



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

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**Istanbul Anti-Corruption Action Plan for
Armenia, Azerbaijan, Georgia, Kazakhstan, the Kyrgyz Republic, the
Russian Federation, Tajikistan and Ukraine**

KYRGYZ REPUBLIC

UPDATE ON ACTIONS TO IMPLEMENT RECOMMENDATIONS

June 2006

This update is prepared by the Government of the Kyrgyz Republic for the 5th Monitoring Meeting of the Istanbul Anti-Corruption Action Plan, 12-13 June 2006.

Action Required: delegates are invited to discuss this update

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I) NATIONAL ANTI-CORRUPTION POLICY AND INSTITUTIONS

1. Update National Anti-Corruption Strategy of the Kyrgyz Republic, on the basis of the evaluation of the implementation of the current anti-corruption programmes, with the aim to unify multiple documents into a single comprehensive strategy.

National implementation actions:

The State Anti-Corruption Strategy and its implementation Action Plan have been approved by Decree of the Acting President of the Kyrgyz Republic No. 251 of 21 June 2005. It is noteworthy that it was developed with the participation of all stakeholders, including representatives of governmental authorities, NGOs, mass media, business structures, and international organisations.

The Strategy presently is a single platform pooling all anti-corruption measures according to a certain logic and sequence, which makes it possible to raise the efficiency of anti-corruption activities. The developed measures are aimed at efficient and efficacious prevention, detection, and termination of corruption, organisation of effective struggle against it.

An Action Plan for the implementation of the Strategy has been developed to map out specific measures, their sequence, implementation indicators, responsible entities and their partners.

In pursuance of implementation of the Action Plan for the Strategy implementation, the Government of the Kyrgyz Republic adopted Resolution No. 132 in February 2006, approving the Governmental set of measures for 2006-2007, envisaging the following measures:

- forming the anti-corruption policy of the state;
- fighting administrative corruption;
- fighting corruption in the sphere of budget funds;
- fighting corruption in the social sphere and law-enforcement bodies;
- international cooperation.

2. Ensure strengthening institutional support for the public policy elaboration and monitoring in the field of fighting corruption; in the short term, this can be done through the Consultative Council for Good Governance and its Secretariat; in a longer term consider further consolidation and strengthening, taking into account experience of other countries with specialised independent anti-corruption agencies.

National implementation actions:

For purposes of raising the efficiency and sustainability of the anti-corruption policy, development of principally new approaches to the fight against corruption and systemic measures aimed at preventing corruption, the National Agency of the Kyrgyz Republic for Preventing Corruption and a special supervisory authority – the National Council of the Kyrgyz Republic for the Fight against Corruption – have been established on 21 October 2005.

The establishment of the National Agency of the Kyrgyz Republic for Preventing Corruption is aimed at ensuring the pursuance of a single state policy in the field of fighting corruption. It is faced with the tasks of development and implementation of measures aimed at the liquidation and prevention of conditions generating, encouraging, and supporting corruption, exercising coordination, monitoring and assessment of the implementation of state policy of fighting corruption, forming public intolerance to corruptive manifestations, and promoting self-organisation in the sphere of fighting corruption.

The National Council of the Kyrgyz Republic for the Fight against Corruption is called upon to pool the efforts of state and public institutions in the fight against corruption. The Council should become a form of participation of the civil society in the adoption of general decisions on anti-corruption issues, in the monitoring of measures implemented in this area.

The National Council formation procedures have currently been completed, and the President approved its composition and appointed the head of the National Agency. It should be mentioned that the National Council is formed on an equal footing by representatives of all branches of power and the civil society, where the latter constitutes a majority, enabling to make its decisions more independent and unbiased.

The budget of the National Agency for 2006 has been approved, and at the same time the co-financing of this project by international donor organisations is being considered.

The formation of the National Agency staff and the settlement of other organisational issues related to provision of its activity are currently underway.

3. Carry out the inventory and analyse existing functions of the law-enforcement bodies involved in the fight against corruption with the view to further consolidate and specialise them. The coordination function currently implemented by the Prosecutor General's Office should be strengthened. Furthermore, provide adequate resources for the enforcement of anti-corruption legislation.

National implementation actions:

A functional analysis of all law-enforcement bodies responsible for the fight against corruption is envisaged by the Action Plan for the Implementation of the State Anti-Corruption Strategy in the Kyrgyz Republic (item 41). The Anti-Corruption Authority and the Government have been identified as responsible executors.

It should be noted that in connection with a certain delay in the creation of the Anti-Corruption Authority, identified as the responsible executor of this measure, the fulfilment of this recommendation has been postponed to a later period.

It is noteworthy that the aforementioned Governmental Resolution of the Kyrgyz Republic No. 132 (item 3 – the Complex of Measures) envisages the creation of an interdepartmental working group for detecting duplication, parallelism, and other inconsistencies in the goals, objectives, and competence of law-enforcement bodies in the fight against corruption. Relevant proposals for their elimination will be submitted upon the results of work of the interdepartmental group.

The coordinating functions of the Prosecutor General's Office have been strengthened by creating within its structure in June 2005 of a Department for Compliance with the Laws on the Fight against the Legalisation (Laundering) of Crime Proceeds and Corruption.

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

National implementation actions:

The State Anti-Corruption Strategy of the Kyrgyz Republic (items 6, 7, 8 of the Action Plan) envisages the development of a relevant methodology of monitoring the corruption status in Kyrgyzstan and direct conducting of surveys, taking into consideration the international experience, to be used as the basis for identifying key factors creating conditions for the emergence and growth of corruption, and developing recommendations for their neutralisation.

In addition, the Government is planning to conduct an analysis of the corruption status in each public authority and body of local self-government (item 2 of the Complex of Measures) on the basis of the methodology which will be developed by the National Agency for Preventing Corruption.

5. Conduct awareness raising campaigns and organize training for the relevant public associations, state officials and the private sector about the sources and the impact of corruption, about the tools to fight against and prevent corruption, and on the rights of citizens in their interaction with public institutions.

National implementation actions:

The Action Plan for the Implementation of the State Anti-Corruption Strategy (item 18) envisages relevant measures for the organisation of permanent training courses for public organisations, state officials and the civil society on their rights in their interaction with public institutions during the prevention and the fight against corruption, as well as the sources and impact of corruption. The Government and the Agency for Public Service Affairs have been identified as the responsible executors of this measure.

Specifically, the Government of the Kyrgyz Republic envisages conducting regular awareness raising campaigns against corruption during the elections to bodies of local self-government, publication in mass media of the detected facts of corruption, as well as the results of their consideration with indication of the adopted measures (item 9 of the Complex of Measures).

In addition, in order to prevent corruptive offences it is planned to elaborate and bring to the notice of every public servant a memo of prohibited conduct of public servants (item 23 of the Complex of Measures). A similar memo for citizens on the actions to be taken in case of detection of facts of administrative corruption in state institutions and telephone hotlines will be prepared in each public institution (item 15 of the Complex of Measures).

6. Ratify the UN Convention against Corruption.

National implementation actions:

The Kyrgyz Republic has ratified the UN Convention against Corruption in 2005.

7. Upgrade monitoring and reporting of corruption and corruption-related offences on the basis of a harmonised methodology. Ensure the provision of regular information to the Consultative Council for Good Governance, covering all spheres of the Civil Service, the Police, the Public Prosecutor's Offices, and the Courts, which would enable comparisons among institutions.

National implementation actions:

A single statistic monitoring of crime, including corruption-related offences, is conducted within the system of law-enforcement bodies of the Kyrgyz Republic. All offences are registered according to an approved form, and their required analysis is performed.

Moreover, instruction of the President of the Kyrgyz Republic No. 56 of 7 February has prescribed quarterly reporting by the Prosecutor General's Office and monitoring of facts of corruption and corruption-related offences to the Consultative Council for Good Governance (item 7), as well as the development of a harmonised methodology in this sphere.

In addition, Resolution of the Government of the Kyrgyz Republic No. 132 envisages the development of a single form of providing regular information on facts of corruption and corruption-related offences to the National Corruption Prevention Agency (item 42 of the Complex of Measures).

8. Continue with efforts in the area of corruption-specific trainings for police, prosecutors, judges and other law enforcement officials; consider providing joint training for these bodies on the fight against corruption.

National implementation actions:

Corruption-specific training of law-enforcement officers is currently conducted on the basis of separate programmes, at training centres of each agency. In addition, joint training programmes are practices for law-enforcement officials and the judiciary on the basis of the Kyrgyz Republic Legal Academy.

At the same time, low technical equipment of the educational facilities and insufficient experience in the sphere of international anti-corruption legislation hampers the efficiency of these measures, which calls for technical and consultative support of international organisations. The Complex of Governmental Measures for implementing the State Anti-Corruption Strategy also envisages advanced training courses for officers engaged in investigatory and operative activity, assigned to the fight against corruption and economic crimes (item 41), as well as organisation and holding of internships at competent authorities of foreign countries (item 43).

II) LEGISLATION AND CRIMINALISATION OF CORRUPTION

9. Amend the provisions related to corruption offences to meet the requirements of international standards as enshrined in the Council of Europe's Criminal Law Convention on Corruption, the United Nation's Convention against Corruption and the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. Consequently, amend the Criminal Code to ensure that:
 - corruption-related conduct, including bribery, of foreign and international public officials is criminalized, either through expanding the definition of a public official or by introducing separate criminal offences;
 - promise and offering of a bribe, both in public and private sector, is criminalized;
 - subject of a bribery, both in public and private sector, covers undue advantages, which include material as well as non-material benefits;
 - bribery through intermediaries is fully covered;
 - clarify the definitions of corruption-related offences in the sphere of abuse of official duties and powers and ensure precise legal definitions which would not invoke interpretative difficulties;
 - "Concealment", "abuse of functions", "illicit enrichment", as they are defined by the UN Convention against Corruption, are criminalized.

National implementation actions:

In keeping with provisions of the UN Convention against Corruption ratified by Kyrgyzstan and the Action Plan for the Implementation of the State Anti-Corruption Strategy in the Kyrgyz Republic (item 50), the elaboration of draft laws is planned to introduce amendments and

additions to the legislation of the Kyrgyz Republic in order to harmonise it with international standards. Specifically, the Prosecutor General's Office of the Kyrgyz Republic set up a Working Group in July 2005, which is currently engaged in the elaboration of relevant draft laws on the introduction of amendments to the Kyrgyz Republic Criminal Code and Code of Criminal Procedure. In particular, the national parliament has recently approved amendments to article 314 of the Criminal Code of the Kyrgyz Republic in relation to exemption from responsibility of persons who acted as accomplices and intermediaries in bribe-taking or bribe-giving to another person, if they have voluntarily reported about it to bodies authorised to initiate criminal cases.

The Complex of Measures of the Government of the Kyrgyz Republic envisages similar measures for introducing amendments to the CC (item 12).

10. Consider significantly revising the Law on the Fight against Corruption along the following lines:
- harmonise and clarify the concept of corruption from the Criminal Code and the Law on the Fight against Corruption;
 - remove contradictions between this law and other laws and codes, in particular in the field of declaration of assets, confiscation of property and illicit income;
 - introduce provisions that would enable actual enforcement of the law.

National implementation actions:

In April 2006, the Government of the Kyrgyz Republic adopted Resolution No. 237 on the Draft Law of the Kyrgyz Republic on Introduction of Amendments and Additions to the Law of the Kyrgyz Republic on the Fight against Corruption, in accordance with which a draft law has been submitted for consideration of the national parliament, containing all the necessary amendments and additions connected with the formation of the National Agency of the Kyrgyz Republic for Preventing Corruption.

11. Recognising that the responsibility of legal persons for corruption offences is an international standard included in all international legal instruments on corruption, the Kyrgyz Republic should with the assistance of organisations that have experience in implementing the concept of liability of legal persons (such as the OECD) consider how to introduce into its legal system efficient and effective liability of legal persons for corruption-related criminal offences.

National implementation actions:

In keeping with the Kyrgyz Republic Presidential Instruction No. 56 (item 11) of 7 February 2005, in order to harmonise the legislation of the Kyrgyz Republic with the legislations of OECD member states, relevant state authorities are presently examining the regulatory and legal framework of the aforementioned countries and considering the possibility of amending the criminal and criminal-procedural legislation of the Kyrgyz Republic to introduce criminal responsibility of legal persons. The Government and the Prosecutor General's Office have been identified as responsible executors.

However, taking into consideration the lack of experience in implementing the concept of responsibility of legal persons, there is a need for external technical and consultative assistance of international organisations which have experience in this sphere.

It should be mentioned that the delay in creation of the Anti-Corruption Authority has resulted in the postponement of the terms of implementation of this measure.

12. Consider amending the Criminal Procedure Code, the Criminal Code and the draft Law on Fighting Financing of Terrorism and Laundering of Proceeds of Crime to ensure that the definition of proceeds of crime, which are subject to confiscation, includes i) property into which proceeds of crime have been transformed or converted; ii) property with which proceed of crime have been intermingled; iii) income derived from i) and ii), as well as from proceeds of crime.

National implementation actions:

The Justice Ministry and the Prosecutor General's Office are currently considering the possibility of amending the Criminal Code and the Code of Criminal Procedure to include in the definition of proceeds of crime subject to confiscation the said recommendations and notions. The Draft Law on Fighting the Financing of Terrorism and Laundering of Proceeds of Crime of 9 December 2004 was adopted by the parliament as the basis in first reading, but returned for revision afterwards, and is presently being finalised.

13. Amend the provisions of the Criminal Code and Criminal Procedure Code concerning the definition of proceeds and instrumentalities of crime to bring the provisions of both Codes in compliance with each other and the UN Convention against Corruption.

National implementation actions:

Measures envisaging the introduction of relevant amendments to the Criminal Code and Code of Criminal Procedure concerning the definition of proceeds and instrumentalities of crime are included in the Action Plan for the Implementation of the State Anti-Corruption Strategy (item 49). The Anti-Corruption Authority and the Prosecutor General's Office have been identified as responsible executors. This issue is currently being examined by the Working Group within the Prosecutor General's Office.

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

National implementation actions:

In keeping with the Kyrgyz Republic Presidential Instruction No. 56 of 7 February 2005 (item 14), the Justice Ministry, the National Security Service, and the Prosecutor General's Office are presently considering the possibility of introducing this provision to the legislation.

15. Review the provisions of the Criminal Procedure Code to ensure that the procedure to identify, trace and seize proceeds and instrumentalities of corruption offences are efficient and operational.

National implementation actions:

The Justice Ministry, as well as the Working Group within the Prosecutor General's Office are currently working on this issue.

16. Bring in compliance with each other the Law on Banks and Banking and the Law on Bank Secrecy with regard to the authority, which gives a sanction for accessing bank records. Consider giving the right to access bank records before criminal proceedings are officially instituted, subject to either a court or a prosecutor order.

National implementation actions:

In order to bring in compliance with each other the Law on Banks and Banking and the Law on Bank Secrecy with regard to the authority, which gives a sanction for accessing bank records, The Justice Ministry of the Kyrgyz Republic is presently preparing the necessary amendments to the legal acts aimed at eliminating the existing contradictions.

According to article 54 of the KR Law on Banks and Banking, a bank is not allowed to disclose to third parties or use for any purposes any information entrusted to it or to which it had access in the process of relations between the bank and its clients, otherwise than on grounds prescribed by the legislation.

Article 10 of the Law on Bank Secrecy legalises the regulation concerning the provision of data by banks constituting bank secrecy on the basis of a court order issued in accordance with the Kyrgyz Republic processional legislation. At the same time, this article stipulates that banks shall provide the information constituting bank secrecy to an authorised public body for purposes of countering the legalisation (laundering) of illegal profit only on the basis of a special law regulating these legal relations.

17. Introduce effective law on protection of witnesses, experts, victims, and reporting persons.

National implementation actions:

In pursuance of the plan of legislative activity of the Kyrgyz Republic Government, the Kyrgyz Republic National Security Service has developed a draft law on Protection and Safety of Witnesses, which has undergone the procedure of national coordination. At the same time, in the course of the coordination ministries and agencies of the Kyrgyz Republic have introduced important proposals and remarks. In particular, the Finance Ministry proposed envisaging the financing and logistic support of measures for protection and safety of protected persons from the republican budget within the limits of the budget of the National Security Service, which at the moment is not possible.

In addition, an alternative draft law on Protection of the Rights of Witnesses and Victims Participating in Criminal Proceedings has been elaborated in February 2006 and is currently undergoing the approval procedures, after which it will be submitted for parliamentary consideration.

18. Consider introducing amendment to the Code of Criminal Procedure to ensure that extradition and mutual legal assistance are given on reciprocity basis and contribute to ensuring effective international mutual legal assistance in investigation and prosecution of corruption cases.

National implementation actions:

The extradition procedures and mutual legal assistance are implemented within the frameworks of the existing international bilateral and multilateral treaties on the fight against crime, as well as cooperation agreements concluded between law-enforcement agencies. E.g. for purposes of settling issues of international cooperation in criminal cases the Kyrgyz Republic signed 15 international agreements on mutual legal assistance.

In addition, the Action Plan for the Implementation of the State Anti-Corruption Strategy in the Kyrgyz Republic (item 61) for 2006 envisages the preparation of proposals on amendment of the legislation of the Kyrgyz Republic in this sphere.

19. Ensure that the immunity granted to certain categories of public officials does not prevent the investigation and prosecution of acts of corruption.

National implementation actions:

The procedure for lifting immunities is strictly regulated by the legislation of the Kyrgyz Republic. Besides, immunities do not prevent the competent authorities from conducting an investigation, including of corruptive offences.

20. Study special investigation techniques for fighting corruption, consider introducing the legal basis for these techniques and methods in the Criminal Procedure Code - with due regards to international human rights standards - and secure funding for implementation of witness protection programmes.

National implementation actions:

In order to harmonise the legislation of the Kyrgyz Republic with the legislations of OECD member countries and introduce the standards and techniques for fighting corruption to the legislation of the Kyrgyz Republic, the relevant public authorities are currently studying the regulatory and legal frameworks of the aforementioned countries, and considering a possibility of introducing relevant amendments to the criminal and criminal processional legislation of the Kyrgyz Republic.

Specifically, the provisions on funding the witness protection programme are included in the draft law on Protection and Safety of Witnesses.

A draft resolution of the Kyrgyz Republic Government has also been developed in March this year on Implementation of a Pilot Project of Introducing Polygraph (Lie Detector) Testing in Public Institutions of the Kyrgyz Republic. The project is currently undergoing approval procedures in ministries and agencies.

III) TRANSPARENCY OF CIVIL SERVICE AND FINANCIAL CONTROL ISSUES

21. Strengthen recruitment and promotion process to the civil service by enhancing the significance of objectively verifiable and merit-related criteria and limiting to the extent possible opportunities for discretionary decisions. Reconsider the necessity of internal and national reserves, which may provide advantages for insiders as opposed to outside candidates.

National implementation actions:

The adoption of the Law of the Kyrgyz Republic on Public Service has enhanced requirements to professional merits of candidates to public service positions. They have to undergo obligatory competition procedures, including besides the submission and consideration of candidates' documents, testing, solving practical problems for the purposes of objective assessment of the candidates' knowledge, qualification and professional skills, intellectual capabilities, and psychological characteristics. Candidates who have demonstrated good results in competition, but have not been appointed to the sought positions, are entered into the National Personnel Reserve and recommended by the Agency for Public Service Affairs for participation in competitions whenever a vacancy opens in the other public institutions.

In order to strengthen the recruitment and promotion procedures, provisions have been developed and approved on rotation of public servants, on keeping personal files of the public servants, procedures for storing and destroying contestants' documents, reporting the state

institutions' forms on the implementation of the Law on Public Service, and a number of other documents are being developed.

22. Provide mechanisms of permanent control over the implementation of the Laws on Public Service, on Disclosure and Publication of Income and Property of High Officials and Members of their Families, and on the Fight against Corruption.

National implementation actions:

To control the implementation of the legislation of the Kyrgyz Republic on public service in its part dealing with competitions, the Agency for Public Service Affairs has prepared and distributed among the public institutions methodological materials on the procedures of holding competitive selection, and renders permanent methodological support to the public institutions in this field. Provisions on rotation of public servants, on keeping public servants' personal files and the rules of storage and destruction of competitors' documents, as well as reporting forms of the public institutions on the implementation of the Law on Public Service have been developed.

The Agency staff participates in the work of the attestation and competition commissions of public institutions, in regular inspections of observance of the legislation on public service by the public institutions. In accordance with the approved inspection plan of the Agency, as well as on the basis of the filed complaints, information on the violation of the legislation, inspections have been conducted in the public institutions. They resulted in the cancellation of decisions on appointments made in violation of the Kyrgyz Republic legislation on public service, without competitive selection, in some public bodies, specifically, the State Register and the State Commission for the Securities Market.

23. Streamline the system for the public disclosure and control of the income and assets declarations of all public officials; study and employ the experience of other countries that have been successful in this area. Explore possibilities to expand the circle of relatives of public officials who are required to submit income and assets declarations.

National implementation actions:

In order to streamline the system for the public disclosure and control of the income and assets declarations of all public officials, the Agency for Public Service Affairs carries out a relevant set of measures. In particular, the Provision has been approved on procedures, conditions, and timeframes for submitting declarations on incomes, liabilities, and assets of public servants and their close relatives, accounting, storage of declarations, and the publication of information contained in them, and the Declaration Filling Guide.

A list of all public officials who have and have not submitted declarations have been published on the Agency's website (www.csa.gov.kg) on results of the declaration campaign.

To ensure public access to the information presented in the declarations, the Agency has established an official printed medium – the weekly *Public Service and Career*, which will publish consolidated data on incomes and assets of persons occupying political and other special public positions, and their close relatives.

24. Explore possibilities for an electronic system of public procurement purchase realization in order to enhance the transparency of state purchases. Information on state purchases, except for narrowly defined information subject to state secrets, should be available for the public.

National implementation actions:

The Action Plan for the Implementation of the State Anti-Corruption Strategy (items 38 and 39) for 2006 envisages the elaboration and submission to the Kyrgyz Republic Zhogorku Kenesh a draft law on Electronic Public Procurement and the introduction of this system after its adoption.

The State Commission for Public Procurement and Material Supplies has its website (www.goszakupki.gov.kg), which presents the Law of the Kyrgyz Republic on Public Procurement, regulatory and legal acts on public procurements, information on the forthcoming and conducted tenders, etc. The Public Procurement Bulletin is published twice a week and contains information on the forthcoming and conducted tenders.

25. Limit the possibilities of state purchases from the single source.

National implementation actions:

The Law of the Kyrgyz Republic on Public Procurement (article 38 “Procurement from a Single Source and Terms of their Use”) stipulates that the procurement organisation may take a decision to make procurements from a single source upon coordination with a public authority only in the following cases:

- if it places additional orders within 6 months from the moment of conclusion of a contract, not exceeding 15 percent of the cost of the previous purchase, and observes by the former norms, parameters and standards;
- signing a contract during the conducting of surveys, experiments or the preparation of a scientific conclusion;
- if these goods, jobs or services are available only from one particular supplier (contractor) or a particular supplier (contractor) has exclusive rights with respect of these goods, jobs or services;
- if procurements are made for the implementation of a creative project or creative activity in the sphere of art or culture;
- if there is an urgent necessity to make procurements in connection with circumstances which the procurement organisation could not have foreseen.

In 2005, a total of 814 million soms of procurement, or 18% of the total volume of concluded contracts, has been made from a single source, which is 16% less than in 2004. In an attempt to ensure transparency and competition development, it is planned to reduce procurements from a single source in 2006 by another 10%.

26. Introduce internal auditing in the system of executive authorities in order to reveal corruption as well as to stipulate free and permanent collaboration of bodies that provide financial control and audit.

National implementation actions:

The Action Plan for the Implementation of the State Anti-Corruption Strategy (item 52) envisages the creation during 2006 of a network of internal audit divisions within the system of executive authorities for revealing facts of corruption, as well as providing possibilities for free and permanent collaboration between bodies of financial control and audit. The Government and the Chamber of Audit have been identified as responsible executors of this measure.

27. Government held information, which is not subject to disclosure, should be delineated as concretely as possible in the law (rather than in any internal documents, instructions and the like), the discretion of public officials as to what constitutes such information should be limited to the maximum extent feasible.

National implementation actions:

In pursuance of this recommendation, a draft law on Free and Guaranteed Access to Information has been elaborated and is presently under discussion, which guarantees everyone's right to receive information and provides a mechanism for protection of this right, as well as regulating relations emerging during the exercising of this right.

The text of the draft law is available on the website of the Kyrgyz Republic Government: www.gov.kg.

28. Ensure that the information provided in non-public complaints cannot be used for unjustified prosecutions for slander. Introduce additional measures to increase the protection of the citizens making complaints and proposals to the public bodies on issues of corruption.

National implementation actions:

The Action Plan for the Implementation of the State Anti-Corruption Strategy of the Kyrgyz Republic (item 24) envisages the elaboration of a regulatory act ensuring that the information provided in non-public complaints could not be used for unjustified prosecutions for slander and introducing additional measures to increase the protection of the citizens making complaints and proposals to the public bodies on issues of corruption.

29. Expand the application of permanent forms of cooperation (institutionalized councils and the like) between NGOs and the broader public on the one hand and public agencies on the other hand. Institutionalized councils where public officials are present but only NGOs/associations have voting powers are one potentially effective option for ensuring the free expression of public concerns. The decisions of such councils bear advisory character for public agencies. Develop a procedure for the permanent involvement of civil society (not only those represented by particularly active interested NGOs) in policy making.

National implementation actions:

Within the frameworks of implementing this recommendation, relevant regulations are being elaborated to develop procedures of permanent participation of the civil society in policy-making. Specifically, the Statute of the National Council for the Fight against Corruption stipulates that 6 out of its 11 members shall be representatives of the civil society (mass media, associations of entrepreneurs, professional unions, academic circles, public associations, creative unions). The participation of representatives of the civil society in the work of the National Council will enable to effectively influence anti-corruption policy-making.

In addition, the solution of this issue is promoted by the implementation of the project "Open Kyrgyzstan," aimed at the development of transparent and accessible standards of discussion of the new decisions and development of new methods and tools of raising the efficiency of decision-making through ensuring public access to information (for more details see www.open.kg).

30. Make sure that financial reporting of parties and candidates reflect actual situation adequately. Make sure that agencies in charge of party/candidate/campaign financing control operate with maximum public accountability (including vis-à-vis the civil society) to ensure that no opportunities exist to discriminate against some parties/candidates, make sure that funds used for campaigns are acquired and spent in a transparent manner. Define the notion of "administrative resource", which is used by incumbent candidates in their campaigns, and prohibit the use of this "administrative resource". Annual financial reports of political parties shall be not only submitted but also published. Financial reports must be introduced and published also for election funds.

National implementation actions:

The Action Plan for the Implementation of the State Anti-Corruption Strategy in the Kyrgyz Republic (items 27, 28, 19) envisages the development of relevant regulations ensuring maximum public accountability of political parties. Annual reports of political parties on the sources of formation and utilisation of election funds are expected to be published in the future.

31. Introduce legislation that fully covers the international standard as to combating money laundering, namely, as to criminalize the laundering of proceeds of crimes, including corruption. Adopt preventive legislation that, among other measures, establishes a financial intelligence unit.

National implementation actions:

To ensure further protection of the rights and lawful interests of citizens, society and the state, the efforts aimed at fighting the financing of terrorism and laundering crime proceeds, ensuring the integrity and stability of the Kyrgyz Republic financial system, and in keeping with the Action Plan for the Implementation of the State Anti-Corruption Strategy in the Kyrgyz Republic, and until this issue is regulated by a relevant legal act, the Kyrgyz Republic Presidential Decree of 8 September 2005 set up the Financial Intelligence Service of the Kyrgyz Republic.

Article 183 of the Kyrgyz Republic Criminal Code qualifies as a criminal offence the conducting of financial transactions and other deals involving money or other property gained by admittedly illegal methods, as well as the use of the said assets for purposes of entrepreneurial or any other economic activity.

A Draft Law on Countering the Financing of Terrorism and the Legalisation (Laundering) of Crime Proceeds has been elaborated and considered by the KR Zhogorku Kenesh in March 2006, after which it was referred for revision to the KR ZhK Committee for Budget and Finance. The main purposes of the draft law is to create legal frameworks for prevention, detection, investigation of activity connected with the financing of terrorism and the legalisation (laundering) of crime proceeds, as well as providing legal norms for the creation of an authorised public body vested with the powers to receive information, conduct an analysis and disseminate information concerning suspicious deals and transactions, as well as deals and transactions subject to obligatory control as per this draft law. The provisions of the draft law are based on the norms of the Kyrgyz Republic legislation and accepted international principles of preventing the use of the financial system for purposes of financing terrorism and legalising (laundering) crime proceeds.

IV) ADDITIONAL INFORMATION

1. In addition to the implementation of preventive measures, the republican law-enforcement bodies also carry out measures aimed at the investigation of already committed corruptive offences. Investigation is underway with respect of many high-ranking officials in connection with office abuse. According to the Interior Ministry data, a growth in the rate of practically all categories of crimes that may be qualified as corruptive is observed in 2005 as compared to 2004.

The total number of official crimes registered in 2005 is 1171, as against 1004 in 2004 (an increase of 16.6%), misappropriation of budgetary funds – 33 compared to 25 (a 32% increase), office abuse – 587 over 474 (an increase of 23.8%), official forgery – 133 over 117 (an increase of 13.6%), bribery – 201 as compared to 188 (6.9% growth), etc.

2. Kyrgyzstan has joined the Extractive Industries Transparency Initiative (EITI) introduced at the September 2002 World Summit for Sustainable Development, the main objective of which is to raise the transparency of payments of companies of the extractive industries to the state.

According to the EITI principles, the Government, jointly with the extractive companies and civil society organisations, shall publish regular semi-annual reports on payments and revenues from the extractive companies.

3. At the end of 2005, Kyrgyzstan was granted the status of a threshold country to the programme Millennium Challenge Account financed by the US Government and developed a relevant concept, focussing on improvement of the anti-corruption characteristics in 2006-2007. In particular, the Concept consists of three principal components:

- Rule of law – efficiency of the legal system;
- Fight against corruption in bodies of the interior;
- More effective criminal prosecution.

Necessary transformations will be conducted within the judicial and law-enforcement bodies of Kyrgyzstan within the frameworks of this programme. The overall sum of financing the measures may reach USD 15 million.