

NATIONAL WORKSHOP ON INVESTMENT AND SME DEVELOPMENT IN KYRGYZSTAN

Bishkek, 22-25 October 2019

Objectives:

The Workshop is designed for investment and enterprise development policymakers and investment promotion officials in Kyrgyzstan to raise their awareness and capacity to formulate effective policies and strategies for integrating small and medium-sized enterprises into regional and global value chains through the promotion and facilitation of foreign direct investment (FDI) for sustainable development and building of capacity and competitiveness of Kyrgyzstan's SME sector. The Workshop will provide opportunities for discussion and knowledge transfer on current obstacles and problems related to establishing an environment conducive to sustainable FDI and SME development and practical solutions to address them.

PROGRAMME

Tuesday, 22 October 2019

09:00 – 09:30	<p>Opening session</p> <ul style="list-style-type: none"> • Opening remarks, <i>H.E. Mr. Sanjar Mukanbetov</i>, Minister of Economy (read by <i>Khanchoro Murzaliyev</i> – Head of Investment Policy Department) • Remarks by <i>Mr. Ozonnia Ojiello</i>, United Nations Resident Coordinator • Opening statement by <i>Mr. Marc Proksch</i>, Chief, Investment and Enterprise Development; Trade, Investment and Innovation Division, UNESCAP
09:30 – 10:30	<p>Session 1 – Defining and understanding sustainable FDI</p> <p><i>Mr. Marc Proksch</i>, Chief, Investment and Enterprise Development, UNESCAP</p> <p><i>Mr. Karl P. Sauvart</i>, Resident Senior Fellow, Columbia Center on Sustainable Investment, Columbia Law School - Earth Institute (taped recording)</p> <p>Discussions and Q&A</p>
10:30 – 11:00	<p>Coffee break</p>
11:00 – 12:30	<p>Session 2 - Setting the scene: sustainable FDI in Kyrgyzstan</p> <p>This session will give an overview of the current situation regarding overall sustainable FDI in Kyrgyzstan, including recent trends and of the general</p>

	<p>policy and legislative framework in place for the attraction and facilitation of sustainable FDI. The session will also outline current challenges and obstacles that need to be addressed from the Government's point of view with focus on promoting sustainable FDI in the country, i.e. FDI that contributes to sustainable development along the three dimensions of economic, environmental and social. Discussion will follow to obtain feedback from participants. At the end of the session, participants will have a better understanding of the current situation and challenges regarding FDI in Kyrgyzstan</p> <p><i>Mr. Zhalyn Zheenaliev</i>, Head of Investment Promotion and Support Department of the Investment Promotion and Protection Agency of the Kyrgyz Republic.</p> <p><i>Mr. Khanchoro Murzaliyev</i>, Head of Investment Policy Department of the Ministry of Economy of the Kyrgyz Republic.</p> <p><i>Ms. Syinat Arynova</i>, IFC private sector specialist IFC advisory project "Kyrgyzstan Investment and Growth in Tourism" and the work of IFC on investment protection</p> <p><i>Ms. Asei Uzgalieva</i>, Component Manager, Trade Facilitation in Central Asia Programme, GIZ.</p> <p>Discussions and Q&A</p>
12:30 – 14:00	Lunch
14:00 – 15:30	<p>Session 3 – Identifying key indicators for assessing the contribution of FDI to sustainable development in Kyrgyzstan</p> <p>This session will discuss the findings of an ESCAP study commissioned for Kyrgyzstan identifying weighted indicators of sustainable FDI that assess the contribution of FDI to sustainable development along the dimensions of economic development, environmental sustainability and social inclusion.</p> <p><i>Mr. Nurmambet Toktomatov</i>, ESCAP consultant</p> <p>Discussions and Q&A</p>
15:30 – 16:00	Coffee break
16:00 – 17:00	<p>Session 4 – Identifying key obstacles and challenges in effectively using key indicators of sustainable FDI and possible solutions</p> <p>This session will identify the key obstacles and challenges encountered in accurately assessing the contribution of FDI to sustainable development, including availability of and access to data to measure the indicators and the steps to be taken at national level to address those problems and challenges</p> <p><i>Mr. Nurmambet Toktomatov</i>, ESCAP consultant</p>

	<p><i>Mr. Aliaskar Turgunbaev</i>, Head of Investment Policy Division of Investment Policy Department of the Ministry of Economy</p> <p><i>Mr. Urmat Takirov</i>, UNDP Aid for Trade Project Coordinator on: “Sustainability Challenges in Kyrgyzstan”</p> <p><i>Ms. Azamat Orozbaev</i>, Deputy Chief, National Statistical Committee of the Kyrgyz Republic</p> <p>Discussions and Q&A</p>
17:00	Wrap up of day 1

Wednesday, 23 October 2019

09:00 – 10:30	<p>Session 5 - The policy, institutional and legal framework for attracting and benefiting from sustainable FDI</p> <p>This session will explore and discuss the policies and legislation that need to be formulated/implemented or improved to attract FDI suitable for Kyrgyzstan. The session will discuss the overall required policy framework, coordination and consultation mechanisms, and address specific policies to strengthen local competitive advantage, science, technology and innovation capacity, and the role of special economic zones and incentives.</p> <p>Special attention will be paid to policies to forge linkages between domestic companies and foreign investors and engage domestic companies in international value chains. At the end of the session, participants will have a better understanding of what policies need to be adopted or adapted to more effectively attract FDI and ensure the contribution of FDI to sustainable development.</p> <p><i>Mr. Marc Proksch, UNESCAP</i></p> <p>Discussions and Q&A</p>
10:30 – 11:00	Coffee break
11:00 – 12:30	<p>Session 6 – Special Economic Zones</p> <p>This session will provide an overview of the purpose, management and sustainability of special economic zones/free economic zones and discuss the key characteristics of successful zones in attracting FDI and promoting industrial/enterprise development. The session will also discuss the specific issues related to free economic zones in Kyrgyzstan and recommendations on how to strengthen them.</p> <p>Moderator: <i>Mr. Aliaskar Turgunbaev</i>, Head of Investment Policy Division of Investment Policy Department of the Ministry of Economy</p> <p><i>Mr. Marc Proksch, ESCAP</i></p>

	<p><i>Ms. Savia Hasanova</i>, ESCAP consultant</p> <p>Discussions and Q&A</p>
12:30 – 14:00	Lunch
14:00 – 15:30	<p>Session 7 - Group Discussion</p> <p>Question to the groups/participants:</p> <ul style="list-style-type: none"> - Please identify the five key issues or priority areas that must be addressed in your locality to attract suitable and sustainable FDI. - Please identify the 5-10 most important indicators of sustainable FDI in your locality, challenges associated with effectively measuring them and steps to be taken to overcome those challenges <p>Presentations to plenary</p>
15:30 – 16:00	Coffee break
16:00 – 17:00	<p>Session 8 – UNCTAD Investment Policy Framework for Sustainable Development and Global Action Menu for Investment Facilitation</p> <p>This session will introduce and present the UNCTAD Investment Policy Framework for Sustainable Development and Global Action Menu for Investment Facilitation</p> <p><i>Mr. Marc Proksch, UNESCAP</i></p> <p><i>Ms. Elisabeth Tuerk, Chief, International Investment Agreements (IIAs), Division on Investment and Enterprise, UNCTAD (taped recording)</i></p> <p>Discussions and Q&A</p>
17:00	Wrap up of day 2

Thursday, 24 October 2019

09:00 – 10:30	<p>Session 9 – Overview of Kyrgyzstan’s policy, legal and regulatory framework for SMEs and entrepreneurship</p> <p>This session will provide an overview of Kyrgyzstan’s overall policy, legal and regulatory framework for SME and entrepreneurship development, including existing master plans and state of implementation.</p> <p><i>H.E. Mr. Amangeldi Isaev</i>, Deputy Minister of Agriculture, Food Industry and Irrigation of the Kyrgyz republic</p> <p><i>Mr. Emir Sultankulov</i>, Specialist of Department of Entrepreneurship Policy, Ministry of Economy</p>
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	<p><i>Mr. Meder Aliyev</i>, Director the Department of Economics and Investments, Bishkek City Hall</p> <p>Discussions and Q&A</p>
10:30 – 11:00	Coffee break
11:00 – 12:30	<p>Session 10 – Developing SMEs and entrepreneurship for sustainable development</p> <p>This session will provide an overview of different types of SMEs and an overview of the key issues for their development. The basis for this presentation is the ESCAP Policy Guidebook for SME Development in Asia and the Pacific</p> <p><i>Mr. Marc Proksch</i>, ESCAP</p> <p>Discussions and Q&A</p>
12:30 – 14:00	Lunch
14:00 – 15:30	<p>Session 11 – Integrating SMEs into global value chains</p> <p>This session discusses the key issues involved in effectively linking SMEs into global value chains. The session will discuss the concept and types of value chains, the key actors involved and policies to strengthen value chains based on best practices in the region.</p> <p><i>Mr. Marc Proksch</i>, ESCAP</p> <p><i>Dr. Frederik Oberthuer</i>, Programme Manager GIZ on “Promotion of Sustainable Economic Development in Kyrgyzstan, GIZ on: “Enhancing and creating market linkages in value chain for fruits, vegetable, and live-stock sector in various regions of Kyrgyzstan”</p> <p>Discussions and Q&A</p>
15:30 – 16:00	Coffee break
16:00 – 17:00	<p>Session 12 – Clustering of SMEs</p> <p>This session discusses the concept of clustering of SMEs and the potential benefits from clustering, with particular focus on integrating into value chains. The session will discuss best practices of successful clustering and the pertinent issues related to clustering in Kyrgyzstan based on the ESCAP study.</p> <p><i>Ms. Savia Hasanova</i>, ESCAP consultant</p> <p><i>Prof. Tolonbek Abdyrov</i>, Kyrgyz International University and GIZ consultant on: “Best practice in market driven bottom up cluster development approach in the early vegetable sector in South Kyrgyzstan”</p>

	Discussions and Q&A
17:00	Wrap up of day 3

Friday, 25 October 2019

09:00 – 10:30	<p>Session 13 – Private sector feedback</p> <p>This session will discuss the needs and concerns of the domestic private sector regarding the impact of FDI on their business/sector and ways to improve linkages between the domestic private sector and foreign investors</p> <p><i>Ms. Valeriya Nadenova</i>, Chamber of Commerce and Industry of the Kyrgyz Republic</p> <p><i>Ms. Mahabat Tashtanbek</i>, Manager, Association of Light Industry Enterprises</p> <p>Discussions and Q&A</p>
10:30 – 11:00	Coffee break
11:00 – 12:30	<p>Session 14 – The role of trade logistics</p> <p>This session will discuss the role of trade logistics in helping SMEs operate and export. The session will discuss ways to make them more effective and the role of public-private partnerships in this regard. The session will be based on the findings of the ESCAP study.</p> <p><i>Ms. Savia Hasanova</i>, ESCAP consultant</p> <p><i>Ms. Asel Uzgalieva</i>, Component Manager, Trade Facilitation in Central Asia Programme, GIZ. on “Promotion of transport services in Kyrgyzstan and the Regional initiative on Transport and Logistics Partnership in Central Asia”</p> <p><i>Ms. Valeria Nabeeva</i>, Training Specialist, Chamber of Commerce and Industry on “database of service providers for traders”</p> <p>Discussions and Q&A</p>
12:30 – 14:00	Lunch
14:00 – 15:30	<p>Session 15 – Improving registration and taxation of enterprises</p> <p>This session will discuss how registration/licensing of SMEs in Kyrgyzstan can be improved. In addition, the session will discuss the current system of taxation of SMEs and how this system can be improved. IN this regard, the session will discuss an assessment of the role and effectiveness of the current patent system and how it can be evolved into a meaningful and fair</p>

	<p>instrument of taxation for SMEs. The session will be based on the findings of the ESCAP study.</p> <p><i>Ms. Savia Hasanova</i>, ESCAP consultant</p> <p><i>Ms. Aizhamal Bekturova</i>, State Tax Service</p> <p>Discussions and Q&A</p>
15:30 – 16:00	Coffee break
16:00 – 17:00	<p>Session 16 – Improving the business and investment environment in Kyrgyzstan and the way forward</p> <p>This concluding session will be a group discussion on how to improve the overall business and investment environment in Kyrgyzstan with focus on how to bring SMEs into the formal sector and improve their competitiveness. The session will also review current master plans for SME development and the status of their implementation. The session is expected to result in a set of recommendations for policy action to improve the business environment for SMEs and improve their capacity to effectively integrate into global value chains.</p> <p><i>Mr. Nuradil Baiasov</i>, Head of Investment Policy and PPP Sector</p> <p><i>Mr. Urmat Takirov</i>, UNDP Aid for Trade Project Coordinator</p> <p><i>Mr. Khanchoro Murzaliyev</i>, Investment Policy Department of the Ministry of Economy of the Kyrgyz Republic.</p> <p><i>Mr. Shumkarbek Adilbek uulu</i>, Head, Investment Promotion and Protection Agency of the Kyrgyz Republic.</p> <p>Discussions and Q&A</p>
17:00	Closing session