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BUSINESS INSIGHT

AMERICAN CHAMBER OF COMMERCE
IN THE KYRGYZ REPUBLIC



SOCIAL MEDIA



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AmCham Executive Director Aktilek Tungatarov took part in a meeting of Chairman of the Cabinet of Ministers of the Kyrgyz Republic with Kyrgyz entrepreneurs on the issue of restoring Batken



On May 4, 2021, Aktilek Tungatarov took part in a meeting of Prime Minister of the Kyrgyz Republic Ulukbek Maripov (now Chairman of the Cabinet of Ministers of the Kyrgyz Republic) with Kyrgyz entrepreneurs on the issue of restoring the affected villages of the Batken region after the border conflict with Tajikistan.

The business community expressed a desire to support the affected citizens. In particular, construction companies are ready to undertake the construction and reconstruction of destroyed houses. 136 houses have been completely destroyed and cannot be repaired, i.e. they will be built from the ground up.

In total, 700 million soms were allocated from the state budget for the restoration. 500 million soms of this amount will be spent on the reconstruction of social facilities and the construction of roads to the affected villages. The remaining 200 million soms will go to the construction of destroyed housing. If the business community provides support, the saved amount will be used to establish the infrastructure of the settlements.

AmCham members visited the “EcoFerma” farm



May 17, 2021, members of the American Chamber of Commerce and mentees of the AmCham Mentors Club project visited the “EcoFerma” farm.

The founders of the farm, Jamilya Imankulova and Daniyar Alymov, told about the history of the EcoFerma, about the features of organic farming and about projects related to the promotion of healthy food: a summer eco-camp for children on the farm, an autumn eco-festival and the launch of an application through which people can order organic products.

A master class on making Raw sweets and aromatic herbal teas was held for the participants of the event. The founders of the EcoFerma conducted a tour of the farm and treated the participants to a delicious lunch made from vegetables and herbs grown in the beds of the farm.

The American Chamber of Commerce expresses its gratitude to Daniyar and Jamilya for their hospitality, an interesting tour of the farm and a pleasant time spent.



AmCham shared the results of a survey on the impact that pandemic caused to the business of the Kyrgyz Republic

On May 26, 2021, Akchabar Financial portal has published the results of a survey conducted by the American Chamber of Commerce on the impact that pandemic caused to the business of the Kyrgyz Republic.

Follow the [link](#) to find out the answers:

- What items of expenditure have been cut by enterprises due to the pandemic?
- What problems does the business expect in the nearest future?
- What measures to overcome the crisis does the American Chamber of Commerce propose to take to the State?

The results are also available at www.amcham.kg

This research was supported by the Center for International Private Enterprise (CIPE).



Aktilek Tungatarov took part in the TV show «Иш күндүн кечи» (Hard Day's Night)

On May 27, 2021, the Executive Director of the American Chamber of Commerce in the Kyrgyz Republic, Aktilek Tungatarov, took part in the TV show «Иш күндүн кечи» (Hard Day's Night). He told about the barriers and challenges of doing business, the prospects for development and underlined the fact that human capital is the main factor for the socio-economic development of any country. Watch the video [here](#).



Closing ceremony of the second round of the AmCham Mentors Club project was held



On June 10, 2021, the closing ceremony of the second round of the AmCham Mentors Club project was held at the Supara Kok-Zhar Ethno-Complex.

The program was aimed at building mentoring interaction between top managers and entrepreneurs of leading companies in



Kyrgyzstan and graduates of US Government programs (FLEX, ACCESS, UGRAD). This year, the project was mentored by the heads of 22 companies, such as Hyatt Regency Bishkek, Toyboss, Bank of Asia, Coca-Cola Bishkek Bottlers, Demir Kyrgyz International Bank, Bai Tushum Bank, SOS Children's Villages of Kyrgyzstan, Bridges Hotel, Baker Tilly Bishkek,

Freedom Finance, the Honorary Consulate of Denmark and other leading companies and organizations.

During the closing ceremony, mentors and mentees were awarded certificates of successful participation in the program, and the winner of the essay contest was announced - Aigerim Kurmanbekova, a mentee of **Kadyrakun Nurmatov, General Director of Integra Engineering Group**. Aigerim won the prize – an Amazon Kindle Paperwhite e-book reader. All participants who took part in the essay contest were awarded sets of books from the Bank of Asia.

The guests of the event welcomed the new members of the American Chamber of Commerce:

- "Business Assistant" LLC
- "MNS Holding" LLC
- "Makro Construction" LLC

Executive Director of the Chamber Aktilek Tungatarov and Chairwoman of the Board of Directors Nazira Beishenalieva thanked the mentors for their participation and

expressed hope that the project will expand and more young professionals will be able to find a wise mentor for themselves.

After the official part, the guests of the event enjoyed a live performance from the Friends music band, and also took part in exciting competitions.



Please enjoy the [video](#) from the event. In [this video](#), mentees of the program shared their impressions of working with their mentors.

AmCham expresses its gratitude to the mentors, mentees and partners of the project for their invaluable contribution, as well as to the US Embassy for their support!



Welcome
BUSINESS ASSISTANT
AmCham New Member



Welcome
M·N·S HOLDING
AmCham New Member



Welcome
MAKRO CONSTRUCTION
AmCham New Member



*Essay of the winner of the Essay contest
Aigerim Kurmanbekova*

How my participation in the AmCham Mentors Club influenced my personal and professional development?

Aigerim Kurmanbekova

Have you ever been told that you have chosen to study Engineering in order to find a husband? You might get think that I am dramatizing the situation, but this is my story. When I got an acceptance letter from undergraduate admission of Kyrgyz-Russian Slavic University's Civil Engineering Program, people were convincing my parents not to allow me to go to the university mistakenly thinking that being one of the few female students in the whole cohort is 'Uyat' (a shameful action). People in my local patriarchal community still consider women willing to study STEM do so as it is the fastest way to find a husband.

At an early age, I understood that education is a key to the development and protection of myself and others, and participation in the AmCham Mentoring Program made my desire to expand my knowledge stronger. "This is Aigerim and she is an outstanding engineering student with great future plans regarding the Construction sector of Kyrgyzstan. She is here to learn and I hope you will

help her by sharing your experience," were my mentor's – Kadyrakun Nurmatov, general director of Integra Engineering Group - words when he introduced me to his company's board team. I do remember myself when I first came to AmCham Mentors Club – full of ideas but lost in the professional track due to lack of experience – looking for a person who could help me to better understand my future profession and find my career path. My mentor became the person who created a learning platform for me by placing me in his company where I can learn from different professionals starting from Structural and ending with Electrical Engineers. The important thing I have learned from him is to always stay faithful to values and patient for the challenges.

I strongly believe that AmCham Mentors Club creates leaders who contribute to their local and global communities. It is a platform of networking and experience sharing where you get inspired not only by mentors or guest speakers but mentees as well. All sessions and training I have had within the AmCham such as Emotional Intelligent, Personal Branding, Effective Communication, Career Planning, etc. allowed me to look at some specific situations in my life from a different perspective. For instance, Personality types training by the Authentic Lives team helped me to better understand my personality in comparison to others. I realized that every person sees

the world differently and I started using this tool for communication with people in my professional field. I can say that AmCham Mentors Club influenced my personal and professional development by providing relevant knowledge and skill that will help me to reach my future goals that stand with the development of a community where no one can tell women that studying a traditionally male occupation is 'Uyat'.



AmCham team met with representatives of the Political and Economic Affairs Department of the US Embassy in the KR



On June 17, 2021, AmCham team met with representatives of the political and economic affairs department of the US Embassy in the Kyrgyz Republic. The current cooperation between the organizations was discussed, as well as plans for the future.

Nurzat Aidaraliev, HR Director of Coca-Cola Kyrgyzstan, held a seminar on “Staff Motivation” for AmCham members



On June 18, 2021, Nurzat Aidaraliev, HR Director of Coca-Cola Kyrgyzstan, held a seminar on “Staff Motivation” for members of the American Chamber of Commerce. The speaker talked about the main tools for recognizing employee’s motivators, talked about how to draw up a motivators map, how to act with demotivated employees and work with representatives of different generations. Nurzat also conducted practical exercises where the participants were able to practice the use of projective questions and learned how to identify ways of motivation according to the answers.

We express our deepest gratitude to Nurzat Aidaraliev for such an interesting and useful seminar!

The article of the AmCham BOD Chairperson Nazira Beishenalieva “Capital security in Kyrgyzstan is the Achilles heel of State policy”



In this article, the author tried to draw attention to the role of the prosecutor's office in ensuring the safety of private capital and protecting investors from administrative lawlessness on the part of state bodies.

You can read the article [here](#).

AmCham 2025 Strategic Vision was discussed

On June 23, 2021, a discussion was held on the AmCham 2025 Strategic Vision. Members of the Board of Directors and members of the Chamber discussed the vision, focus areas, priorities of development and other important issues.



Open days for participants of “Girls in Science” project in the Bank of Asia CJSC



From June 3 to 4, open days were held for the participants of “Girls in Science” project. This project aims to give special attention, and the necessary knowledge to girls, so that they can make an informed choice of a profession in the field of science, technology, engineering and mathematics.

The participants were given a tour in a bank's branch, showed how the bank works from the inside, and conducted a training on financial literacy, during which they learned about banking services and products. The girls have already begun to think about the effective



using of pocket money and the accumulation of savings. Their interest and active participation in the discussion – pleasantly surprised the Bank's employees.

The Bank's team expresses its gratitude to the International Public Foundation “Roza Otunbayeva Initiative “for the opportunity to be part of such a project that can affect the bright future of girls of the current generation, and also hopes that the participants of the project” Girls in Science “ will continue to improve financial literacy.

Bishkek International School: 10th Anniversary Show



BIS celebrated its 10th year Anniversary with a fantastic African-inspired music and dance concert involving students from Preschool to DP. This was followed by a thrilling performance of “The Lion King” musical which had over 90 students involved. Concurrently, they had a “Theory of Knowledge” exhibition in the lobby, by the DP1 students. The audience was also able to experience a colourful African-inspired art exhibition, featuring works by all students of all ages, organized by art teachers. The students worked really hard since December 2020 to put this show together. Many students spent extra hours after school practicing as well as sacrificing their lunch/recess time. Putting on a show like this is a lot of work. The entire performance was inspiring and well received! To see performances follow links: [African Themed concert](#) and [The Lion King](#).

BIS is looking forward to the next year's Anniversary show which will take place in December 2021.

DemirBank: current and innovative products

Demir Kyrgyz International Bank CJSC (DemirBank brand) has been successfully operating in the Kyrgyz market for 24 years, providing a wide range of banking services for corporate customers, SME customers and individuals using innovative banking services. A successful indicator of the Bank's activities is a wide customer base, as well as a constantly expanding range of services.

One of the main activities of the Bank is the provision of mortgages for individuals. Today DemirBank together with construction companies offer its customers the widest range of mortgage products in the market of our Republic. All of this makes the purchase of a new apartment, both completed and at the initial stage of construction, an easy and quick process.

DemirBank has launched an innovative product on the market – Card Plus. This product allows buying any goods and services in installments up to 12 months in more than 250 retail outlets throughout the Republic, without visiting the Bank's offices and providing a package of documents!



For many years DemirBank has been receiving honorary awards for its successful activities in the banking sector and is recognized as the best bank in Kyrgyzstan according to Euro-money, Global Finance, Trade Facilitation Program, Asian Development Bank, The Banker, The Asian Banker, CITI.

Kompanion Bank supported affected citizens in Batken region



In order to support fellow citizens who suffered during the events on the Kyrgyz-Tajik border and were evacuated, Kompanion Bank CJSC purchased food, medicine and other essential goods for the amount of KGS 1 million 100 thousand. Through the efforts of the bank's employees, humanitarian aid was distributed and donated to the beneficiary settlements in the evacuation zones.

To ease the financial burden of affected borrowers, Kompanion Bank CJSC has developed a special program to support clients, according to which the bank will write off the credit obligations of affected clients in the amount of up to KGS 3 million. Moreover, the Bank has allocated funds to provide one-time financial assistance in the amount of KGS 100,000 each for seventeen borrowers who have found themselves in a difficult economic situation as a result of the conflict on the Kyrgyz-Tajik border.

The Bank's team expresses the hope that our country will have a peaceful sky and unity.

Green Light engineers have been certified on Cisco Meraki solutions

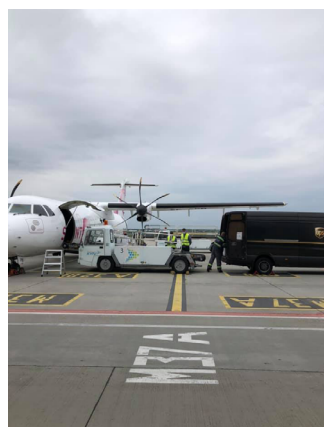


Green Light engineers continually learn, pass complex exams and get certificates from the world's IT manufacturers. Network engineer Eduard Kim and consulting engineer Alex Murkaev received the basic certificate in Cisco Meraki solution — CMNA (Certified Meraki Networking Associate).

Cisco Meraki is a high-end cloud-managed Wi-Fi networking solution. Meraki access points support the latest 802.11n and 802.11ac Wi-Fi standards and include antennas that improve signal reception sensitivity without loss of range.

The CMNA certification validates that engineers can plan, design, operate and implement Cisco Meraki solutions in environments ranging from small deployments to large enterprises.

Crown Agents delivers over 1,3 mln COVID-19 vaccine doses around the world



The global COVID-19 vaccination campaign lasts almost half a year. All this time, our Crown Agents team, as a procurement agent for the Government of Ukraine, is making the best effort to ensure that people of Ukraine have the choice of the most effective vaccines against leading international manufacturers.

Crown Agents was entrusted by the UK Government to distribute their very first round of COVID-19 vaccines to fourteen UK's Overseas Territories, many of which are located in hard-to-reach regions of the world. Despite an unprecedented supply chain environment and global transport disruptions, our experienced team was able to navigate the complex logistical challenges and safely deliver 500,000 doses the vaccines without spoilage or delay.

The contract with the Government of Ukraine was signed in mid-January, and thanks to Crown Agents' efforts, 500,000 doses of the COVISHIELD™ vaccine developed by AstraZeneca and the

University of Oxford arrived in the country in early February. Crown Agents Ltd has signed the contract with Pfizer-BioNTech and 300,690 doses have been delivered to Ukraine on June 9, 2021 and there will be more deliveries in the near future.

Bai Tushum is recognized as the Best Internet Banking according to the Digital Forum 2021 SME Banking Club research among the Internet banking services of Kyrgyzstan

SME Banking Club selects the best banks in the CIS and Caucasus countries each year and explores their mobile and Internet sectors, evaluating the entire functionality of business services.



Bai-Tushum launched a unique mobile app BTB Online

On June 11, 2021, the BTB Online mobile app was presented. Ample opportunities opened up for the bank's clients to receive automated services for opening an account, ordering VISA payment cards, connecting the Internet and mobile banking, changing their account passwords and obtaining cash loans, which is a sign of the uniqueness of the project. In addition, the app simplifies e-document management. A user does not need to constantly go to the bank and sign documents, all this is automated by means of an electronic signature and can be traced in his personal account.

The BTB Online app allows the bank's customers to purchase various goods through an integrated marketplace. In five minutes, anyone can buy from small gadgets to large products on credit worth up to one hundred thousand soms from a single store. In order to grant a loan, the bank will check the client's data with state bodies - the Social Fund, the State Registration Service and the State Tax Service in a few minutes.

The App is available for download on the Play Market and App Store.

BTB Online





Effective use of audit innovation

The use of advanced technology in audits is essential and critical. A data-driven risk assessment offered through analytic tools can generate improvements to quality and effectiveness, and greater audit efficiency translates into time saved for your company that can be invested elsewhere. But we must not ignore an essential product and, in many cases, byproduct of audit innovation such as insights.

Insights

Audit innovations are constantly evolving to provide better and more efficient audits.

Does your board know what innovations the audit firm is using to work with you? How can the results of an audit benefit your company?

This article will help directors determine what to ask auditors.

Macro insights are applied more broadly at the market level, such as perspectives on the development of a certain sector, external data sources and, of course, the experience of the audit team. Macro-insights are usually linked to key performance indicators (KPIs), complementing micro-insights. An example of macro-insights related to the company's operations can be the identification of the fact that the company's sales per square foot are significantly lower than in the peer company. Based on the identified fact, the company can resort to the optimization of retail space, which, in turn, can lead to a significant increase in revenue, gross profit and enterprise valuation, in general.

Micro insights arise from transaction analysis or analyses conducted at the organizational level as an improvement to the risk assessment of financial reporting by identifying significant transactions, optimize sales initiatives. In order to effectively audit the sales of one trading company, the auditors performed all the necessary analytical procedures, including discount analysis, and were able to identify certain customer behaviors that were not previously apparent to management. Equipped with this insights, the company began refocusing its rebate program to exclude customers who were not using rebates. All of this, as a result, led to a reduction in the liabilities associated with the customer loyalty program, as well as an increase in a working capital.

Five questions the board needs to ask auditors for better understanding of how the auditor is using innovation to generate insights valuable for your company.

1. What audit insights can improve your financial performance?

Micro insights can include observations on financial metrics that can optimize and improve business processes. For example, analysts can identify repetitive manual entries that can be automated, or regression analysis can allow management to develop estimates more accurately and quickly. Management will also need to consider how best to reallocate the resources freed up due to the efficiency opportunities identified by the auditors.

2. What innovations are being used in the audit and why?

Not all innovations are a fit for all companies. Your auditor should select a set of available technologies specifically for your industry and your company. For example, analyzing 100% of transactions may make little sense for companies with few transactions. Alternatively, revenue volatility analytics is more appropriate for companies with recurring invoices from customers at regular intervals (e.g., software licenses or subscriptions) rather than for retail companies with a differentiated portfolio of sales and customers. In other cases, revenue analytics may not be suitable at all.

Conversely, if there are any innovations that could contribute to the audit but are not being used, the board can help identify the reasons and remove any barriers to implementation resulting from the company's financial reporting process, such as incompatible IT systems.

3. How is audit innovation impacting the quality of the audit?

Analytics improve quality by accurately identifying risks and focusing auditors' attention on those areas that require it. For example, revenue analytics allows the auditor to identify riskier transactions while spending less time on analytical procedures focused on transactions with very low risk of material misstatement. Automation also improves audit quality when the team no longer gathers information manually. This involves preparing and transferring working papers, performing schedule analysis, performing all sorts of calculations, etc. When these important but tedious tasks are automated, the team can focus on more important tasks that improve the overall quality.

4. How are innovations delivering efficiencies in the audit?

One of the goals of audit innovation is to increase the effectiveness across the entire audit process, including for your people. For example, data analytics reduced the sample size by up to 50% when data-driven insights identified notable transactions that pose the greatest risk and helped focus the audit team's efforts. This means your company spends less time on auditor requests or requirements. And auditor's risk assessment can provide valuable insights regarding increased risk in certain operations, and other innovations can streamline processes and, over time, reduce disagreements in the audit approach.

5. What audit insights can improve your reporting process?

At a macro level, the auditor's understanding of peer companies in your industry should help provide perspective on how the company is performing relative to peers. Reviewing the results of analytics covering other companies in the same industry could reveal opportunities to improve certain financial ratios or KPIs.

If you would like to develop a deeper understanding, we'd be happy to provide a demonstration of how we are applying innovative technologies to audits today and help demonstrate how it's about not just the quality of the audit — but also the quality of your experience with your auditor.

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“ATS-Group” LLC



“ATS-Group” (“Bai Dyikan” TM) brings to your attention the supply of mineral and organic fertilizers from manufacturers of Uzbekistan, Kazakhstan, Turkmenistan and Russia. The company started its first steps back in 2007. Today the company has a large client base with over 200,000 customers throughout the country and good relationships with manufacturers.

The company is actively scaling up and pursuing its main goal – to provide customers with a wide range of goods and services for agricultural needs at the best prices. Today “ATS-Group” is ready to provide agricultural producers with high-quality hybrid corn seeds of such well-known companies as: “Pioneer” (USA), “Syngenta” (Switzerland), “Otbor” (Russia), “ROSSAGROTRADE” (Russia), Chinese selection. The company is also the official representative in Kyrgyzstan of the Italian company “Continental Semences”, a producer of such lucerne varieties as GEA and Dimitra.

MEMBERS OF THE AMERICAN CHAMBER OF COMMERCE IN THE KYRGYZ REPUBLIC



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