



**ACN**

**Anti-Corruption Network for Eastern Europe and Central Asia**

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**ISTANBUL ANTI-CORRUPTION ACTION PLAN**

**KYRGYZ REPUBLIC**

**PROGRESS UPDATE**

This progress update on the implementation of recommendations from the Second Monitoring Round report for Kyrgyz Republic of February 2012, was adopted at the 13<sup>th</sup> meeting of the ACN Istanbul Action Plan on 16-18 April 2014.

## SUMMARY

The second round monitoring report on Kyrgyz Republic was adopted by the Istanbul Anti-Corruption Action Plan monitoring meeting in February 2012. The progress report on implementation of the recommendations adopted in the second round was submitted by the ACN National Coordinator of Kyrgyz Republic – the Office of the Prosecutor General of Kyrgyz Republic. The report was reviewed by the team leader from the second round of monitoring, Mr Daniel Thelesklaf (Principality of Liechtenstein), and the monitoring experts, including Mr Vladimir Georgiev (Former Yugoslav Republic of Macedonia), Mr Saulius Urbanavicius (Lithuania), and Ms Tanya Khavanska (OECD/ACN Secretariat). Second round of monitoring experts Ms Olena Kustova (USA) and Ms Rasa Tumene (Lithuania) provided written comments. The progress update was discussed and adopted by the Istanbul Action Plan monitoring meeting on 16-18 April 2014.

The monitoring meeting congratulated Kyrgyzstan on being the only country which submitted its Progress Update in a timely manner. Moreover, it was noted that Kyrgyzstan also succeeded in following the guidelines regarding conciseness and focus of the provided information, and made available all necessary reference materials. It was concluded by the monitoring meeting that the approach of the Kyrgyz Republic was example-setting and should be followed by other IAP countries. The monitoring meeting also thanked the monitoring experts for their preparation for the assessment of progress.

Progress was recorded in the implementation of the 19 out of 23 recommendations adopted for the Kyrgyz Republic in the second round of monitoring; progress on two recommendations could not be established due to lack of sufficient information. The table below summarises the assessment, including the recommendations where progress was noted or where it was lacking.

<b>Recommendation</b>	<b>Progress in implementation</b>
<i>Recommendation 1.2.:</i> anti-corruption policy documents	Progress
<i>Recommendation 1.3.:</i> corruption surveys	Progress
<i>Recommendation 1.4.:</i> public participation	Progress
<i>Recommendation 1.5.:</i> raising awareness and public education	Progress
<i>Recommendation 1.6.:</i> anti-corruption policy and coordination bodies	Lack of progress
<i>Recommendation 2.1.-2.2.:</i> offences, elements of the offence	Lack of progress
<i>Recommendation 2.5.:</i> confiscation	Progress
<i>Recommendation 2.6.:</i> immunities and statute of limitations	Progress
<i>Recommendation 2.8.:</i> application, interpretation and procedure	Progress
<i>Recommendation 2.9.:</i> anti-corruption law enforcement bodies	Progress
<i>Recommendation 2.10.:</i> law enforcement statistics	Progress
<i>Recommendation 3.2.2.:</i> recruitment and promotion	Progress
<i>Previous recommendation 3.2.3.:</i> remuneration	Progress
<i>Previous recommendation 3.2.4.:</i> legality and impartiality of the civil service	Progress
<i>Previous recommendation 3.2.8.:</i> whistle blower protection	Lack of sufficient information to assess progress
<i>Previous recommendation 3.3.:</i> transparency and discretion in the public administration	Progress
<i>Recommendation 3.4.:</i> financial control and audit	Progress
<i>Recommendation 3.5.:</i> public procurement	Progress

<i>Recommendation 3.6.:</i> access to information	Progress
<i>Recommendation 3.7.:</i> political party finance	Lack of sufficient information to assess progress
<i>Recommendation 3.8.:</i> judiciary	Progress
<i>Recommendation 3.9.:</i> business integrity	Progress

## PART I: PROGRESS IN IMPLEMENTING RECOMMENDATIONS

### Recommendation 1.2. - Anti-Corruption Policy Documents

Estimate the financial needs for the implementation of the specific measures/activities, when developing action plans, to enable appropriate budgetary allocations to the implementing institutions, as well as grounded requests for technical support from the international community.

Ensure active participation of the civil society in the forthcoming development of the action plans for implementation of the State Strategy on Anti-Corruption Policy.

Conduct regular monitoring and assessment of the implementation of the State Strategy on Anti-Corruption Policy with appropriate inclusion of NGOs, international community and experts in these processes.

Ensure wide publication of the reports on implementation of the State Strategy in general and action plans in particular.

### Measures taken to implement this recommendation:

*(brief summary of measures taken to implement recommendations provided by the National Coordinator)*

#### Political anti-corruption documents:

- KR State Strategy on Anti-Corruption Policy approved by KR Presidential Decree No. 26 of 02 February 2012;
- KR Law on the Fight against Corruption No. 153 of 08 August 2012;
- the Kyrgyz Republic National Strategy of Sustainable Development for 2013-2017 approved by KR Presidential Decree No. 11 of 21 January 2013 (with a special section on Anti-Corruption Measures);
- the Kyrgyz Republic National Programme and Plan of Sustainable Development for 2013-2017 No.218 of 30 April 2013 (anti-corruption measures specify amounts and sources of financing);
- KR Presidential Decree No. 215 of 12 November 2013 on Measures for Eliminating Causes of Political and Endemic Corruption within Bodies of Authority;
- the Kyrgyz Republic National Anti-Corruption Programme and Action Plan for 2012-2014 approved by KR Government Resolution No. 596 of 30 August 2012.

Para 6 of the Kyrgyz Republic National Anti-Corruption Programme for 2012-2014 approved by KR Government Resolution No. 596 of 30 August 2012, Indicative Allocated Budget, stipulates that the measures envisaged by the Programme requiring financial expenditures will be implemented at the expense of the state budget within the amount allocated to the public agencies for a corresponding year, external lending, as well as resources provided by international organisations and donor countries within the framework of technical and consultative support.

The republican budget envisages the allocation of the following funds (see Table)

**Table. Sums Total by the Year (soms), 2012, 2013, 2014**

<b>Sums total by the year (soms)</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Priority 1. Eliminating corrupt practices	2 785 449.0	951 285.4	697 609.3

Priority 2. Reform and modernisation of government administration for purposes of enhancing transparency and accountability	2 216 353.0	929 387.2	673 521.2
Priority 3. Interaction of the public agencies with the civil society and informing it	3 170 951.0	2 536 761.0	348 804.7
<b>TOTAL:</b>	<b>8 172 753.0</b>	<b>4 417 433.6</b>	<b>1 719 935.2</b>

Note. These calculations are built on indicative data calculated on the basis of the average wage fund of the staff of public agencies.

The principle of 10 percent increase is applied for 2013-2014.

At the same time, most of the measures were implemented at the expense of support funds of international organisations and donor countries.

On 10-11 July 2013, the Kyrgyz Republic held a high-level conference with donors where the KR Government submitted for discussion the following measures, supplemented with detailed rationale:

1. Development and implementation of the anti-corruption legal framework.
2. Anti-corruption advocacy and awareness-raising.
3. Development and implementation of the national anti-corruption system.
4. Development and implementation of a system of preventing and reducing political corruption.
5. Creation and support of institutions of civil control in the anti-corruption sphere.
6. Development and implementation of measures for improving law enforcement anti-corruption practices and adopting international experience of ensuring transparency in the work of the judiciary.

Broad public hearings were held for the purposes of ensuring active participation of the civil society in development of the action plans for implementation of the anti-corruption policy and the following documents were adopted:

- the Kyrgyz Republic National Strategy of Sustainable Development for 2013-2017 approved by KR Presidential Decree No. 11 of 21 January 2013 (with a special section on Anti-Corruption Measures);
- the Kyrgyz Republic National Programme and Plan of Sustainable Development for 2013-2017 No.218 of 30 April 2013 (anti-corruption measures specify amounts and sources of financing).

Interaction with civil society institutions is one of the priorities of the state anti-corruption policy (the Kyrgyz Republic National Anti-Corruption Programme for 2012-2014 approved by KR Government Resolution No. 596 of 30 August 2012).

To step up the processes of cooperation of the public agencies with the civil society and form a system of permanent control over the activities of public officials, an Anti-Corruption Forum was created at the initiative of the KR Ministry of the Economy and the Anti-Corruption Business Council – a platform for the public agencies and civil society institutions – which has demonstrated the efficiency of such interaction during the short period of its existence. Both representatives of the public agencies and civil society institutions participate in the work of the Forum. According to the approved plan of work, each meeting of the Forum begins with the review of the anti-corruption situation in a particular public institution. In the beginning of 2014, branches of the Forum were created in the Talass and Issyk Kul regions.

Civil society institutions analyse corrupt practices and risks existing within the public institution under review. Representatives of that institution, in their turn, prepare information on the measures taken to prevent corruption.

The head of the public institution addresses the Forum for presenting information on a particular issue put on the agenda, after which representatives of civil society institutions present their analysis.

A resolution is adopted upon the results of the Forum's work and referred to Zhogorku Kenesh, the Staff of the President and the Government, as well as the KR Defence Council. Upon the results of the

adopted resolution, the public institution takes measures for implementing decisions of the Anti-Corruption Forum, the results of which are considered at its next meeting.

In 2013, the Anti-Corruption Forum held seven meetings where it considered corrupt practices and risks in the power sector, in public procurement, distribution and transformation of land. For example, in only one Moskovsky district of the Chuy region, ten facts of corruption were discussed in relation to land distribution, lease and sale.

Therefore, success of the anti-corruption policy is impossible without fundamental shifts in public, group and individual consciousness, without serious positive adjustments of the rules of conduct not only of target groups such as public and municipal servants, but the public at large. The described example illustrates the practice of civil society participation in the implementation of the anti-corruption policy and control of its implementation.

- The KR state and municipal authorities signed memorandums of cooperation in the anti-corruption sphere with civil society institutions.
- Media plans have been developed for interaction with media representatives.

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Regular monitoring and assessment of the implementation of the State Strategy on Anti-Corruption Policy with appropriate inclusion of NGOs, international community and experts in these processes For purposes of implementation of the KR State Strategy on Anti-Corruption Policy approved by KR Presidential Decree No. 26 of 02 February 2012, the Government of the Kyrgyz Republic approved the National Anti-Corruption Programme and Action Plan for 2012-2014 by its Resolution No. 596 of 30 August 2012.

The operative part of this document (para 4) appoints the KR Ministry of the Economy as the Government Secretariat (working body) in charge of assessment and monitoring of implementation of the Programme, Plan, and departmental action plans of the Government aimed at the fight against corruption, in connection with which the following measures are prescribed:

- ensuring organisation and coordination of work of the executive authorities and bodies of local government on issues of the Programme and Plan fulfilment and implementation;
- submitting to the Kyrgyz Republic Government and Defence Council in the prescribed manner a summary report on results of each half-year period on the pace of implementation of the Programme and Plan for consideration at the Kyrgyz Republic Government sessions.

Anti-corruption monitoring and assessment of the implementation of the measures envisaged by the Programme are conducted with the use of performance indicators. Three levels of performance efficiency indicators are used for evaluating the efficiency of the Government anti-corruption measures: achievements of the public institution, state-level, and country-level indicators based on various international assessments of rating agencies and international organisations.

Institutionalisation. The Programme assessment and monitoring system is based on two information channels: public (official) and with the participation of NGOs and independent experts (community).

Official anti-corruption monitoring is performed by anti-corruption subjects themselves (initial monitoring), as well as by the authorised institution for assessment and monitoring of implementation of the Programme, Plan, and departmental anti-corruption action plans (combined monitoring). The results of the alternative (community) monitoring are included in the consolidated report of the KR Ministry of the Economy which is being prepared upon the results of every quarter of a year. Consolidated reports are heard at the KR Government sessions upon the results of each half-year.

In accordance with a Memorandum between the Ministry of the Economy and the KR Anti-Corruption Business Council (ABC), members of the ABC and members of the Anti-Corruption Forum representing civil society institutions prepare an alternative report. The outputs of the alternative (community) monitoring are placed on the ABC website and the on website of the KR Ministry of the Economy, and are also included in the Government consolidated report.

Independent monitoring of the implementation of anti-corruption measures in individual ministries and

agencies at the national and local level, including activities on the Government assignment, is carried out by representatives of public supervisory boards at the KR public institutions.

Upon the results of 2013, within the context of implementation of the KR Government Anti-Corruption Action Plan, a total of 24 (36%) measures were fulfilled, 8 (12%) are at their final stage of fulfilment, 34 (51%) – at the implementation stage, and 1 (1%) measure remained unfulfilled.

Performance was poor in the following spheres of work: implementation of anti-corruption advocacy and awareness raising measures; orientation on effectiveness of the anti-corruption measures taken; measures in response to applications of individuals and legal entities on issues of protection of their rights against corruption encroachments, including through telephone hotlines and electronic applications from citizens; activity of HR management services in the sphere of prevention of corruption and other offences.

### **Assessment of Progress**

*(Assessment of progress prepared by the monitoring experts and summary of the discussion at the IAP plenary)*

**There is progress in implementation of the Recommendation 1.2. However, the last paragraph of the provided summary of measures taken to implement recommendations indicates that there are segments in which implementation is still lacking. In addition, it is not clear whether governmental reports on implementation of the State Strategy and action plans (the last element of the Recommendation) are being widely published. Information provided by the government of Kyrgyzstan on this matter only mentions publication of the alternative (community) monitoring reports on the Websites of the Anti-Corruption Business Council (ABC) and of the Ministry of Economy – this is a positive step but publication of results of both, official and community, types of monitoring is essential to keeping the public properly informed on governmental efforts to reduce corruption.**

### **Progress/lack of progress**

#### **Progress**

### **Recommendation 1.3. - Corruption Surveys**

Conduct further surveys and relevant research, based on adopted transparent and comprehensive internationally comparable methodology, to obtain more precise information about the scale of corruption in the country and in order to ascertain the corruption risks and the true extent to which corruption affects specific institutions, such as the police, judiciary, public procurement, tax and custom services, education, health system, etc.

Ensure wider inclusion of NGOs in anti-corruption researches of corruption based not only on perception, but also focus groups, victims of corruption, assessment of legislation, etc.

### **Measures taken to implement this recommendation:**

*(brief summary of measures taken to implement recommendations provided by the National Coordinator)*

(1) A national survey of the shadow economy in the Kyrgyz Republic was conducted on request of the KR Ministry of the Economy with support of the World Bank, a special part of which was devoted to the study of the causes and manifestations of corruption (the report was presented at the beginning of 2012). A roundtable was held upon the results of the survey with the participation of heads of investigation and operative divisions of KR law enforcement agencies, which covered in detail the problems of patronage (protection racketeering) of business, imposition of corruption rent on representatives of small and medium business by holding inspections and setting all sorts of requirements for the issuance of various permits, etc. All survey materials were used for holding seminars (more than 60 during 2012 and 2013) and for developing the Kyrgyz Republic Government anti-corruption measures (the Action Plan was approved by KR Government Resolution No. 596 of 30 August 2012).

Source: official website of the Ministry of the Economy - <http://www.mineconom.kg>.

(2) OECD Monitoring Report (OECD Anti-Corruption Network for Eastern Europe and Central Asia) reviewing the progress of the Kyrgyz Republic in implementing anti-corruption reforms and fulfilment of recommendations received during the country review within the context of the Istanbul Anti-Corruption Action Plan adopted at the Istanbul Anti-Corruption Action Plan plenary meeting on 24 February 2012 at the OECD Headquarters in Paris.

The Report also contains new recommendations in three spheres: anti-corruption policy, criminalisation of corruption, and prevention of corruption.

(3) At the beginning of 2014, a new comprehensive survey of the causes, levels and scope of corruption in the Kyrgyz Republic was launched on request of the KR Ministry of the Economy with support of the World Bank (the Terms of Reference are attached). The survey will be completed by mid-2014.

Geography of the survey – all regions of Kyrgyzstan. Preliminary sampling of the survey:

- population – 2000 people;
- companies (legal entities) – 350;
- private businesses – 400;
- civil society institutions and the expert community – 50;
- public and municipal servants – 400.

(4) The Population Confidence Index approved by Resolution of the Kyrgyz Republic Government on Performance Evaluation of the Public Executive Authorities and Bodies of Local Government of the Kyrgyz Republic No. 105 of 17 February 2012 introduced additional issues aimed at the examination and determining of the corruption level in the Kyrgyz Republic. This circumstance will allow to obtain information every half-year on the status of corruption in society at large and specifically within public institutions based on sociological surveys (the questionnaire was developed on the basis of the Global Corruption Barometer – Transparency International).

(5) A format was developed for detection, assessment and management of corruption risks at a state, departmental, and sector-specific levels, which will enable the performance of systematic desktop research and elaborate a policy of corruption risk management.

(6) Starting 2012, the Kyrgyz Republic Ministry of Public Health has been performing regular anonymous questioning of patients of territorial health institutions upon the results of which relevant measures are adopted to put in place anti-corruption measures in the system of public health.

(7) The Kyrgyz Republic Ministry of Education and Science adopted a set of measures for eliminating factors leading to corruption within the education system. E.g. the heads of educational institutions were instructed to hold regular public hearings for presenting their reports on extra-budgetary expenditures. Universities were provided with special boxes for proposals, complaints and comments, and telephone hotlines. At present, exams and tests in oral form are prohibited in universities.

**Research is conducted on the basis of general scientific research methods (logical, theoretical and empirical), which include: desktop surveys, field research (sociological surveys), crowdsourcing,**

interviews, analytical reviews, monitoring, etc.

#### **Assessment of Progress**

*(Assessment of progress prepared by the monitoring experts and summary of the discussion at the IAP plenary)*

**As presented in the Progress update provided by the Government of Kyrgyzstan, there are ongoing and /or planned studies and surveys on corruption. The Population Confidence Index might prove a good way to look into the corruption risks and the extent to which corruption affects specific institutions, such as the police, judiciary, public procurement, tax and custom services, education, health system, etc.. The implementation of this methodology would need to be closely assessed, however, to properly establish the extent to which the Recommendation 1.3. has been implemented. Regarding second part of the recommendation limited information was provided about inclusion of NGOs in anti-corruption research of corruption that goes beyond perception indices.**

#### **Progress/lack of progress**

##### **Progress**

#### **Recommendation 1.4. – Public participation:**

Maintain and, where possible, expand the application of permanent forms of co-operation (public supervisory councils) between civil society and public agencies.

Establish procedures for the involvement of public at large in the development and monitoring of implementation of the anti-corruption measures, for instance, through public consultations and hearings, publication of the draft legislation with tools for submission of comments on-line.

#### **Measures taken to implement this recommendation:**

*(brief summary of measures taken to implement recommendations provided by the National Coordinator)*

*(1) Aiming at further extension of normative consolidation and practical implementation of the forms of interaction between public agencies and civil society institutions in the Kyrgyz Republic in the corruption prevention sphere, and at ensuring transparency of decision-making and implementation procedures with account taken of public interests, a Corruption Prevention Anti-Corruption Committee has been set up at the public supervisory councils of the public institutions, pooling at its initial stage 41 public supervisory councils (additional regional and municipal public supervisory councils have also been established and are underdoing the formation process, and their representatives will also join this Committee).*

*Procedures ensuring the involvement of the public at large in the development and monitoring of implementation of the anti-corruption measures, for instance, through public consultations and hearings, publication of the draft legislation with tools for submission of comments on-line have been formalised and are regulated by systematic monitoring by civil society institutions. Their information is referred to the KR Government for hearing their findings at the KR Government meetings held upon the results of each half-year.*

To step up the processes of cooperation of the public agencies with the civil society and form a system of permanent control over the activities of public officials, an Anti-Corruption Forum was created at the

initiative of the KR Ministry of the Economy and the Anti-Corruption Business Council – a platform for the public agencies and civil society institutions – which has demonstrated the efficiency of such interaction during the short period of its existence. Both representatives of the public agencies and civil society institutions participate in the work of the Forum. According to the approved plan of work, each meeting of the Forum begins with the review of the anti-corruption situation in a particular public institution. At the beginning of 2014, branches of the Forum were created in the Talass and Issyk Kul regions.

(2) The Central Commission for Elections of the Kyrgyz Republic jointly with the “Interbilim” International Centre is implementing a project on introducing a mechanism of monitoring political parties’ expenditures during election campaigns. A publication was issued in 2013 in the form of recommendations for the improvement of the legislation of the Kyrgyz Republic regulating the formation and expenditure of election funds/resources of political parties.

(3) To involve the business community into the fight against corruption launched by the State, an appeal to business entities was prepared, urging them to switch over to modern, civilised socioeconomic and sociocultural methods of doing business, compliant with the common international standards. A draft anti-corruption Charter “Business of Kyrgyzstan against Corruption” was developed and put forward, which will become a contribution of the business community of Kyrgyzstan to the global fight against corruption. The proposed Draft Charter is presently being broadly discussed at various business forums and deliberating platforms and is pending its signature. The Charter is open for accession to all Kyrgyz, joint, foreign companies and entrepreneurs, professional unions, associations and affiliations.

(4) The process of preliminary debate on the introduction of the institution of business ombudsman is currently underway with the participation of representatives of the business community, the Secretariat of the Government Council for Business Development and Investment, the Office of the Ombudsman, the Ministry of the Economy, the Justice Ministry, and other stakeholders, for identifying the place of the aforementioned institution within the system of public administration.

#### **Assessment of Progress**

*(Assessment of progress prepared by the monitoring experts and summary of the discussion at the IAP plenary)*

**In addition to 41 public supervisory councils, regional and municipal public supervisory councils have been established or are underdoing the formation process. There is information that procedures ensuring the involvement of the public at large in the development and monitoring of implementation of the anti-corruption measure have been formalized but it will be necessary to examine more closely how they work in practice.**

#### **Progress/lack of progress**

**Progress**

#### **Recommendation 1.5. - Raising Awareness and Public Education:**

Conduct awareness raising campaigns for the citizens and organize trainings for the public institutions, law enforcement agencies, judiciary, local government and the private sector about the sources and the impact of corruption, about the tools to fight against and prevent corruption and include NGOs in providing such trainings and education.

Assign the preventive body with developing of a comprehensive methodology for awareness-raising

campaigns and plan of trainings.

**Measures taken to implement this recommendation:**

*(brief summary of measures taken to implement recommendations provided by the National Coordinator)*

The Ministry of the Economy held over 60 training seminars and roundtables on various aspects of the anti-corruption policy for authorised public officials of public anti-corruption agencies (including special events involving representatives of law enforcement agencies), business entities, civil society institutions, public supervisory councils, international organisations, and citizens of the Kyrgyz Republic. All events received media coverage, and were placed on the official website of the Ministry of the Economy and the Anti-Corruption Business Council. Guest lectures are being delivered at public agencies. A travelling seminar on the subject “Corruption Prevention: Development and Implementation of Efficient Measures in the System of Public Administration” was held within the programme of the Summer Anti-Corruption School with the participation of local and international experts on corruption prevention (from 17 to 21 June 2013).

In-house training curricula were developed by public institutions for retraining and professional upgrading of the qualifications of public servants, officers of law enforcement agencies, fiscal institutions and special agencies whose official functions include participation and corruption prevention activities. A number of institutions have developed and launched the process of training of their employees.

The Academy of Public Administration under the President of the Kyrgyz Republic has developed and introduced training courses on corruption prevention for all categories of students, including programmes for retraining and professional upgrading of the qualifications of public and municipal officials.

These measures were supported by the World Bank, UNDP, and the Kyrgyzstan office of the international organisation TIRI. The course on “Anti-Corruption Policy” was also included in the master’s degree programme of the Academy of Public Administration under the KR President, and a training module of a short-term course (72 academic hours) was developed for public servants.

**Assessment of Progress**

*(Assessment of progress prepared by the monitoring experts and summary of the discussion at the IAP plenary)*

**A number of trainings and educational programmes were realized since February 2012, it seems that these efforts cover to some extent citizens at large (trainings for civil society, business community, students, etc.) but it appears that more can be done in the context of public awareness raising campaigns for regular citizens. From information provided by the Government of Kyrgyzstan it can be directly assumed that the Ministry of Economy and/or Academy of Public Administration carry out functions of the body/ies assigned to develop a public awareness methodology and plan of trainings for certain target groups. However, there needs to be explicit assignment of this function to a specific coordinating institution in order to meet the requirements of the Recommendation.**

**Progress/lack of progress**

**Progress**

**Recommendation 1.6. - Specialized anti-corruption policy and coordination bodies**

Ensure that a body (bodies) responsible for development and control over implementation of the state anti-corruption policy is (are) provided with resources, specialised staff, training that are necessary to effectively carry out such functions.

Establish an effective mechanism for raising public awareness and other anti-corruption prevention measures.

**Measures taken to implement this recommendation:**

*(brief summary of measures taken to implement recommendations provided by the National Coordinator)*

- Secretariat of the Kyrgyz Republic Defence Council – coordination of activities on implementation of the State Strategy on Anti-Corruption Policy of the Kyrgyz Republic;
- Parliamentary control by Zhogorku Kenesh of the of the Kyrgyz Republic in keeping with requirements of the KR Law on Procedures for the KR Zhogorku Kenesh Controlling Functions;
- Prosecution agencies’ control over implementation of the anti-corruption legislation by public institutions;
- Civil society monitoring;
- Monitoring and assessment of anti-corruption measures. In accordance with Government Resolution No. 596 of 30 August 2012, the KR Ministry of the Economy was appointed the Government Secretariat (working body) for prevention of corruption. According to the operative part of this document, the KR Ministry of the Economy is in charge of assessment and monitoring of implementation of the Programme, Plan, and departmental action plans aimed at the fight against corruption, and also ensures the organisation and coordination of work of the executive authorities and bodies of local government aimed at their implementation. In keeping with KR Government Resolution on Amendment of the Resolution on the Maximum Staff Number of Ministries, Administrative Agencies and other Public Agencies in the Kyrgyz Republic No. 473 of 22 August 2011 (KR Government Resolution No. 74 of 18 February 2013) and KR Government Resolution No. 596 of 30 August 2012 on Approval of the Kyrgyz Republic National Anti-Corruption Programme and Action Plan for 2012-2014, a special unit was created within the Ministry of the Economy – the corruption prevention policy department, which is directly responsible for anti-corruption monitoring and assessment.

Every public agency in the Kyrgyz Republic has its internal programmes and action plans for the fight against corruption based on the Methodology for Development and Implementation of Departmental Anti-Corruption Programmes and Action Plans approved by instruction of the KR Government No. 44-r of 12 February 2014.

Monitoring is conducted on the basis of the Anti-Corruption Monitoring and Assessment Methodology approved by instruction of the KR Government No. 44-r of 12 February 2014. Monitoring and reporting mechanisms, etc. are described by the aforementioned documents.

The main purpose of anti-corruption monitoring is objective assessment of the level of corruption in the Republic for timely prevention, detection and elimination of the consequences of corruption manifestations, on the basis of the issued managerial decisions.

The achievement of the target would require the solution of the following tasks:

- (1) Organisation and coordination of activity of anti-corruption subjects aimed at timely and quality provision of information materials (reports, statements, analytical and explanatory memos) on implementation of anti-corruption measures;
- (2) Development and introduction of a system of monitoring of the implementation of anti-corruption measures by anti-corruption subjects and assessment of their impact on the status of corruption;
- (3) Regular monitoring of the implementation of programmes based on performance indicators, with

subsequent assessment of the efficiency of the implemented measures ;  
(4) detection and forecasting of key directions of anti-corruption activity efficiency improvement, taking proactive measures for preventing corruption and the impact of corruption-conducive factors, and forming anti-corruption public opinion.

#### **Assessment of Progress**

*(Assessment of progress prepared by the monitoring experts and summary of the discussion at the IAP plenary)*

**Corruption prevention policy department within Ministry of Economy was established to monitor the assessment of the National AC Programme and Action plan, further additional information was provided during the preparatory meeting with the Government of Kyrgyzstan as to the capacity of this department. However, there was no information provided regarding the second part of the Recommendation 1.6. on establishment of an effective mechanism for raising public awareness and other anti-corruption prevention measures.**

#### **Progress/lack of progress**

**Lack of progress**

#### **Recommendation 2.1.-2.2. – Offences, elements of offence**

Amend provisions of the Criminal Code related to corruption offences to align them with international standards, in particular, to ensure that:

- foreign bribery is criminalised, either through expanding the definition of a public official or by introducing separate criminal offences;
- promise and offer, as well as solicitation of and acceptance of promise/offer of an undue advantage, both in private and public sectors, are criminalised as completed offences;
- passive bribery offences cover illegal actions by the official receiving an undue advantage;
- subject of bribery offences, both in private and public sectors, covers non-material benefits;
- offences of bribery in the private sector, abuse of office, concealment are compliant with the UN Convention against Corruption.

Repeal in the Criminal Code the offence of 'corruption' (Article 303) and revise offences of passive bribery in the public sector to simplify and streamline relevant provisions, including provisions on bribe extortion and effective regret.

Introduce an effective liability of legal persons for corruption offences and money laundering according to international standards.

Revise the Law on the Fight against Corruption by streamlining its provisions and ensuring their practical enforceability and consistency with other laws.

#### **Measures taken to implement this recommendation:**

(brief summary of measures taken to implement recommendations provided by the National Coordinator)

On 10 August 2012, new Article 194-1 (Insider transactions on the securities market) and Article 194-2

(Price manipulation on the securities market) were introduced to the Criminal Code of the Kyrgyz Republic.

Articles 310 (Receiving a bribe-award), 311 (Receiving a bribe-subornation) and 312 (Receiving a bribe for providing an office) of the KR CC were recognised null and void.

Articles 313 (Extortion of a bribe), 313-1 (Bribe taking), 313-2 (Mediation in bribery), and 314 (Bribe giving) establish criminal responsibility in respect of foreign officials and officials of international organisations.

Articles 313 and 314 of the KR CC cover as the subjects of bribery offences both pecuniary and **non-pecuniary** benefits.

Aiming at the implementation of the measure of the Kyrgyz Republic Action Plan approved at the FATF Plenary Meeting on 28 October 2011 to introduce administrative responsibility of legal entities for involvement in money laundering, a relevant Draft Law was submitted for consideration of the Kyrgyz Republic Parliament at the beginning of February 2014. The Draft Law was developed jointly by deputies of the Parliament and the Kyrgyz Republic Financial Intelligence Unit. The Draft Law is available at: <http://www.kenesh.kg/lawprojects/lps.aspx?view=projectinfo&id=103167>.

The Draft Law is presently being reviewed by parliamentary committees of the Kyrgyz Republic, Government and Presidential Staff of the Kyrgyz Republic.

The Law of the Kyrgyz Republic on the Fight against Corruption was adopted on 8 August 2012.

#### **Assessment of Progress**

*(Assessment of progress prepared by the monitoring experts and summary of the discussion at the IAP plenary)*

**Some limited steps have been taken towards implementation of this Recommendation, i.e., legislative changes took place in regards to foreign bribery, pecuniary advantages; also draft law on administrative liability for money laundering was prepared but it does not cover corruption offences and therefore will not help Kyrgyz Republic implement relevant element of the Recommendation 2.1-2.2. Other parts of the Recommendation have not been addressed by the Kyrgyz Republic to date.**

#### **Progress/lack of progress**

**Lack of progress**

#### **Recommendation 2.5. - Confiscation**

Amend legislation to ensure confiscation of instrumentalities and proceeds of corruption and money laundering crimes according to Article 31 of the UNCAC, as well as effective procedures for tracing and seizing proceeds of crime even before a suspect in the case was identified.

Consider introducing in the legislation provision requiring an offender to prove the lawful origin of alleged proceeds of crime or other property liable to confiscation.

#### **Measures taken to implement this recommendation:**

*(brief summary of measures taken to implement recommendations provided by the National Coordinator)*

In accordance with the Law of the Kyrgyz Republic on Introduction of Amendments and Additions to Some Legal Acts of the Kyrgyz Republic No. 164 of 10 August 2012, the Criminal Code of the Kyrgyz Republic was amended, in particular, Article 52 (Property confiscation) was presented in a new edition.

According to paragraph 1 of Article 52 of the Criminal Code, the following types of property are liable to confiscation:

(1) a convicted person' property or proceeds therefrom, weapons and other instrumentalities used or intended for use in some way during the commission of offence;

(2) the property of a convicted person handed over to another person if the person accepting this property was aware or should have been aware of it having been obtained as a result of criminal actions;

(3) crime proceeds or any profit (benefit) from crime proceeds received as a result of legalisation (laundering) of crime proceeds;

(4) property or part of the property corresponding to the estimated value of attached crime proceeds if the crime proceeds were attached to the property obtained from legal sources.

Matters of identifying crime proceeds and imposing arrest on them are covered by the Criminal Procedure Code.

In connection with the adoption of the aforementioned Law of the Kyrgyz Republic, the FATF Plenary Meeting issued a decision on compliance of the Kyrgyz Republic legislation on confiscation and arrest with relevant FAFT Recommendations.

### **Assessment of Progress**

*(Assessment of progress prepared by the monitoring experts and summary of the discussion at the IAP plenary)*

**Steps to address first part of the Recommendation have been taken and on its face without the in-depth analysis of the new legislation it appears that this part is mainly addressed. However, no progress has been reported under the second and third part of the recommendation.**

### **Progress/lack of progress**

#### **Progress**

### **Recommendation 2.6. Immunities and statute of limitations**

Revise provisions on immunities of officials to ensure that they do not obstruct effective investigation and prosecution of corruption offences, in particular:

- introduce functional immunities for all relevant officials and harmonise exemptions in cases of in flagrante situations;
- repeal immunity of the former President;
- streamline procedures for lifting immunity of deputies of the parliament, Prosecutor General and Ombudsman;
- provide for suspension of the statute of limitations for the period when a person enjoyed immunity;
- consider changing provision not allowing to conduct operative measures with regard to a judge until the criminal case is opened and revising restriction that only Prosecutor General may open a criminal case as regards a judge.

### **Measures taken to implement this recommendation:**

*(brief summary of measures taken to implement recommendations provided by the National Coordinator)*

The Constitutional Law on the Government of the Kyrgyz Republic of 18 June 2012 lifted immunities off members of Government, i.e. exemptions in cases of in flagrante situations are harmonised.

To maintain the possibility of imposing criminal liability on a person enjoying immunity in the event of suspension of proceedings in a case, on 29 April 2013 Article 67 of the Criminal Code of the Kyrgyz Republic was supplemented with paragraph 4-1 according to which if a criminal case is initiated against a person enjoying immunity and the case was suspended due to the immunity, the statute of limitation for imposing criminal liability shall in this case be suspended.

The Kyrgyz Republic took the recommendation into account and lifted the legislative restriction concerning initiation of criminal cases against a judge only by the Republican Prosecutor General. Constitutional Law No. 167 was adopted on 10 August 2012 on Introduction of Amendments and Additions to the Constitutional Law of the Kyrgyz Republic on the Status of Judges of the Kyrgyz Republic in accordance with which a decision to initiate a criminal case against a judge is issued by the Prosecutor General of the Kyrgyz Republic and authorised prosecutors whose status is not lower than prosecutors of regions and the cities of Bishkek and Osh.

### **Assessment of Progress**

*(Assessment of progress prepared by the monitoring experts and summary of the discussion at the IAP plenary)*

**Considerate progress on this recommendation has been made by the Kyrgyz Republic. However, new changes into legislation will need to be looked into more in-depth for a more proper analysis. On two elements of the Recommendation, nevertheless, no progress was reported. Namely, it appears that no changes have been made regarding:**

- **repealing immunity of the former President;**
- **streamlining procedures for lifting immunity of deputies of the parliament, Prosecutor General and Ombudsman.**

**Progress/lack of progress**

**Progress**

### **Recommendation 2.8. - Application, interpretation and procedure**

To amend legislation in order to allow effective access of law enforcement officials to bank secrets, tax and customs information, including before formal institution of a criminal case, while ensuring that proper protection of personal data is safeguarded.

To reconcile provisions on access to bank data in the Law on Bank Secrecy and the Criminal Procedure Code.

To ensure that the FIU work closely with the law enforcement authorities in order to identify patterns of possible corruption and establish effective exchange of information and feedback on the action taken based on STRs.

To remove legal obstacles to allow that the STRs directed to law enforcement agencies be used as evidence, insofar as they relate to domestic information.

### **Measures taken to implement this recommendation:**

*(brief summary of measures taken to implement recommendations provided by the National Coordinator)*

The Financial Intelligence Unit examined the new edition of the FATF Recommendation and the UN Convention against Corruption as a result of which provisions regulating access of law enforcement agencies to information constituting bank secrets through resources of the financial intelligence unit are envisaged by the Draft Law of the Kyrgyz Republic on Fighting the Legalisation (Laundering) of Crime Proceeds and the Financing of Terrorist or Extremist Activity. This Draft Law was approved by the Prosecutor General's Office – the authorised executive body in charge of these issues, endorsed by Government Resolution No. 868 of 29 December 2012 and submitted for consideration of the Kyrgyz Republic Zhogorku Kenesh (undergone the first hearing).

The Anti-Corruption Service of the State National Security Committee developed Draft Government Resolution of the Kyrgyz Republic on Approval of the Draft Law of the Kyrgyz Republic on Introduction of Amendments and Additions to Some Legal Acts of the Kyrgyz Republic allowing effective access of law enforcement officials to bank secrets, tax and customs information, including before formal institution of a criminal case, which is currently pending approval.

The Financial Intelligence Unit of the Kyrgyz Republic actively cooperates in the information sphere with the Prosecutor General's Office and other law enforcement agencies of the Kyrgyz Republic in matters of detection and investigation of corruption offences.

However, to ensure adequate preparation and analysis of reports on suspicious transactions related to corruption offences, the staff of the Financial Intelligence Unit and financial institutions must upgrade its qualifications.

The issue of accepting reports about suspicious transactions as evidence needs detailed examination and discussion, in part, by studying the experience of other countries.

#### **Assessment of Progress**

*(Assessment of progress prepared by the monitoring experts and summary of the discussion at the IAP plenary)*

**Some progress in the form of draft legislation was made. Texts of the draft laws have not been examined by the monitoring experts but it appears they illustrate steps taken towards implementation of the Recommendation 2.8. Cooperation of the FIUs and law enforcement takes place but the Kyrgyz Republic itself identified the need for training for the FIU staff. And finally, some elements of the recommendation have not been addressed to date or relevant information has not been provided in this regard.**

#### **Progress/lack of progress**

##### **Progress**

#### **Recommendation 2.9. – Specialized anti-corruption law-enforcement bodies**

Ensure that law enforcement agencies dealing with corruption cases be operationally and structurally independent to be able to effectively target high-level corruption.

Ensure effective specialisation in investigation of corruption crimes in line with international standards.

Organise regular training on enforcement of anti-corruption legislation for law enforcement officials, prosecutors and judges, including regular joint trainings.

Take measures to ensure a uniform court practice regarding possibility of using the results of special investigative measures as evidence in corruption trials and, if necessary, amend legislation.

Introduce in the law regulation of the simulated bribery and establish clear guidelines for law enforcement officers in line with human rights standards.

Secure funding for implementation of witness protection programmes.

**Measures taken to implement this recommendation:**

*(brief summary of measures taken to implement recommendations provided by the National Coordinator)*

The Kyrgyz Republic Government Resolution No. 383 of 8 June 2012 set up the State Service for Fighting Economic Crime under the Kyrgyz Republic Government, which is a specialised law enforcement body subordinate and accountable directly to the Kyrgyz Republic Government, whose main functions include detection, prevention, termination, solution and investigation of economic crimes and well as official offences in the sphere of economy and finance in keeping with the legislation of the Kyrgyz Republic.

The session of the KR Defence Council on 04 November 2013 instructed the Secretariat to explore the issue of setting up a separate special institution for the fight against corruption on the basis of the existing State Service for Fighting Economic Crime and Anti-Corruption Service of the State National Security Committee.

Amendments were introduced to Article 163 of the KR Criminal Procedure Code (Investigative jurisdiction) determining the institutions responsible for investigating some or other offences. Investigation of criminal cases of corruption and official offences (Art. 303-316 of the KR CPC) is carried out by prosecution and national security officers.

The Law of the Kyrgyz Republic on Introduction of Amendments and Additions to Some Legal Acts of the Kyrgyz Republic of 10 August 2012 qualifies the results of special investigative measures obtained in the prescribed manner, as acceptable evidence in a case.

On 10 January 2014, Government Resolution No. 12 approved the State Programme of ensuring protection of witnesses, victims and other participants in criminal proceedings for 2014-2016 envisaging funding from the budget, as required for the implementation of the relevant Law within the context of the programme.

**Assessment of Progress**

*(Assessment of progress prepared by the monitoring experts and summary of the discussion at the IAP plenary)*

**Out of all measures outlined by Recommendation 2.9, it is not clear what was done to enable law enforcement bodies dealing with corruption to target high-level corruption. In particular, in-depth**

analysis of the Government Resolution No. 176 of 15 March 2012 about establishment of the State Service for Fighting Economic Crime will need to be undertaken to properly assess legislative framework established for the agency. However, in general, it would be more appropriate to have these issues regulated by the law rather than a government resolution. Also, having corruption and economic crimes grouped together creates a risk of giving less priority to corruption cases.

No information about regular training on enforcement of anti-corruption legislation for law enforcement officials, prosecutors and judges was provided.

Issue of using the results of special investigative measures as evidence in corruption trials was addressed by amending the legislation in 2012. However, it is difficult to assess whether any further measures to ensure a uniform court practice regarding use of such evidence were taken and what kind of results were received.

Although the Kyrgyz Government adopted the State Programme of ensuring protection of witnesses, victims and other participants in criminal proceedings for 2014-2016, it is not clear how much funding has been secured for the implementation of witness protection measures (no concrete number or any calculation in the text of the document). The programme is mainly about development of bylaws and regulations needed to start implementation of the relevant Law. It also suggests establishment of a body/bodies to implement measures aimed at protection of a particular witness or assignment of this duty to an existing body (not specified) within existing human resources. So, it is also not clear whether a separate body is going to be created or not, but if yes, significant funds should have been secured in the programme.

**Progress/lack of progress**

**Progress**

**Recommendation 2.10. - Statistical data on enforcement of criminal legislation on corruption**

Amend methodology for gathering and processing statistics on corruption-related offences to ensure collecting of comprehensive data which should be made public and allow appropriate monitoring and evaluation of criminal justice system operations by governmental and nongovernmental institutions.

**Measures taken to implement this recommendation:**

*(brief summary of measures taken to implement recommendations provided by the National Coordinator)*

The Prosecutor General's Office has developed a computerised information system of accounting corruption-related offences, which will enable to simplify the process of registration and accounting of offences and will be intended for the purposes of keeping, storing, and processing data on offences in electronic format, and also ensure the accounting of offences, accused persons, investigation outcomes and progress in criminal cases; accounting of defendants and results of legal review of criminal cases; placement of additional information and reference resources and services aimed at granting citizen's rights to information access as prescribed by effective legislation; keeping archives of offences; generation of standard and optional forms of reporting.

The introduction of the system is scheduled for April-June 2014.

### **Assessment of Progress**

*(Assessment of progress prepared by the monitoring experts and summary of the discussion at the IAP plenary)*

**Steps have been taken to address this recommendation. Its actual implementation will depend on practical application of the newly introduced computerized system once it becomes operational. One aspect of recommendation in regard to making statistical information available to the public is not clarified by the KR in the provided update.**

### **Progress/lack of progress**

#### **Progress**

### **Recommendation 3.2.2. – Recruitment and promotion**

Clarify the definitions of political and administrative officials, as well as the regulations which are applicable to the political officials.

Prevent further politisation of civil service by limiting the number of political posts and ensuring the stability of professional civil service and the continuity of the institution of State Secretaries.

Strengthen recruitment process for high-level positions by applying different recruitment procedures and evaluating not only knowledge of applicants but also abilities and competencies.

Increase transparency and impartiality of competitions by limiting the number of the commission members and including external experts to examine special knowledge, skills and competencies of the applicants.

Increase attraction of civil service by developing a promotion system which will motivate civil servants, create merit-related criteria for civil servants promotion to higher positions.

Reconsider the necessity of internal and national reserves, and either develop its proper implementation, or reject it as not useful element in the recruitment system.

### **Measures taken to implement this recommendation:**

*(brief summary of measures taken to implement recommendations provided by the National Coordinator)*

In keeping with the Law of the Kyrgyz Republic on Civil Service, political official positions include positions the appointment (election) to and dismissal from which is performed by the President, Zhogorku Kenesh, and the Prime Minister in the legally prescribed manner, in line with the register of political and special public positions and relevant spheres of functions prescribed for them by the Constitution, laws, Presidential Decrees, and Government Resolutions.

Administrative official positions include positions within the staff of the supreme public agency in the legislative, executive and judiciary branches of public authority, as well as the Presidential Staff, with the

volume of powers and responsibilities in performing the tasks and functions of the public agency prescribed by the Constitution and other legal acts.

KR Presidential Decree No. 215 of 12 November 2013 on Measures for Eliminating Causes of Political and Endemic Corruption within Bodies of Authority instructed the State Personnel Service of the Kyrgyz Republic to develop a harmonised system of public and municipal service in the Kyrgyz Republic consisting of two interconnected branches of public and municipal service:

- Political public and municipal service not covered by the class ranking system and including persons occupying political public and municipal positions, as well as positions of their assistants, advisers, consultants and administrative aides;

- Administrative public and municipal service including persons occupying administrative positions at public agencies and bodies of local government.

In this connection, the State Personnel Service has developed Draft Law of the Kyrgyz Republic on Public Civil Service and Municipal Service providing new definitions of political and administrative positions.

The Draft Law defines a political position as a position in the process of occupying which a person exercises the functions of authority and takes policy setting decisions, bears responsibility for the implementation of the existing policy goals, within the powers prescribed by the Constitution and other legal acts.

The definition of the political position is based on the adoption of political decisions rather than the appointment procedures. It is proposed to refer to political officials exclusively the top officials of public agencies, and refer their deputies to administrative positions enjoying special appointment procedures. Criteria are provided for referral to political and administrative positions and clear classification according to these criteria, which made it possible to strengthen the civil service potential in general, as the number of positions involving privileges has been decreased.

The Draft Law will be submitted for public consultation in the near future.

Selection criteria are not established for top officials of public agencies, as top officials of public agencies occupy political positions to which no qualification requirements are set.

Recruitment to senior administrative positions is conducted through competition.

The following qualification requirements are set to administrative positions:

- to the level and specialisation of professional education, taking into account the category and group or administrative public positions;

- to work experience and length of professional service and relevant professional skills.

In accordance with para 19 of the Temporary Provision on competition for a vacant administrative public position in the civil service of the Kyrgyz Republic (approved by Government Resolution No. 741 of 29 November 2011), the competition attestation commission consists of:

- the competition attestation commission chairperson – state secretary (chief of staff) of the public agency;

- the competition attestation commission secretary – a public official of the public agency;

members of the competition attestation commission:

- representatives of an authorised public agency;

- chairperson of the public agency's commission on ethics;

- representatives of civil society institutions (or the expert community, business associations) in a relevant industrial sphere;
- heads (specialists) of the personnel service and the legal service;
- heads (specialists) of other structural units of the public agency.

The Draft Law of the Kyrgyz Republic on State Civil Service and Municipal Service providing new definitions of political and administrative positions developed by the State Personnel Service contains a number of key innovations, according to which career planning is recognised as the main professional promotion tool and the single system of labour remuneration is based on public officials' performance evaluation.

The provision on public officials' performance evaluation is legally consolidated. It means determining the level of effectiveness in discharging official functions in accordance with the goals and objectives of the public agency of the body of local government.

To improve the system of performance-based recruitment and career advancement of public servants, restrict opportunities for discretionary decisions, the Draft Law of the Kyrgyz Republic on Public Civil Service and Municipal Service introduces a new order of forming the national and internal personnel reserves.

#### **Assessment of Progress**

*(Assessment of progress prepared by the monitoring experts and summary of the discussion at the IAP plenary)*

**The new definitions of political and administrative officials are defined in the Draft Law of the Kyrgyz Republic on Public civil service and Municipal Service. It is difficult to measure what decisions are made to prevent further politisation of civil service, as well as improvement of recruitment procedures. Structure of commission members isn't changed so the impartiality and transparency of competitions isn't ensured. In the Draft Law career planning and performance evaluation are improved as well as formation of internal and national reserves, but it is not clear how reserves are formed.**

#### **Progress/lack of progress**

**Progress**

#### **Recommendation 3.2.3. – Remuneration**

Perform comparative study of the salaries in civil service in different public institutions and as compared to those in the private sector; as well as the study of the relative shares of fixed and variable parts of the salaries. Based on the findings, review remuneration system to ensure decent salaries for civil servants as well as transparency and equality of remuneration for similar jobs across the civil service.

#### **Measures taken to implement this recommendation:**

*(brief summary of measures taken to implement recommendations provided by the National Coordinator)*

In the period from 2011 to 2013, the third component of the World Bank Project “Capacity Building in Economic Management” (CBEM) aimed at reforming the system of remuneration of public and municipal servants, was implemented at the State Personnel Service of the Kyrgyz Republic.

Analysis of the existing system of remuneration of public and municipal servants was performed within the context of this Project and revealed the following key problems:

(1) Imperfection of the regulatory framework in the sphere of remuneration of public and municipal servants, manifested in the fact that the system of remuneration is regulated by an extremely large amount of legal acts. At the same time, many legal provisions regulating labour remuneration are mutually exclusive and often pursue narrow departmental interests.

(2) Imperfection of the principles of setting conditions of remuneration of public and municipal servants, which means that the level of salary of an official depends on his/her position without taking into account the workload, difficulty and level of responsibility of the official tasks performed. As a consequence, public servants who were at the same official level but performed functions of different amounts, levels of difficulty and responsibility, were receiving the same salary.

(3) Complexity of the labour remuneration system, as a sophisticated system of official salary calculation was used, including a multitude of different minimum basic salary rates and scale-up factors depending on the hierarchy of the public or municipal institution and its managerial level.

(4) The lack of transparency of the labour remuneration system was connected with the closed nature of information on labour remuneration of public and municipal institutions. Moreover, the amount of bonuses to the official salary, incentives and other payments strongly differed across different public and municipal institutions depending on the remuneration terms approved for those institutions. In addition, some public agencies were permitted to make additional payments to their employees at the expense of special resources and funds. As a result, public servants occupying similar positions and performing identical amounts of work, but at different public institutions, were receiving different salaries. Moreover, the difference in their salaries could sometimes be several-fold.

The Project examined the components of public servants’ remunerations in different public and municipal institutions, revealing that the share of official salary in the total remuneration of public servants was generally about 60-70 percent, and in some public agencies this share was as low as 30 percent.

A comparative study of the salaries in civil service at different public institutions and as compared to those in the private sector was also conducted within the context of the Project. The findings of this study revealed that the levels of salary in public services were lower than those in the private sector at all levels of official hierarchy: from the lowest category of specialists to organisation heads. As a matter of fact, the gap in the levels of salary becomes larger as the level of the position in official hierarchy increases. In other words, the ratio of the average salary of the head of a private company to the salary of the head of a public institution is much higher than the ratio of average salary of specialists in the private and public sectors.

Building upon the research work performed, a Programme of Improvement of the Labour Remuneration System of Public and Municipal Servants in the Kyrgyz Republic was developed for 2013-2020 and subsequently approved by Government Resolution of the Kyrgyz Republic No. 383 of 28 June 2013.

The Programme is aimed at creating an effective labour remuneration system of civil servants based on interconnection of the amount of labour remuneration with the hierarchy of positions and performance results of public and municipal servants. The new system of labour remuneration will have the following advantages:

- ensuring equality in labour remuneration based on the principle of equal pay for equal work;
- the labour remuneration system will become transparent, as the official salary will constitute the main part of the overall income;
- the administration of the system of labour remuneration of public servants will be simplified;

- opportunities for horizontal promotion for most civil servants will be extended;
- the performance evaluation system will be integrated into the labour remuneration system;
- salaries will become more competitive and closer to the level of the private sector;
- mechanisms of attracting, stimulating and preserving qualified personnel will be developed;
- employees will strive for upgrading their qualifications and career promotion.

The introduction of a new unified model of the labour remuneration system developed within the context of the World Bank CBEM Project will proceed in several stages, depending on financial opportunities of the State.

Gradual introduction of the new labour remuneration system approved by Government Resolution of the Kyrgyz Republic No. 384 of 28 June 2013 was launched in August 2013. At the first stage, this model was adopted by all municipal institutions and a number of public agencies where the former level of salaries was lower (in many of them – much lower) than the new one.

It was a serious accomplishment that for the first time the information on the size of minimum basic salaries and bonuses, official mark-up factors, and the lists of public and municipal institutions introducing the new labour remuneration system was not closed and was available to the public. The former labour remuneration systems were preserved at the initial stage in the public institutions where the introduction of the new labour remuneration system could lead in an overall decrease in the level of salaries. Transfer to the new labour remuneration system in those institutions will be gradual as the minimum basic salary rate increases.

In the long term, it is also planned to achieve maximum proximity of the share of official salary to 80 percent of the total amount of labour remuneration.

#### **Assessment of Progress**

*(Assessment of progress prepared by the monitoring experts and summary of the discussion at the IAP plenary)*

**Analysis of the existing system of remuneration was performed by World Bank Project and a Programme of Improvement of the Labour Remuneration System of Public and Municipal Servants in the Kyrgyz Republic was developed for 2013-2020. Financial support is needed for implementation of remuneration reform, so support of the State is crucial.**

#### **Progress/lack of progress**

##### **Progress**

#### **Recommendation 3.2.4. – Legality and impartiality**

Further improve the definition of the conflict of interest established in the Law on Civil Service.

Create effective mechanism for the management and control of implementation of the conflict of interests' regulations by introducing a requirement to declare public and personal interests and by strengthening the role of managers and heads of the institutions in their control.

Reform the asset declarations system by:

- Introducing effective sanctions for failure to submit asset declarations or for providing false or incomplete information.

- Considering establishment of a mechanism for the verification of the information provided in the declarations.
- Streamlining the rules related to disclosure of asset declarations, introducing the same requirements on disclosure and exemptions from disclosure of information with mandatory publication of data from declarations of political officials and persons holding special offices, as well as higher administrative officials on the web-site of the State Personnel Service.
- Creating clear mechanisms for sharing of information contained in asset declarations with law enforcement agencies.

**Measures taken to implement this recommendation:**

*(brief summary of measures taken to implement recommendations provided by the National Coordinator)*

Government Resolution of the Kyrgyz Republic No. 90 of 13 February 2014 approved the Temporary Provision for Managing Conflict of Interest in the Public and Municipal Service in the Kyrgyz Republic, which improved the definition of the conflict of interest in accordance with OECD recommendations. A working group at the Zhogorku Kenesh of the Kyrgyz Republic developed a Draft Law on Conflict of Interest which has undergone public consultations in December 2013. The KR Government prepared a Draft Law on the introduction of amendments and additions to KR Law on the Fight against Corruption, which will include the concept of “conflict of interest” in its definitions.

The Temporary Provision for Managing Conflict of Interest in the Public and Municipal Service in the Kyrgyz Republic was developed on the basis of OECD Guidelines for Managing Conflict of Interest in the Public Service, envisaging an effective mechanism for the management and control of implementation of the conflict of interests regulations by introducing a requirement to declare public and private interests and strengthening the role of managers and heads of the institutions under their control.

The KR Ministry of the Economy, as the body authorised by the KR Government to develop the KR anti-corruption policy, approved by its Order No. 193 of 12 September 2013 the Memo for public and municipal officials in the Kyrgyz Republic on detection, prevention and management of conflict of interest in the public service. A number of seminars and trainings were held during 2013 with the support of the World Bank on issues of management of conflict of interest in the public and municipal service. Amendments and additions have presently been introduced to the KR Labour Code and the Law on Civil Service in connection with conflict of interest, imposing certain restrictions on persons holding public or municipal service positions during their entry into labour or civil agreement. In addition, non-compliance by a person holding a public or municipal service position notified of a conflict of interest shall constitute grounds for dismissal in connection with loss of confidence.

Concerning the reform of the asset declaration system:

- sanctions for violation of the law on asset declaration are provided by:  
the KR Law on Civil Service – disciplinary sanctions;  
the Code of Administrative Liability – fines;  
the Criminal Code – criminal responsibility.
- a verification mechanism was established by KR Government Resolution No. 855 of 25 December 2012.
- the rules related to disclosure of asset declarations are prescribed by the declaration legislation and approved by KR Government Resolution No. 855 of 25 December 2012.
- a mechanism of sharing information was approved by KR Government Resolution No. 855 of 25 December 2012.

### **Assessment of Progress**

*(Assessment of progress prepared by the monitoring experts and summary of the discussion at the IAP plenary)*

**The definition of the conflict of interest was improved. Requirement to declare public and personal interests was introduced. Seminar and trainings were organized with the support of the World Bank about mechanisms for the management and control of implementation of the conflict of interests'. Sanctions for the conflict of interest and violation of the law on asset declarations were introduced in legal acts. It is mentioned that verification of the information provided in the declarations, the rules related to disclosure of asset declarations, mechanisms for sharing of information contained in asset declarations with law enforcement are regulated by Government Resolutions but it was not possible to measure how it works in practice.**

### **Progress/lack of progress**

#### **Progress**

### **Recommendation 3.2.8. – Whistle blower protection**

Introduce effective protection of whistle-blowers from arbitrary dismissal and harassment.

### **Measures taken to implement this recommendation:**

*(brief summary of measures taken to implement recommendations provided by the National Coordinator)*

The following measures can be taken for protection of whistle-blowers (Article 6 of the KR Law on Protection of Witnesses, Victims and other Parties in Criminal Proceedings):

- (1) personal protection, dwelling and property protection;
- (2) provision of special individual protective gear, means of communication and danger alert;
- (3) ensuring confidentiality of information on the protected person;
- (4) moving to another dwelling place;
- (5) substitution of personal identification documents with a change of personal data, when necessary, applied also to family members of the protected person;
- (6) changing of appearance;
- (7) personal disguise or additional visual isolation during appearance at court sessions, non-disclosure of personal and other details during the investigation;
- (8) changing the place of work (service) or study;
- (9) temporary movement to a place of safety;
- (10) applying additional measures of security to a protected person who is in detention or in prison, including transfer from one pace of detention or prison to another.

2. In the event of presence of the grounds stipulated by Article 16 of this Law, other security measures envisaged by the legislation of the Kyrgyz Republic can also be applied in respect of a protected person.

3. Security measures stipulated by paras 4-7 of the first part of this Article shall be taken only in criminal cases of grave and especially grave crimes.

Prosecution bodies, in keeping with their powers prescribed by the law on criminal procedure, carry out permanent oversight over the activity of law enforcement agencies, including their anti-corruption

activities and compliance with the Law of the Kyrgyz Republic on Protection of Witnesses, Victims and other Parties in Criminal Proceedings.

Strict compliance with Article 12 (part 4) of the CPC of the Kyrgyz Republic Law on Protection of Witnesses, Victims and other Parties in Criminal Proceedings obliging the court, prosecutors, investigators, and inquiry bodies to take legally prescribed measures within their competence for protection of the life, health, honour, dignity and property of parties in criminal proceedings, as well as requirements of the Law on Protection of Witnesses, Victims and other Parties in Criminal Proceedings envisaging a system of measures of public protection of parties in criminal proceedings, including security measures and social protection of the aforementioned persons, are crucial for addressing the tasks of implementation of requirements of the Kyrgyz Republic Law on Protection of Witnesses, Victims and other Parties in Criminal Proceedings.

In this connection, in pursuance of the aforementioned paragraph of the Action Plan, the Prosecutor General's Office prepared instruction No. 112-u of 15 November 2012 on Ensuring Additional Measures for Strict Compliance with Requirements of the Law on Protection of Witnesses, Victims and other Parties in Criminal Proceedings and referred it to prosecutors of regional prosecution office for implementation.

KR Government Resolution No. 12 of 10 January 2014 approved the State Programme of Protection of Witnesses, Victims and other Parties in Criminal Proceedings for 2014-2016.

#### **Assessment of Progress**

*(Assessment of progress prepared by the monitoring experts and summary of the discussion at the IAP plenary)*

**Information provided in the progress update by the Kyrgyz Republic is about witness protection, not whistle-blower protection. It was, therefore, not possible to determine progress under this Recommendation.**

#### **Progress/lack of progress**

**Lack of sufficient information to assess progress**

#### **Recommendation 3.3. - Transparency and discretion in public administration**

Implement in practice provisions on anti-corruption screening of draft legal acts and ensure publication of conclusions of such screening. Introduce anti-corruption review of effective legal acts, first of all in the most corruption-prone areas of regulation.

Conduct awareness-raising campaign on the rights of persons in administrative procedures according to the respective law.

Adopt special procedural rules for adjudication of administrative cases, i.e. complaints of private parties against public authorities, and consider setting up specialised administrative courts.

#### **Measures taken to implement this recommendation:**

*(brief summary of measures taken to implement recommendations provided by the National Coordinator)*

The Justice Ministry performs regular anti-corruption screening of legal acts submitted by the KR public agencies in accordance with their sector-specific policy. Upon the results of 2013, the Interdepartmental Commission for Cataloguing Legal Acts at the KR Justice Ministry conducted anti-corruption screening of 32 draft legal acts.

Training seminars were held on the basis of the KR Justice Ministry with support of international organisations on methodologies and strategies of anti-corruption screening of legal acts.

In addition to introducing an anti-corruption component to the legislation, there is a need to take measures for reducing the administrative and regulatory burden of the state on businesses using the guillotine strategy. It is necessary to increase the capacity, systemise and support the entire legislative process of ensuring obligatory anti-corruption screening of draft legal acts.

In this connection, a Memorandum of Understanding was signed on 19 March 2014 between the Government of the Kyrgyz Republic and the Organisation for Security and Cooperation in Europe (OSCE) Centre in Bishkek concerning the implementation of the regulatory reform project System Analysis of Regulation, which also envisages computerising the process of anti-corruption screening of legal acts. The implementation of this Project envisages introduction of clear legal definitions excluding ambiguous wordings, specifying the conceptual framework, eliminating collisions and excessive amounts of reference provisions the presence of which in matters of priority importance requires exceptions.

According to para 8 of the KR Presidential Decree on Measures for Eliminating the Causes for Political and Endemic Corruption in Bodies of Authority No. 215 of 12 November 2013, the Government of the Kyrgyz Republic, in cooperation with the business community, was instructed to develop measures of support of entrepreneurs aimed at reducing administrative and regulatory pressure of the state on business and introduce obligatory anti-corruption screening of effective legal acts, first and foremost in the most corruption-prone areas of regulation.

Aware of the importance of continuing the reforms, the Ministry applied to the OSCE Centre for support in analysis of the entire legal framework with a view to conduct anti-corruption screening of effective legal acts, assess the loyalty of effective legal acts toward business, and distribution of the principles of regulatory impact analysis and guillotine as the main tools of private sector regulation.

The Ministry's initiative was strongly supported by the OSCE Centre which proposed a separate project on regulatory reform envisaging the creation of a Council on Regulatory Reform under the chairmanship of the KR Prime Minister, comprehensive work on simplification and optimisation of the legal framework regulating business processes, employing international practices and procedures in the regulation area. The KR Justice Ministry has launched a campaign of raising the awareness on the rights of persons in administrative procedures according to the respective law in the course of which community liaison offices were opened in all regions of the Republic providing free counselling and legal services.

The KR Anti-Corruption Service of the State National Security committee also opened counselling offices in each regional centre, which received 3322 (1528) applications from citizens in 2013 alone, upon the consideration of which 62 (66) criminal cases were initiated. The counselling offices also provide free legal counselling to the population.

Work on interaction with mass media was also stepped up to ensure the coverage of high-profile cases on television, in printed media and on news agency websites. Special reports, television programmes, documentaries and public service announcements were prepared and demonstrated.

Televised reports on the main outcomes of the Anti-Corruption Service activities, as well as public service announcements of the series “Corruption from the Mouth of Children” are examples of measures that were favourably received by the population.

In 2013, the Anti-Corruption Service opened counselling offices in all regions of the country, where the procedures for receiving citizens’ applications and complaints was considerably simplified. A round-the-clock telephone hotline and website is also operating. Additionally, the website of the Akipress news agency has posted an information banner of the Anti-Corruption Service.

### **Assessment of Progress**

*(Assessment of progress prepared by the monitoring experts and summary of the discussion at the IAP plenary)*

**Progress has been made in regards to practical implementation of the legal acts screening, however, it is unclear if the results are being published. Numerous measures have been undertaken by the KR on awareness raising. It appears that no special procedural rules for adjudication of administrative cases, i.e. complaints of private parties against public authorities were devised, and there is no mention of consideration for setting up of specialised administrative courts.**

### **Progress/lack of progress**

#### **Progress**

### **Recommendation 3.4. - Financial Control and Audit**

Update Guidelines on Internal Audit to make them more practical and user-friendly.

Develop training materials on internal audit standards and responsibilities of the internal auditors, as well as special materials targeted at the management of the institutions where such services have been established, and conduct regular trainings with the use of the developed training materials.

### **Measures taken to implement this recommendation:**

*(brief summary of measures taken to implement recommendations provided by the National Coordinator)*

To ensure the implementation of internal audit tasks in keeping with the Midterm Action Plan for Reform of the Public Finance Management System in the Kyrgyz Republic, amendments were introduced to the Law on Internal Audit and the following regulations were adopted for ensuring effective internal audit:

(a) Regulation on the Internal Audit adopted by Government Resolution of the Kyrgyz Republic No. 498 of 09 September 2013.

(b) Government Resolution of the Kyrgyz Republic No. 721 of 31 December 2013 introducing the ethical standards for internal auditors of the public agencies and institutions in the Kyrgyz Republic.

(c) Regulation on Financial Management and Control in Public Sector Organisations adopted by Government Resolution of the Kyrgyz Republic No. 722 of 31 December 2013.

The process of retraining of representatives of the public sectors involved in financial management and control was launched at the training centre of the KR Finance Ministry. The process of certification of internal auditors is currently being developed.

#### **Assessment of Progress**

*(Assessment of progress prepared by the monitoring experts and summary of the discussion at the IAP plenary)*

**Kyrgyz Republic didn't provide explicit information on simplification of the Guidelines, however, a lot has been done on improvement of the regulations on the Internal Audit and it would merit taking a look at the new regulations to clarify if they are indeed more simple and user-friendly. Kyrgyz Republic also undertook training in the systemized fashion.**

#### **Progress/lack of progress**

##### **Progress**

#### **Recommendation 3.5. - Corruption in public procurement**

Ensure that adequate resources are allocated to the Main Procurement Unit to carry out its functions and that established rules and requirements are diligently enforced and supplemented by effective system of internal control in purchasing organisations.

Provide continuous training on integrity in public procurement, especially to the officials of purchasing organisations.

Ensure that confidentiality principle is well balanced with the need of public access to information on procurement, in particular ensure that tender documentation, procurement procedure protocol, main information on single-source procurement can be obtained on request by any person.

Reconsider policy on the costs of the remedy procedures to allow a wider access to complaint system.

#### **Measures taken to implement this recommendation:**

*(brief summary of measures taken to implement recommendations provided by the National Coordinator)*

Government Resolution of the Kyrgyz Republic No. 68 of 3 February 2014 established the Department for Public Procurement at the Finance Ministry of the Kyrgyz Republic as a special agency in charge of the public procurement policy in the Kyrgyz Republic. We are also interested in ensuring the staffing of the Department with highly qualified specialists on a long-term basis and are studying various options of decent remuneration of the Department employees.

In addition, the Finance Ministry of the Kyrgyz Republic developed a Draft Law on Public Procurement aimed primarily at the elimination of corruption elements in the sphere of public procurement and the possibilities for corruption (office abuse) for persons responsible for public procurements. The Law of the Kyrgyz Republic on Public Procurement was adopted by the Government of the Kyrgyz Republic and will be reviewed by Zhogorku Kenesh of the Kyrgyz Republic. Draft by-laws were also prepared envisaging the creation of an independent bidding mechanism. The by-laws will be adopted immediately after the new Law.

In order to enhance transparency of the public procurement system, on 9 April 2012 the Finance Ministry launched an electronic procurement portal ([www.zakupki.okmot.kg](http://www.zakupki.okmot.kg)). The portal has considerably improved its coverage and functionality since the moment of its launching. Starting 2012, all procurements of public agencies of the Kyrgyz Republic are published on the public procurement portal. We are planning to further develop the public procurement portal, including the development of modules for online procurements and the use of electronic digital signatures. The introduction of the new system will require the training of the regulator, implementing agencies, the independent bidding commission, as well as representatives of the private sector.

#### **Assessment of Progress**

*(Assessment of progress prepared by the monitoring experts and summary of the discussion at the IAP plenary)*

**Considerable number of steps has been reported by the Kyrgyz Republic on a majority of the elements of the Recommendation 3.5. New procurement institution (unit) has been established and e-procurement portal launched – these are positive developments and will need to be followed up on to see how they work in practice. Some elements of the Recommendation 3.5., such as access to information, costs of remedial steps and training have not been covered in the current government’s progress update and do not allow to fully assess progress on all of the Recommendation’s elements.**

#### **Progress/lack of progress**

#### **Progress**

#### **Recommendation 3.6. - Access to Information**

Reform legislation on access to information according to international standards and best practice by consolidating relevant provisions in one law and by aligning other legislative acts (and first of all the law on state secrets) with the access to information law. Carry out a campaign to raise awareness of citizens on the implementation of the access to information right.

Repeal criminal and administrative liability for insult, and review the civil law provisions concerning liability for defamation, in particular by introducing an exemption from liability for expression of value judgments. Abolish duty of the Prosecutor General to protect honour and dignity of the President.

#### **Measures taken to implement this recommendation:**

*(brief summary of measures taken to implement recommendations provided by the National Coordinator)*

#### **Article 33 of the Constitution ( of 25 June 2010)**

1. Everyone shall have the right to freely seek, receive, keep and use information and disseminate it orally, in writing or otherwise.
2. Everyone shall have the right to acquaint with the information on himself/herself in state authorities, local self-governance bodies, institutions and organizations.
3. Everyone shall have the right to obtain information on the activity of state authorities, local self-governance bodies as well as officials thereof, **legal entities with the participation of state authorities**

**and local self-governance bodies as well as organizations financed from the republican and local budgets.**

4. Everyone shall be guaranteed access to information in the possession of state authorities, local self-governance bodies as well as officials thereof. The regulations of providing information shall be envisaged in the law.

5. No one may be subject to criminal prosecution for the dissemination of information which abases or humiliates honour and dignity of a person.

Starting 2006, the "Precedent" partnership group has been conducting training in information access throughout the entire territory of Kyrgyzstan, including public agencies.

By decision of the Constitutional Chamber of the Supreme Court of 06 November 2013 Article 128 (Insult) of the KR Criminal Code was recognised unconstitutional.

### **Assessment of Progress**

*(Assessment of progress prepared by the monitoring experts and summary of the discussion at the IAP plenary)*

**Based on the information provided, the Law on access to information is still not adopted (Article 33, para 4 of the Constitution). No information about activities for raising awareness on access to information right was provided. A positive development is the decision of the Constitutional Chamber of the Supreme Court regarding Article 128; now further steps will need to be taken to repeal this article all together. No information regarding other elements of the second part of the Recommendation 3.6. has been provided to make a proper judgement regarding progress made by the Kyrgyz Republic to implement them. Therefore, although, some limited progress has been made under this Recommendation, the Kyrgyz Republic will need to step up its efforts on implementation of the Recommendation 3.6.**

### **Progress/lack of progress**

**Progress**

### **Recommendation 3.7. - Political corruption**

Set a limit for the amount of a membership fee and a single donation from natural and legal persons for the routine (not related to elections) activities of the political parties.

Ensure publication of detailed reports submitted by parties on their income and expenditures, as well as monitoring of their finances by an independent state authority in line with international standards.

Establish liability for violations of the regulations on political party/elections financing.

Ensure wider involvement of the civil society in monitoring of the financing of the electoral campaigns to make sure that funds used for campaigns are acquired and spent in a transparent manner.

### **Measures taken to implement this recommendation:**

*(brief summary of measures taken to implement recommendations provided by the National Coordinator)*

Article 42 of the Constitutional Law of the Kyrgyz Republic on Elections of the President of the Kyrgyz Republic and Deputies of Zhogorku Kenesh of the Kyrgyz Republic, and Article 16 of the Law of the Kyrgyz Republic on Elections of Deputies of Local Keneshes stipulate that control over the formation and expenditure of election funds by candidates and political parties is exercised by election commissions. Resolution of the Central Commission for Elections of the Kyrgyz Republic No. 30 of 15 July 2011 approved the Instruction on the order of formation, accounting of income and expenditure of money of the election fund of a candidate for the position of President of the Kyrgyz Republic; Resolution of the Central Commission for Elections of the Kyrgyz Republic No. 14 of 25 January 2012 approved the Instruction on the order of formation, accounting of income and expenditure of money of the election funds of candidates to deputies of local keneshes of the Kyrgyz Republic. In addition, Resolution of the Central Commission for Elections of the Kyrgyz Republic No. 19 of 31 January 2012 approved the Provision on the controlling and auditing group at the Central Commission for Elections of the Kyrgyz Republic in elections of deputies of local keneshes. On the basis of the aforementioned legal acts, a controlling and auditing group is set up at the Central Commission for Elections for controlling the sources, proper accounting and expenditure of the election funds of candidates, political parties, and electoral associations. The controlling and auditing group includes: head of the controlling and auditing group, his/her deputy, members of the election commission appointed to the controlling and auditing group, external specialists from law enforcement, financial and other public agencies, organisations and institutions.

On written instruction of the Central Commission for Elections, the controlling and auditing group:

- (1) audits financial reports of candidates, political parties and subordinate election commissions;
- (2) requests and receives information from candidates, political parties and election commissions on all issues within their competence;
- (3) controls compliance with the existing procedures for election campaigning, implementing other measures directly related to election campaigns of candidates and political parties;
- (4) contacts public agencies and organisations irrespective of their forms of ownership, as well as individuals on matters referred to the competence of the controlling and auditing group, requests the necessary data and materials related to financial support of elections. Responses to the applications of the controlling and auditing group and the materials requested by it are to be presented within three days, and in the period 5 or less days prior to elections – immediately;
- (5) prepares documents on financial violations in the financing of elections;
- (6) raises issues before relevant election commissions concerning the imposition of liability on candidates, political parties as well as individuals and legal entities for violations committed in the financing of candidates' and political parties' election campaigns;
- (7) attracts experts to conducting audits, preparation of conclusions and expert evaluations.

Upon the results of past elections of deputies of local keneshes of the Kyrgyz Republic, a report on the movement of cash of election funds of candidates and political parties is regularly placed on the official website of the Central Commission for Elections [www.shailoo.gov.kg](http://www.shailoo.gov.kg). It is also necessary to mention the cooperation of the Central Commission for Elections with non-governmental organisations in these matters. Starting 2012, the Central Commission for Elections has been providing consultative support to the "Interbilim" International Centre in implementation of the project of building civil society's potential for Campaign Finance Observation.

The project is aimed at effective monitoring of political party expenditure while campaigning, with particular reference to the abuse of state resources. In 2013, the "Interbilim" International Centre issued a publication in the form of recommendations on improvement of the legislation of the Kyrgyz Republic

regulating political party election fund formation and expenditure, in connection with which amendments were introduced to the legislation, and part of the issues are under review of Zhogorku Kenesh of the Kyrgyz Republic.

### **Assessment of Progress**

*(Assessment of progress prepared by the monitoring experts and summary of the discussion at the IAP plenary)*

**Information about the measures taken to implement recommendation 3.7 refers to financing of electoral campaigns. No information about routine financing of political parties, sources of income, expenditures, audits, possibility to transfer finances from regular account to the account for financing electoral campaigns was provided.**

**No information about establishment/enforcement of the liability for violations of the regulations on political party/elections financing was provided.**

**No information was provided about the new Law on Political Parties, in the monitoring report from 2012 authorities stated that it is drafted but it appears that the 1999 Law remains to be in force.**

**Progress was made in controlling and monitoring of the financing of electoral campaigns for local keneshes and amendments to the legislation for political party election fund formation and expenditures are currently under review.**

### **Progress/lack of progress**

**Lack of sufficient information to assess progress**

### **Recommendation 3.8. - Integrity in judiciary**

Continue reforming the legislation on the judiciary in order to strengthen the guarantees of judicial independence, their irremovability from office, and elimination of corruption possibilities, in particular:

- exclude or significantly limit the role of the Parliament in appointment of judges;
- revise the composition and the procedure for forming the Council for Selection of Judges;
- establish uniform criteria for selection of judges on the basis of personal qualifications;
- provide clear grounds for, and modify the procedure of, bringing judges to disciplinary responsibility in order to comply with the fair trial guarantees and prevent arbitrary dismissal of judges from office while ensuring effective accountability of judges;
- establish the amount of judicial remuneration in law.

Ensure implementation in practice of an automated case assignment system and that information on case assignment is open; ensure publication of court decisions on the Internet.

Consider abrogating the procedure for revision of court decisions through supervisory review.

Ensure that the constitutional jurisdiction body is formed and functions.

Reform the public prosecution bodies to ensure their independence and accountability; in particular, define an exhaustive list of clear grounds for dismissal of the Prosecutor General and other prosecutors.

**Measures taken to implement this recommendation:**

*(brief summary of measures taken to implement recommendations provided by the National Coordinator)*

As of today, there are three priorities in this respect. The first is the selection of judges, second – development of a revamped law of procedure, and third is the forthcoming development of the judiciary system in the Kyrgyz Republic up to the year 2017.

In respect of the first priority, according to the existing procedures, the Council for Selection of Judges of the Kyrgyz Republic selected candidates to judges; the Supreme Court of the Kyrgyz Republic, the Constitutional Chamber of the Supreme Court of the Kyrgyz Republic, all regional courts and most of martial-law courts have been formed with the participation of President and Zhogorku Kenesh of the Kyrgyz Republic and are successfully functioning. Changes are presently being introduced to the process of selection of judges aimed at lowering the level of discretion and ensuring recruitment of the best candidates.

In respect of the second priority, the recommendations produced in the course of public consultations on further reform of the judiciary system in the Kyrgyz Republic were accepted as the basis for ensuring coordinated actions of the country's public agencies; the Council on Judiciary Reform was created in the context of such reform under the President of the Kyrgyz Republic. Seven expert task forces were formed and are working on the development of relevant draft laws of procedure and other legal acts.

In respect of the third priority, the Council of Judges of the Kyrgyz Republic, on behalf of the judiciary system, prepared and submitted to the Government of the Kyrgyz Republic a Draft State Target Programme of Development of the Judiciary System of the Kyrgyz Republic for 2014-2017. This is a major achievement providing a platform for an independent budget of the judiciary system and envisaging gradual but significant increase in the amount of resources allocated to this sector. More specifically, further gradual increase of the judiciary system financing will start in 2015 by an annual 10 percent over the period of the previous year (2014) and will ultimately reach the ceiling of 1 percent of the republican budget expenditure.

The Government is also taking measures for raising the salaries of workers of the judiciary system with a view to boost motivation and reduce corruption phenomena. Resolutions on Remuneration of Labour of Public and Municipal Servants in the Kyrgyz Republic No. 384 of 28 June 2013 and on Labour Remuneration of Judges of the Kyrgyz Republic, Public Servants of the Supreme Court Staff of the Kyrgyz Republic, the Staff of the Constitutional Chamber of the Supreme Court of the Kyrgyz Republic No. 560 of 18 October 2013 were adopted and entered into force as of 1 October 2013. In comparison with 2013, work on reform of the judiciary system is underway in 2014 aimed at an overall salary increase by 51.9 percent.

We have also taken measures for increasing transparency of the judiciary system. The Judiciary Department at the Supreme Court of the Kyrgyz Republic prepared a report on statistical data which is available on the websites of the Council of Judges ([www.sskr.kg](http://www.sskr.kg)) and the Supreme Court ([sudsistem.kg](http://sudsistem.kg)). These statistical data will further on be published in the bulletin of the Supreme Court of the Kyrgyz Republic and can be used for assessment of the impact of governmental reforms on the functioning of the judiciary system.

Resolution of the Zhogorku Kenesh of the Kyrgyz Republic No. 3065-V of 15 May 2013 on Election of Judges adopted KR Constitutional Law on the Constitutional Chamber of the Supreme Court of the Kyrgyz Republic No. 37 of 13 June 2011. Judges were selected on a competitive basis and the Constitutional Chamber has been staffed. At present, the Constitutional Law on the Constitutional Chamber of the Supreme Court of the Kyrgyz Republic has proceeded to reviewing cases.

The Law on the Prosecution Office of the Kyrgyz Republic contains an exhaustive list of grounds for dismissing the Prosecutor General and other prosecutors, and the terms of 5 and 7 years are established for remaining in office with subsequent rotation. The expiration of these terms shall not constitute grounds for dismissal.

#### **Assessment of Progress**

*(Assessment of progress prepared by the monitoring experts and summary of the discussion at the IAP plenary)*

**Progress on some parts of the Recommendation 3.8. appears to be made. It appears that judiciary is undergoing major reforms. Constitutional body has been set up in the Kyrgyz Republic; steps are taken to provide for better remuneration. It is unclear how new reform will in practice influence independence of the judiciary but this can be looked into the 3<sup>rd</sup> round of monitoring. No information was provided on random case allocation and how it is being implemented in practice.**

#### **Progress/lack of progress**

##### **Progress**

#### **Recommendation 3.9. - Integrity in the private sector**

Establish a dialogue with business to raise awareness about risks of corruption and solutions for private sector, to solicit inputs for the review of the legal acts relevant for private sector with a view to reducing possibilities for corruption.

Facilitate, in close co-operation with business unions and civil society organizations, promotion and enforcement of internal corporate compliance programmes with due account of the best international practice and standards, in particular, Annex 2 to the OECD Council Recommendation of 26 November 2009.

#### **Measures taken to implement this recommendation:**

*(brief summary of measures taken to implement recommendations provided by the National Coordinator)*

*An Expert Panel was set up at the Consultative Council, which includes representatives of both public agencies and the nongovernmental sector and the civil society.*

- *Public anti-corruption screening of legal acts*
- *Public hearings of draft legal acts with the participation of experts and representatives of civil society institutions*
- *Monitoring by the public supervisory councils, the anti-corruption Consultative Council of the public supervisory councils*
- *Anti-Corruption Forum at the Ministry of the Economy of the Kyrgyz Republic*

- *Uniting the civil society sector through the Memorandum of Association against Corruption. A total of 25 civil society institutions signed this Memorandum*
- *Creation of task forces at the public agencies and bodies of local government, involving independent experts and specialists for purposes of eliminating factors causing corruption, development of anti-corruption models and analysis of administrative procedures in various spheres of the economy and public administration*

#### **Assessment of Progress**

*(Assessment of progress prepared by the monitoring experts and summary of the discussion at the IAP plenary)*

**Through the information provided under recommendations of Pillar 1 and this recommendation, the Kyrgyz Republic reported numerous steps taken towards implementation of the Recommendation 3.9. Engagement with the private sector seems to have activated considerably and the business sector appears to be developing internal controls within the companies and undertaking other compliance measures. Therefore, the Kyrgyz Republic seems to be moving in the right direction.**

#### **Progress/lack of progress**

**Progress**

## **PART II: OTHER MAJOR ANTI-CORRUPTION DEVELOPMENTS**

*(Description of other major anti-corruption developments, which were not covered by the recommendations, such as any new policy, legislative, administrative, or case law developments since the adoption of the report, to be provided by the National Coordinator)*