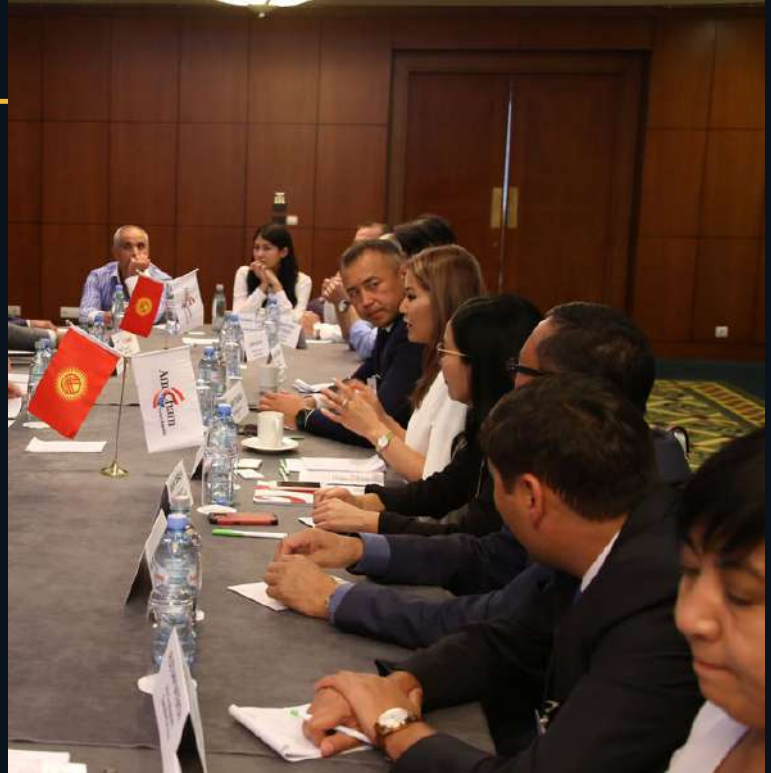
The business tour was finalized with visiting iSoftStone - a leading provider of outsourced technology services. The company creates innovative solutions to drive digital transformation and Smart Cities. Specifically for our delegation's visit, the company had invited its main partners, such as Verizon, Vestlink Incubation Centre, Frontrow and other innovative companies based in the Seattle area.

We sincerely thank Salesforce, VISA, Cisco, LinkedIn, iSoftStone, Google, Amazon, Stanford University and AmBAR (the American Business Association for Russian speaking professionals) for the unique opportunity to see the backstage of the future technology development through exclusive meetings and visits.

We also would like to express our sincere gratitude to the delegates of the 4th Business Tour to the US – the leaders and representatives of leading companies of Kyrgyzstan, who are constantly striving to keep abreast of the latest technologies in the world and to become pioneers in implementing the most sustainable solutions for the development and growth of their companies.

BUSINESS DELEGATION FROM KYRGYZSTAN VISITED GEORGIA

From September 6 to September 9, 2017, AmCham organized a business delegation of CEOs and top managers of leading Kyrgyz companies to visit Georgia to learn about the top-level reforms that are at the root of the formation of the new Georgia and to search for potential business partners and opportunities.



Within the framework of the program, meetings were held with heads of government bodies, such as Vice Prime Minister of Georgia, Mr. Jejelava; Deputy Minister of Foreign Affairs of Georgia, Mr. Jalagania; Deputy Minister of Finance of Georgia, Mr. Gagua; Deputy Minister of Economy and Sustainable Development of Georgia, Mr. Cherkezishvili; Deputy Minister of Agriculture, Mr. Asatiani; Director of the Consular Department of the Ministry of Foreign Affairs of Georgia, Mr. Tabatadze; and Member of Georgian Parliament, Chairman of the Committee for Environmental Protection and Natural Resources in the Parliament, Mr. Kuchava. The issues discussed at the meetings included economic reforms, tax reforms, reforms in the agricultural sector, the e-governance system (electronic government and electronic services web portal), and reforms in education. The participants of the business delegation were given a presentation by the Chairman of Georgia's Innovation and Technology Agency (GITA) Mr. Zviadadze on innovations and technologies in the key sectors of Georgian economy. On the same day, the delegation participants visited the Parliament of Georgia, followed by a reception hosted by the American Chamber of Commerce in Georgia in honor of the kyrgyz delegation.

The second day of the program began with a visit to the famous Public Service Hall, which brings together more than 300 services and organizations, such as the National Bank of Georgia, Ministry of Energy, National Archive and known for its unique service settings.

On the second day of the program, the delegation met with Business Development Director of "United Global Technology" (UGT) Company, Mr. Hetsuriani, known as a major developer electronic public services; General Director of Adjara Group, Mr. Chekheria, one of the biggest international and local hotel chains in Georgia; Georgia's Business Ombudsman, Mr. Dzelashvili; the Head of Georgian Venture Capital Association, Mr. Kukava; General Director of the "Anaklia City" Project, Ms. Bochorishvili as well as members and partners of the American Chamber of Commerce in Georgia.

The business delegation also visited the Joint Operations Center under the Ministry of Internal Affairs of Georgia at the invitation of the leadership of Georgian Ministry of Internal Affairs. The delegation was welcomed by Deputy Minister of Internal Affairs, Mr. David Vardiashvili, and Director of the Joint Operations Center, Mr. Giorgi Arsoshvili, who shared about the "Safe City, Safe Region, Safe Country" Project. Within the framework of the project, "smart cameras" equipped with video-analytical programs have been installed throughout the country, which are connected to a single network of the Ministry of Internal Affairs, by means of which the Joint Operations Center carries out continuous monitoring. By the end of 2017, they plan to install another 3,000 video cameras throughout the country.

The American Chamber of Commerce in the Kyrgyz Republic expresses special thanks to partners in Georgia and Kyrgyz delegation members for their responsiveness and invaluable support.



Prime Minister Sapar Isakov congratulated women-entrepreneurs of AmCham KR member companies

On September 20, in honor of Entrepreneur's Day, the Prime Minister of the Kyrgyz Republic, Isakov Sapar Zhumakadyrovich, congratulated women-entrepreneurs and representatives of the business community during an official ceremony. Among the guests invited to the ceremony also were women-leaders of AmCham KR member-companies: **Nurgul Tursushkova**, General Director of Aviabileti.kg, **Gulnara Shamshieva**, General Director of Bai Tushum Bank, **Margarita Cherikbayeva**, Chairman of the Board of FINCA Bank, **Aida Asyrandieva**, Head of KPMG Bishkek, **Larisa Kutateladze**, Director Mark Audit Bishkek, **Ainura Sagynbaeva**, Director of Steppe Learning KG, and also **Elmira Myrzakulova**, Deputy Head of CHES Company.

Our sincere congratulations and best wishes in your future endeavors.

Minister of Economy Artem Novikov awarded entrepreneurs for their service

On September 20, a solemn recognition of entrepreneurs for their services and significant contribution to the development of the country was held, where the Minister of Economy of the Kyrgyz Republic, Artem Novikov, and the Vice Prime Minister of the Kyrgyz Republic, Tolkun Abdygulov, presented diplomas and badges to the awardees.

Our sincere congratulations to the members of the American Chamber of Commerce in the Kyrgyz Republic - co-Founder of Shoro Company, Founder of Kara-Bulak Eco Resort, **Zhumadyl Egemberdiev**, and General Director of Alfa Development Construction Company, **Rustam John** - for receiving the Honorary Recognition Award from the Government of Kyrgyz Republic in celebration of the Entrepreneur's Day!

AmCham KR wishes them further success, more interesting projects and prosperity in business!

AmCham KR representatives attended "Public-Private Partnership" roundtable

On September 14-16, a round table was held on the topic of "Strengthening the Public-Private Dialogue". During the round table, various issues were discussed, including challenges and perspectives for the business community within the Eurasian Economic Union, facilitation of trade, export development programs and others.

The American Chamber of Commerce expresses its gratitude to the Investment Council under the Government of Kyrgyz Republic for organizing this event for representatives of business associations.



CJSC "Coca-Cola Bishkek Bottlers" recognized as best taxpayer in Kyrgyzstan

For the significant contribution to the development of the country's economy, active participation in the formation of the revenue side of the budget, conscientious implementation of the tax legislation, based on the results of activity for 2016 and five months of 2017, "CJSC Coca-Cola Bishkek Bottlers" was given the "Best Taxpayer Award" in Kyrgyzstan.

The Coca-Cola Company is a leading manufacturer of soft drinks, both in terms of production and in the range of brands. The brand is represented in more than 200 countries around the world and has been operating in Kyrgyzstan since 1996. For more than 20 years, Coca-Cola Bishkek Bottlers CJSC has become one of the largest taxpayers and paid more than 3.4 billion som to the state budget. Today, the company is known as a steadily growing international organization, contributing to the development of society with programs aimed at developing healthy lifestyles, economic development and environmental protection. The company intends to continue carrying out a transparent business process and significantly contributing to the economy of the country.



A seminar on cybersecurity held in Bishkek

On September 21, 2017, with the assistance of the National Bank of Kyrgyz Republic, a Seminar on "Information Security in the Banking Sector" was held in Bishkek, which brought together 50 participants from the country's commercial banking sector and leading CIS experts in the field of cybersecurity.

Alla Panfilova, Head of the Information Protection Department of the National Bank of Kyrgyz Republic, opened the event. She stressed the critical importance of enhancing the cybersecurity of the country's financial sector and the importance of meeting international requirements in this area. Dmitry Beresnev, Director for Cybersecurity, Software Asset Management and Control over Compliance with the Terms of Licensing of the Microsoft CIS, spoke about the current problems of cybersecurity in the banking sector and delivered a presentation on the topic "Licensed software is simple and safe." Softline expert Dmitry Kim explained in detail how one can use Software Asset Management (SAM) as a tool for cybersecurity.

"The close relationship between unlicensed software and malicious programs is confirmed by the BSA study, the results of which indicate a high direct correlation ($r = 0.79$) between the level of use of unlicensed software and the level of distribution of malicious programs. Using non-genuine software not only entails administrative responsibility, but also causes leakage of important corporate data. Enterprises that install pirated software on working computers are often victims of cybercrime. Savings received from the installation of licensed software is an illusion: the company will spend much more money on the restoration of the compromised system and payment of penalties for the offense," says Dmitry Beresnev, Director of Cybersecurity and Software Asset Management at Microsoft CIS.

Martin Breacker, Orion's Executive Chef, has prepared a completely new Alpine Menu based on the cuisine from the region of the Alps. Moreover, our team will surprise you with exotic dishes from the meat of ostriches, crocodiles and even kangaroos. And for sweet lovers, our Pastry Chef Andreas prepares beautiful desserts with refined chocolates and berries.

We are ready to impress your palate by the taste of our international meals. Looking forward to welcoming you at the Symphony Restaurant at Orion Hotel Bishkek. For further information, please dial +996 312 55 66 66 or email: info@orionbishkek.com



*New Alpine Menu
from Orion's
Executive
Chef
Martin Breacker*

Annual Global Corporate Social Responsibility Day by Grant Thornton

Just like last year, Grant Thornton-Kyrgyzstan has organized a number of events this year as well, within the framework of the Annual Global Corporate Social Responsibility Day, initiated by Grant Thornton International.

During an entire day, the employees of Grant Thornton-Kyrgyzstan were visiting several orphanages and nursing homes in Bishkek, with the aim of providing assistance and attention to people in need.

The activities of Grant Thornton-Kyrgyzstan in the field of corporate social responsibility are carried out on a yearly basis. We try not only to render financial assistance to certain institutions, but also to make a real contribution to the improvement of life of local communities around the world," commented Executive Director of Grant Thornton of Kyrgyzstan, Mr. Armen Vanyan.

The 7th Central Asian Trade Forum "Future Growth: Trade, Transport, and Horticulture" USAID

The 7th Central Asian Trade Forum "Future Growth: Trade, Transport, and Horticulture" USAID took place in Rixos Hotel, Almaty (Kazakhstan) on October 19, 2017. As the official partner, Crown Agents presented a panel session "Frontier Technologies in Trade Development".

The discussions on the following topics were held:

1. The need for innovation in the modern world.
2. The legislation in Central Asian countries in the field of application of frontier technologies.
3. The use of body-worn cameras by Customs services in order to increase transparency and reduce corruption risks.
5. The use of digital excise labels at the Customs
6. Solar energy in agriculture and other sectors of economy.



The Forum's official website - <http://catradeforum.org/>

Former Premier League players: Micky Adams and Alan Rogers visited Bishkek International School

Former Premier League player and manager Micky Adams and former Premier League player Alan Rogers were invited to Bishkek International School on September 15th. They trained BIS MYP students who were lucky enough to have PE lesson when the visitors came. Training was followed by a Question & Answer session that gathered all students interested in football to have a chance to ask questions to these experienced players. Students were shown how to warm-up and learnt that teamwork is very important when it comes to football. Interesting games, engaging atmosphere of teamwork and amazing trainers made the day very memorable for all participants. It was great fun for the students. BIS says thank you to the UK Embassy in Kyrgyzstan and the Ambassador Mr. Robin Ord-Smith for this opportunity given to BIS's students.



Jannat Hotels and Resorts is giving away a trip to Turkey

If you would like to go on a trip to the mysterious Turkey, Jannat Hotels is presenting such an opportunity to its customers!

Terms and conditions:

Hold a wedding party or banquet at Jannat Regency/Jannat Resort for 50 or more guests from July 25 through November 25, 2017.

The average bill for the banquet or buffet must constitute 2,000 som per person.

And be entitled to:

- An opportunity to win a trip for 2 people to Antalya at the "All Inclusive" deal in May 2018 for a period of 7 days and 6 nights.
- Additional discount of 3% for all services by "Phoenix Travel" upon presenting a business card or flyer.

This special offer is valid through November 25, 2017.



World Bank and Swiss Government to Support Improvement of National Audit and Financial Reporting Systems in the Kyrgyz Republic

On September 13, 2017 the State Service for Regulation and Supervision of Financial Markets of Kyrgyz Republic and the World Bank have launched a new technical assistance project aimed at improving the quality of audit and financial reporting in the Kyrgyz Republic. The Kyrgyz Audit and Reporting Enhancement project (KAREP), funded by the Government of Switzerland through the Swiss State Secretariat for Economic Affairs (SECO), will work to enhance the investment climate in the Kyrgyz Republic by increasing the availability of transparent and reliable financial information.

Over the course of three years, the State Service for Regulation and Supervision of Financial Markets and the World Bank will work towards raising the quality of audit services and building trust in the audit profession, as well as strengthening financial reporting capacity and raising public accountability of state-owned enterprises. In addition, the KAREP project will help SMEs to bridge their accounting knowledge gap and compile financial statements acceptable to local banks, thus, contributing to improvement of access to finance for smaller businesses.

"KAREP is an important government-driven and government-led initiative to modernize and strengthen corporate financial reporting policies and practices in the public and the private sector in Kyrgyzstan. This will contribute to improved governance through the adoption of international best practices in financial reporting and auditing. This is an ambitious goal, but we certainly have the right partners to succeed," said Ambassador of Switzerland to the Kyrgyz Republic Véronique Hulmann.

"Increasing transparency and accountability of the Kyrgyz economy is among the priority tasks of the Kyrgyz Government's "40 steps to New Era" and also of the 2014-2020 Strategy for development of financial reporting of the Kyrgyz Republic," said Sanjar Mukanbetov, head of the State Service for Regulation and Supervision of Financial Markets. "The project will contribute to building a more transparent relationship between the state and the private sector, which is prerequisite for promoting competitiveness, diversification, productivity and job creation in the Kyrgyz Republic."

Bolormaa Amgaabazar, World Bank Country Manager in the Kyrgyz Republic stressed the importance of the effective financial reporting as a measure to improve business environment in the Kyrgyz Republic. "The improved understanding and use of financial information will establish a basis for informed decision making by business owners, investors and lenders, enhanced supervision by regulators and better access to finance for growing enterprises." said Bolormaa Amgaabazar.

The project will benefit the Kyrgyz business community and other stakeholders, including state and privately owned companies, SMEs, Kyrgyz government and regulators, accounting and audit profession in general, as well as students majoring in related disciplines. It will be managed by the Centre for Financial Reporting Reform (CFRR), the World Bank's specialist center in Vienna for providing knowledge and advisory services to support reforms in financial reporting.

The Red Crescent Society of Kyrgyzstan, together with its counterpart Turkish Red Crescent Society, organized charity event in support of vulnerable groups of population

The Red Crescent Society of Kyrgyzstan, together with its counterpart - Turkish Red Crescent Society - organized a charity event in support of vulnerable groups of population.

This charity event took place on September 1-4 and covered vulnerable families from all four districts of the capital; assistance was also distributed among orphanages, rehabilitation centers and nursing homes. The distribution of meat also covered institutions in charge of care for children in difficult life situations, orphans, persons with disabilities, elderly people, people without a place of residence, TB patients, people living with HIV, and representatives of other vulnerable groups.

On the first day of the charitable event, the distribution of assistance was held in the Rehabilitation Center "Obereg". This Center treats children with most complex mental and physical diseases: Children's Cerebral palsy, epilepsy, Down's syndrome, mental retardation, autism, etc. are treated and rehabilitated. Also on this day, assistance was provided to the Center for Adaptation of Children under the Bishkek City Hall and low-income families in the new settlements of Bishkek: Ak-Zhar, Ala-Too, Kyrman.

On the second day, vulnerable families from Kok-Zhar new settlement received meat packages. Volunteers and employees of the Red Crescent Society of Kyrgyzstan visited Bishkek orphanage for the elderly and people with disabilities.

On the third and fourth days of the charity event, vulnerable families from four districts of the capital were distributed meat. The assistance was provided to families containing people with disabilities, lonely elderly people, low-income pensioners, large families and other unprotected categories of citizens.

Microsoft

Founded in 1975, Microsoft (Nasdaq "MSFT") is the worldwide leader in software, services, devices and solutions that help people and businesses realize their full potential. Microsoft is the leading platform and productivity company for the mobile-first, cloud-first world, and its mission is to empower every person and every organization on the planet to achieve more. Microsoft products are sold in more than 80 countries around the world, have been translated into more than 45 languages, and are compatible with most PC platforms.

ARABIS Group

"ARABIS Group" company is a successfully and dynamically developing legal services company, whose history began back in 2009 as an association of professionals representing several generations and different areas of law. This allowed them to occupy a leading position in the field of providing widely ranging legal services, owing to the combination of the contemporary approach to and years-long experience of dispute resolution.

"ARABIS Group" company continuously improves on its expert knowledge, skills, and application of legal regulations in the interest of its clients. During the many years of experience of the highly qualified lawyers of "ARABIS Group", the company has developed a unique practice and methodology for resolution of disputes of any complexity.

"ARABIS Group" company has been providing legal support to businesses in different sectors of commerce for many years. Thanks to the close cooperation with our company, our partners are certain in what tomorrow brings.

MIRSOFT

The main vector of MIRSOFT's work is the development of mobile applications.

At this stage, Mirsoft has a portfolio of 9 finished products, whose creation required over 50,000 hours of work. Working with partners and clients provides for two main formats - development of a new mobile application as per terms of reference, and a partnership according to a model of 'revenue sharing' on the ready products in local markets throughout the world and the global market. The staff of the company is constantly growing and, as of September 2017, it constituted more than 20 employees.

Moskva Restaurant Complex

One of the most known places in Bishkek — the Moskva restaurant complex – is located on the two ground floors of Business Center "Russia".

Everything in the local concept has coincided successfully: location, interior of restaurant, spacious parking lot. Despite the impressive space containing 130 seats, from the first glance the restaurant looks attractive in the style of old European traditions; this effect is created due to dark tree interior, in combination with textiles and desk lamps. There is a VIP-room with a high level of comfort for conducting business meetings, negotiations and conferences for a small number of participants, birthday parties, and other celebrations in a circle of closest people. On weekends, there are evenings of live music, corporate parties, romantic dinners here.

The kitchen offers culinary hits of various cultures. Gastronomic delicacies here adjoin simple but favorite dishes. On weekdays, the spacious dining room works on the first floor, offering a wide range of dishes and drinks and featuring bakery and dessert specials. On weekdays, there is a buffet on the second floor, where guests can taste fusion cuisine.

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