



THE EMBASSY OF THE KYRGYZ
REPUBLIC TO USA
AND CANADA



TURKIC AMERICAN
FEDERATION OF MIDWEST



ANNUAL KYRGYZ AMERICAN CONVENTION

Wednesday, November 20th, 2013

Hyatt Regency on Capitol Hill
400 New Jersey Ave. NW, Washington D.C. 20001



Bishkek, the Kyrgyz capital



PROGRAM

THE FIRST ANNUAL KYRGYZ AMERICAN CONVENTION

The Kyrgyz American Convention is a gathering in celebration of two decades of strengthening relations and deepening partnership between the United States of America and Kyrgyzstan. The Convention is a prominent assembly of government officials, legislators, leading businessmen, academics and experts. It will feature discussions and deliberations highlighting shared strategic interests of the United States, Kyrgyzstan, and regional cooperation in Central Asia and Eurasia. The Convention also showcases Kyrgyzstan's rapid transformation in the last two decades, from a newly independent country into a vibrant democracy.

12:00pm - 1:45pm	Luncheon
2:00pm - 3:45pm	Panel Session I U.S. - Kyrgyz Relations
4:00pm - 5:45pm	Panel Session II Why Invest In Kyrgyzstan?
6:00pm - 9:00pm	Gala Reception & Dinner

PARTNERS



Luncheon



The First Annual Kyrgyz American Convention continued on Wednesday, November 20, at the Hyatt Regency on Capitol Hill. Wednesday's program opened with a Luncheon at noon that saw over 200 guests.

Lamija Silajdžić of the Turkic American Alliance served as emcee for the event. Before lunch was served, guests directed their attention to a video about Kyrgyzstan that showcased the republic's natural beauties and wonders, history, geography, people and traditions.

The keynote speech was made by the Honorable Dana Rohrabacher, a distinguished Congressman from California who serves as Chair of the Subcommittee on Europe, Eurasia and Emerging Threats. The Congressman welcomed those visiting Washington, D.C., and began his speech with a humorous anecdote—something he learned to do while writing speeches for President Reagan. Rep. Rohrabacher told the story of an elderly woman who had set up a pretzel stand right outside a busy office building. Everyday for one entire year, a man gives the woman 50¢—the cost for one pretzel—without taking one. One day though, after the man gives his 50¢ to the woman, the woman

grabs him by his arm and looks at him. The man asks the woman if she was wondering why for one whole year he had been paying for a pretzel without taking one. She, however, replied no. Instead, the woman wanted to let the man know that the pretzels cost 75¢ now.

The moral behind this story is a universal one—many people are ungrateful when you do great things for them. As an American, said the Congressman, he is grateful to the Kyrgyz Republic and Central Asia for their support in working to build a better world for everyone. Rep. Rohrabacher also described the development of Central Asia as not only critical for the region, but also for the world. The fall of the Soviet Union has enabled the Central Asian Republics to establish opposition parties, freedom of the press, and free and open markets that have the potential to contribute greatly to the global market. The Kyrgyz Republic must be applauded and the U.S. must offer its gratitude to Kyrgyzstan for its support to the U.S.



Rep. Rohrabacher looks forward to working with the Kyrgyz Republic, expressed his gratitude to Turkic Americans, and praised Turkey as a fascinating and positive player in the world for its role as a bridge between the East and West. In closing, the Congressman stated that Central Asia offers the Western world a tremendous opportunity to build the future—and he hopes to be part of that future with the Kyrgyz Republic.

The emcee next introduced several prominent speakers to address the audience with brief remarks.

The first speaker was Süleyman Turhanogulları, President of the Turkic American Federation of Midwest (TAFM), a co-organizer of the convention. Mr. Turhanogulları described the beginnings of TAFM's work with Turkic conventions. Over the course of the past three years, TAFM has collaborated in organizing conventions for Turkey, Azerbaijan, Kyrgyzstan and next Kazakhstan. At a local convention held last year with Kyrgyz Americans, 20 businesspersons and parliamentarians from the Kyrgyz Republic attended. This year, however, 50 businesspersons and parliamentarians were able to attend.

Such conventions, according to Turhanogulları, have achieved the facilitation of bilateral economic and business and trade dialogue between the United States and the Turkic Republics. Turhanogulları, who has been to Bishkek twice, recognizes that Kyrgyzstan's entrepreneurial spirit is its biggest resource, which offers great potential for utilization between the United States and Kyrgyzstan. Mr. Turhanogulları expressed his confidence that the Kyrgyz American Convention will produce equally successful results for U.S.-Kyrgyz relations and expressed a big thanks to everyone who contributed to organizing the event.



Luncheon



The Honorable Ravshan Jeenbekov, Member of the Jogorku Kenesh (Kyrgyz Parliament), next took to the stage. MP Jeenbekov described the two decades of stability enjoyed by the Kyrgyz government and its political system, as well as its robust economic and democratic growth, as strong indications of desirable conditions sought after by foreign investors. The MP also shared a personal story. Recently, MP Jeenbekov was in Japan studying its experience in forming a parliamentary system. In 1946, two young men and one young woman from the United States assisted Japan in writing their constitution. At the time, the Japanese people were not very pleased with this development. Their perception was that such assistance was a limitation to their sovereignty and dignity. Now, however, 60 years later with the same constitution in effect, the Japanese people, according to the MP, hold their constitution in the highest of esteem. The Kyrgyz Republic, by contrast, only selected their present parliamentary system in 2010. Despite this short time, however, the Kyrgyz Republic today maintains a strong opposition in the country, very strong political competition, freedom of speech and transparency in government. All of these factors, according to MP Jeenbekov, contribute to what will help the Kyrgyz Republic attract investment in the future.

The next speaker was Dr. Fevzi Bilgin, the Executive Director of the Rethink Institute, a co-organizer of the U.S.-Kyrgyz Convention. Rethink's mission is to study democracy, peace and dialogue opportunities around the world, with a large focus on Turkey and Turkic countries in the South Caucasus and Central Asia. This convention, according to Dr. Bilgin, is a celebration of 20 years of U.S.-Kyrgyz relations. 2014 in particular will be a critical year for this relationship, with the U.S. withdrawing most of its soldiers from Afghanistan, and with the U.S. contract at Manas airport expiring.



With these issues in mind, Dr. Bilgin posed a question that would be addressed, debated and discussed throughout the two panel sessions—how to sustain continued cooperation based on mutual understanding between the U.S. and Kyrgyzstan? To close, Dr. Bilgin discussed Rethink's contribution to the convention by means of the publication of a special report (Two Decades of U.S.-Kyrgyz Relations) and organizing the two panel sessions ("U.S.-Kyrgyz Relations," and "Why Invest in Kyrgyzstan") featuring government officials from both the U.S. and Kyrgyzstan, in addition to experts and businesspersons.

His Excellency Muktar Djumaliev, Ambassador of the Kyrgyz Republic to the United States and Canada, next took the stage. Ambassador Djumaliev discussed the significance and uniqueness of the convention and the many distinguished guests it had attracted, including U.S. Members of Congress, the Ambassador of Kazakhstan and diplomats from many other embassies. The Ambassador thanked the convention organizers and guests for making history through the First Annual Kyrgyz American Convention.

The final speaker was the Honorable Kanybek Imanaliev, Chairman of the Committee on Interna-

tional Affairs, Member of the Jogorku Kenesh of the Kyrgyz Republic of the Ar-amys party. Chairman Imanaliev addressed the audience on stage alongside Kyrgyz MPs, Rep. Rohrabacher and TAA member staff. The Chairman described the convention as a great opportunity for Kyrgyz officials to tell U.S. officials and businesspersons about their country, about its investment potential and about the many reforms it has undertaken. The Chairman also described the three pillars he believes will be necessary to support the future of Kyrgyzstan—true democracy, parliamentary democracy and liberalization of the economy. Chairman Imanaliev closed by inviting the convention attendees to visit and invest in the Kyrgyz Republic.



PANEL SPEAKERS

First Session: U.S.-Kyrgyz Relations

Moderator: Erica Marat
Visiting Scholar at the Kennan Institute of the
Wilson Center

Ravshan Jeenbekov
Deputy of Kyrgyz Assembly

Ulukbek Kochkorov
Head of the Economic and Fiscal Committee
Kyrgyz Assembly

Leslie Viguerie
Director, Office of Central Asian Affairs
US State Department

Ambassador John O'Keefe
Executive Director
Open World Leadership Center

Panel I: U.S.-Kyrgyz Relations



The Forum Session of the First Annual Kyrgyz American Convention opened with Panel I, which addressed the topic of U.S.-Kyrgyz Relations. The Forum Session formed the academic and policy component of the Kyrgyz American Convention and was organized by the Rethink Institute, a nongovernmental and nonpartisan research institution located in Washington, D.C. The moderator for Panel I was Erica Marat, a visiting scholar at the Kennan Institute of the Wilson Center who recently published “Two Decades of U.S.-Kyrgyz Relations” through the Rethink Institute.

The first panelist was the Honorable Ravshan Jeenbekov, Member of the Jogorku Kenesh (Supreme Council), the unicameral Parliament of the Kyrgyz Republic, of the Ata-Meken Party and Member of the Committee on Budget and Finance. MP Jeenbekov discussed the many successful changes and reforms implemented by the Kyrgyz Republic, while also acknowledging that it still has a long way to go. One such success, he went on, is the Kyrgyz American Convention itself, which serves as a framework through which both the

ruling and opposition parties are able to represent their ideologies—a previously unthinkable feat. Other successes include a strong political opposition, which demonstrates strong democratic roots, political stability and a favorable investment climate, and countless parliamentary reforms undertaken since 2010. In addition, MP Jeenbekov disagreed with the notion supported by many political scientists that an economy is the basis for politics. In a young country like Kyrgyzstan, MP Jeenbekov maintained, it is politics that define the economy. In other words, it is a society marked by political transparency, a strong political opposition and a pluralism of opinions that will build a strong and prosperous economy. As a result, according to the MP the Jogorku Kenesh is committed to furthering improvements and reforms to increase both economic prosperity and democratic values in the country. To close, MP Jeenbekov insisted that ongoing and future political reforms must lead to economic flourishing and prosperity in the Kyrgyz Republic.

Panel I: U.S.-Kyrgyz Relations

The second panelist was the Honorable Ulukbek Kochkorov, Member of the Jogorku Kenesh of the Kyrgyz Republic of the Ata-Zhurt Party and Deputy Head of the Economic and Fiscal Policy Committee. MP Kochkorov discussed the investment climate in the Kyrgyz Republic. According to the MP, Kyrgyzstan must create an investment environment conducive to building a strong democratic environment within the country. The best way to guarantee that this happens, he maintained, is to ensure that the democratic and parliamentary reforms and goals set in 2010 are implemented sooner rather than later in order to safeguard economic development in Kyrgyzstan.

MP Kochkorov also discussed the development of Kyrgyzstan's parliamentary system, the functions of the Jogorku Kenesh and the short learning curve that they required. The Jogorku Kenesh, or Supreme Council, is Kyrgyzstan's nation-wide representative body. Its most important function is the implementation of supreme legislative authority as the direct presenter and expresser of the sovereignty, will and interests of the Kyrgyz people. Furthermore, unlike other regional and local representative authorities, the Parliament represents and expresses the will of the entire population of Kyrgyzstan. During its short history, the Kyrgyz Republic has already survived 7 constitutional amendments that have addressed issues relating to the structure of Parliament, the number of parliamentarians, the Parliament's power scope and role, its election procedures and the number of committee members.

Additionally, during this short time the Kyrgyz Parliament has experimented with a variety of parliamentary representational structures—bicameral, unicameral (which it is now), majority-based, majority-proportional and proportional (which it is now). In a seemingly permanent state of transformation, each new Parliament was forced to start from scratch with what MP Kochkorov called a “loss of institutional memory.”

Today, however, the Supreme Council's role has radically changed. Since 2010, the Kyrgyz Republic has been operating within the framework of a parliamentary presidential republic. The Parliament no longer simply legalizes the authority of one person; it now serves the people and must be accountable to them. The Parliament must also work within a framework of division of power and within a political environment of political competition that includes factions, majority coalitions and the opposition. According to MP Kochkorov, what is additionally necessary is a new force of interrelationship among the presidential authority and other branches and local authorities through a synchronization of actions, without which the reforms the Kyrgyz Republic has painstakingly sought to enact will be doomed to failure. Indeed, said the MP, Kyrgyzstan is moving from street democracy to parliamentary democracy.

MP Kochkorov also described the new roles of the Jogorku Kenesh: strategic and socio-economic development initiatives and the implementation of regional and industrial programs—prerogatives which in the past belonged exclusively to the President of the Kyrgyz Republic. In terms of judicial reforms, the Parliament has the power to form judicial courts and councils to select judges. In terms of the development of civil society and mass media, the Parliament now works as an active partner to move reforms forward and to build a better society through improved communications. Lastly, the Parliament enacts increased accountability and transparency throughout the government.

Nonetheless, according to analyses of the first three years of activity of the current 5th Supreme Council, Parliament has yet to fully implement all of its constitutional powers. For instance, there is an incomplete integration of society into legislation and oversight processes; there is not yet any procedure to control adopted laws and decisions; the Parliament does not yet conduct assessments for the alignment of bi-laws to constitutional laws and adopted laws and does not have an accountability mechanism in this regard; the Parliament is still weak in interoperability between the coalition majority and the opposition minority; there are incomplete and low quality implementations of government actions due to the attachment of some executive branch members to factions that are part of the majority in the Parliament; and there is a lack of necessary interrelationship among the Parliament, the Presidential office and other government bodies. Given these shortcomings, and as a member of the financial and fiscal committee in particular, MP Kochkorov invited the U.S. and international community to fully participate in the development of laws beneficial to the continued investment and development of the Kyrgyz Republic. The next panelist was Lesslie Viguerie, Director of the Office of Central Asian Affairs within the State Department. According to Mr. Viguerie, the United States and the Kyrgyz Republic have worked together since 2001 to build a secure and prosperous Afghanistan, during which time the Kyrgyz Republic contributed greatly to the Northern Distribution Network and through the establishment of the transit center at Manas International Airport.

The transit center, however, is set to expire by July 2014, leading to a refocused effort to define the U.S. relationship with Kyrgyzstan and the broader region. The U.S. and Kyrgyzstan have also collaborated to combat drug trafficking throughout the region.

Mr. Viguerie also described the vision of the New Silk Road initiative to increasingly interconnect and grow the economic region of Eurasia. U.S. commitments to the region include partnerships of economic democratic development, mutual interests in the safety, stability and prosperity of the region, and increased economic opportunities and respect for the human rights of Kyrgyz citizens. Additionally, the U.S. has provided \$2 billion in assistance to the Kyrgyz Republic since 1991. The future of Kyrgyz economic development hinges largely on the interest of foreign investors. Such foreign investment must be approached, however, through sustainable models of corporate and social responsibility to also benefit the Kyrgyz people. But even before such considerations are made, the Kyrgyz government must ensure the confidence of investors by increasing its rule of law and by enacting other political safeguards. It is also critical for the Kyrgyz Republic to diversify its trade.

In terms of democratic development, the Kyrgyz Republic has already seen peaceful presidential elections and transfers of executive power, as well as the formation of credible parliaments and of several peaceful coalition governments. Mr. Viguerie described the United States as proud to have supported Kyrgyzstan during these democratic advances and looks forward to further improvements towards a more inclusive democracy. Mr. Viguerie applauded the Kyrgyz Republic for maintaining the most open civil society and media in the region, as well as for its policies of ethnic recognition following events in the south in 2010.

Panel I: U.S.-Kyrgyz Relations

Ambassador John O'Keefe, the former U.S. Ambassador to Kyrgyzstan and the current Executive Director of the Open World Leadership Center, was the final speaker for Panel I. Ambassador O'Keefe encouraged the United States and Kyrgyzstan to take a step back and to reevaluate and rebuild the future direction of their relationship. As the U.S. military presence in Afghanistan decreases and as the transit center at Manas closes next year, what will be the U.S. interests in Kyrgyzstan and in the broader region? Furthermore, what does Kyrgyzstan want from the United States? Ambassador O'Keefe offered a few suggestions that would be mutually beneficial to both nations: regional stability, economic development, increased human rights, increasing friends and allies in the region, Kyrgyzstan's natural beauty and mineral resources, the university education hub in Bishkek, and the necessary upgrades required to make its international airport a trading hub. Finally, Ambassador O'Keefe applauded the Kyrgyz Republic for its past presidential election, a fair and democratic one that has set an important example for the rest of the region.

In the Q&A session, a few additional points were addressed:

- The U.S. is the only country that continues to support democratic development in Kyrgyzstan.
- There is a new opportunity for cooperation and engagement of small and mid-size international businesses in Kyrgyzstan.
- The Kyrgyz Republic is a small country; thus, it is unable to immediately offer large-scale economic development projects.
- Continued democratic development and an influx of American technologies in Kyrgyzstan will be the key to its development.
- Point of concern: over 1 million capable Kyrgyz workers are currently working in other countries.
- Suggestion: priority for economic development programs should not be given to program-based projects, but rather to investment-based projects.



PANEL SPEAKERS

Second Session: Why Invest in Kyrgyzstan?

Moderator: Vladimir Fedorenko
Research Fellow, Rethink Institute

Emil Umetaliev
President of Kyrgyz Concept Company

Kanybek Imanaliev
Head of Foreign Affairs Department
Kyrgyz Assembly

Antwaun D. Griffin
Deputy Assistant Secretary
Department of Commerce

Christian Beddies
Head of International Monetary Fund
Department for Middle East and Central Asia

Eric Rudenshiold
Director of Central Asian Affairs
US State Department

Panel II: Why Invest in Kyrgyzstan?



The second segment of the Forum Session addressed the question, “Why Invest in Kyrgyzstan?” The moderator was Vladimir Fedorenko, a Research Fellow at the Rethink Institute. The first panelist was the Honorable Kanybek Imanaliev, Chairman of the Committee on International Affairs, Member of the Jogorku Kenesh of the Kyrgyz Republic of the Ar-Namys party. Chairman Imanaliev first described the investment climate in Kyrgyzstan, as well as its development strategy for the period leading up to year 2017. By that year, the MP predicts an average GDP growth of 7.5% in Kyrgyzstan. Chairman Imanaliev posed a rhetorical question—why is Kyrgyzstan so attractive for investors today? Firstly, he continued, the Kyrgyz Republic has implemented systemic measures to liberalize its economy to create a favorable climate for investment and to instill anti-corruption measures. Chairman Imanaliev described corruption as the evil of Kyrgyz-

stan’s economy and as a major impediment to progress in Kyrgyzstan. Nonetheless, according to the Chairman, Jogorku Kenesh has taken major strides to combat this problem, such as by reducing the size of government by 20%; reducing the number of government agencies from 20,000 to 380, which is the best indicator out of all of the Central Asian countries; reducing the number of regulatory agencies from 21 to 12; halving the time frame for audits; and significantly reducing the number of required licenses and permits from 518 to 101.

The Kyrgyz government and Parliament, continued the Chairman, have also worked to implement measures of transparency and openness in the economy conducive to the confidence of foreign investments and export services, and have enacted important regulatory laws on investments, on public-private partnerships, and on mineral resources (subsoil law). For instance, regarding the implementation of important regulatory laws on investments, the Parliament has worked to guarantee equal opportunities for investment for both Kyrgyz and foreign investors alike, and has also provided investors the right to file national arbitration suits. With regards to underground resources, subsoil laws provide wide opportunities for investors to participate in the development of mineral deposits in Kyrgyzstan and to provide market mechanisms for regulating the mining industry. Additionally, beginning in 2012, the Kyrgyz Republic unilaterally introduced a visa waiver program for 44 developed countries, including the United States, which would issue 60-day-long visas.

Chairman Imanaliev was also proud to report that Kyrgyzstan has a top-20 ranking out of 189 countries according to the World Bank’s report regarding the ease of doing business, in addition to other consistently improving economic rankings. According to the 2014 report, in terms of ease of doing business, Kyrgyzstan ranks 68th compared to its previous 70th place ranking. To open a company in Kyrgyzstan, one would need to go through 2 procedures, which would last 8 days total and would cost no more than 2.6% of per capita income, landing the Republic in a leadership position at 12th place. To obtain a permit for construction, there are 12 procedures to go through that would take 142 days and would cost 127% of per capita income, placing the Kyrgyz Republic in the 66th position. For property registration there are 4 procedures that would last 6 days and cost 0.3% of the total value of the property, placing it in a leading position at 9th in the world. Kyrgyzstan’s access to credit has improved through an increasing influx of collateral, causing the requirements in credit contracts to soften to 13th place.

To date, the Kyrgyz Republic has gained 6.7 points in the “protecting investors index” through changes in transparency, responsibility and accountability of CEOs and in the possibility for shareholders to file claims, ranking it 22nd in world.

Kyrgyzstan is also very rich in natural resources, including a large agricultural sector, a non-polluted environment, animal husbandry, pristine fresh water sources, mountain resorts, precious minerals, hydropower and other items such as wool, mercury, antimony, tin and gold, among others. According to Chairman Imanaliev, the most attractive sectors in the Kyrgyz Republic are agriculture, tourism, energy and hydropower, and transportations and logistics. In the agricultural sector, the Kyrgyz Republic’s strengths lie in its processing of agricultural products and machinery, and in its development of the most preferential tax regime in the region.

In the tourism sector, Kyrgyzstan offers biosphere reserves, resorts, eco-tourism, mountain tourism,

mountain climbing and hunting, among others. Chairman Imanaliev mentioned that the Kyrgyz Republic is particularly interested in implementing the successful experience of Turkey in its tourism and hospitality sectors.

In the energy and hydropower sectors, the Kyrgyz Republic maintains energy potentials upwards of 160 billion cubic kilowatts per hour. Its current output, however, stalls at only 10% of its potential. The Kyrgyz Republic is also working with neighboring countries to implement the Kazakh 1000 project, which will construct modern and effective systems of transmission lines to export electricity from Kyrgyzstan to Afghanistan and Pakistan.





Panel II: Why Invest in Kyrgyzstan?



In terms of transportations and logistics, the Kyrgyz Republic through the support of international financial organizations seeks to rehabilitate international highways and build railways in order to open its markets to neighbors such as China. Kyrgyzstan sits in a unique, though landlocked, geographic position that offers the potential for involvement in countless international projects, such as a proposed gas pipeline from Turkmenistan to China that would pass through Kyrgyzstan.

In terms of U.S.-Kyrgyz relations, important mutual priorities include investments in the region, further bilateral cooperation, support for parliamentary democracy, eliminating administrative barriers and other obstacles to foreign investment and trade, and an FTA between the U.S. and the Kyrgyz Republic. The Chairman acknowledge the critical role the United States plays not only bilaterally, but also through its significant financial contributions to international financial institutions like the World Bank, IMF, the European Bank for Reconstruction and Development (EBRD) and others. For instance, the current portfolio of the World Bank in the Kyrgyz Republic is USD 908 million through the implementation of 51 projects; USD 342 million from the IMF; and USD 616 million through 103 projects from the EBRD.

Chairman Imanaliev closed by thanking the U.S. Congress and U.S. administration for their enormously generous contributions and support for the Kyrgyz

Republic's democratic institutions and economic reforms to build a new parliamentarian system and a stronger democracy. Chairman Imanaliev described the U.S.-Kyrgyz Convention as an opportunity to strengthen ties and mutual trust between the business communities in both countries and to find new areas and forms of cooperation and mutually beneficial agreements. He also invited the event organizers to Bishkek for the Second Annual Kyrgyz American Convention in 2014.

The second speaker was Emil Umetaliev, President of Kyrgyz Concept Company and former Minister of Economic Development of the Kyrgyz Republic. Mr. Umetaliev shared his dream that Kyrgyzstan become an accessible and top tourist destination for foreigners. Umetaliev's Kyrgyz Concept Company is only slightly older than the Republic, and its mission is to transform Central Asia into a region of developed nations by providing diverse and accessible services in the travel and events industry. In the early stages of his company, Umetaliev introduced the country's first English language courses with volunteer teachers from the U.S., Australia and the England. In time, the company grew to become the country's, or even Central Asia's, biggest player in providing event management and in providing incoming and outgoing travel services in what Umetaliev described as a "one-stop-shop."



According to Umetaliev, the Kyrgyz Republic is in the process of moving from a traditional economy to a transitional economy. It faces many problems in this respect, but it has also already accomplished so much. For instance, the Kyrgyz Republic is a destination for women to give birth in traditional yurts; its capital, Bishkek, is a popular place to study for international students from Tajikistan, Turkmenistan, Pakistan and India; it is a regional destination for receiving medical treatment; it maintains a robust financial market for performing commercial transactions; it maintains the most advanced court of arbitration to practice financial law; it provides great venues for conducting various meetings and cultural and business forums; and it is a destination for the aging and elderly because of its clean environment and potential for green economic development. To sum up in the words of Umetaliev, the Kyrgyz Republic is an "attractive, liberal health oasis."

Additionally, the Kyrgyz Republic has one of the fastest and friendliest visa policies in Central Asia, and it is also looking into hydropower development and an open-sky policy to liberate its air travel market and allow foreign carrier and cargo planes to use Kyrgyz air space without needing to obtain special permission from the government. Finally, Umetaliev urged the Kyrgyz Republic to continue to liberalize its democratic values in order to reach the highest levels of political freedom, as measured by the Freedom

House, and the highest levels of economic freedom, as measured by the Heritage Foundation.

The next speaker was Christian Beddies, Deputy Division Chief and Mission Chief to the Kyrgyz Republic of the International Monetary Fund. According to Mr. Beddies, overall growth in Kyrgyzstan is still weak, with gold commodity prices falling and oil prices fluctuating. Inflation is within a comfortable range in Kyrgyzstan and growth is predicted to increase by half a percentage point from 6% to 6.5% next year, especially as key emerging markets, like Russia, continue to slow down. Mr. Beddies suggested that Kyrgyzstan enhance its resilience to financial shocks, accelerate its structural reforms, allow the exchange rate to adjust to capital flows, and become a vibrant emerging market through higher growth, less volatile tendencies, more inclusivity and more diversification. Mr. Beddies prescribed reforms that are ambitious and bold in order to overcome the following obstacles and risks: external vulnerability to shocks and lack of integration with regional and global markets; uncertain global growth, fragility and geopolitical shifts; and strong, vested domestic interests, weak institutions and accountability, in addition to potential political uncertainty. Specifically, Mr. Beddies recommended that Kyrgyzstan preserve its oil wealth for future generations and to improve its spending quality to ensure that all investments are productive ones.

Panel II: Why Invest in Kyrgyzstan?

Next was Antwuan Griffin, Deputy Assistant within the Secretary's Office of U.S. Operations, Department of Commerce. The Department of Commerce, according to Mr. Griffin, is proud to have worked with Kyrgyz business people since its independence in 1991, describing the U.S. as "open for business" in Kyrgyzstan.

According to Griffin, broadly speaking, investments yield significant economic growth and have a multiplier effect in attracting foreign aid and investment. Specifically, through the Special American Business Internship Training (SABIT) programs in the areas of travel and tourism, energy efficiency and construction and cargo transportation and logistics, 180 Kyrgyz business leaders and government officials have received specialized training in the U.S. According to its website, SABIT programs build partnerships and provide technical assistance to Eurasian business leaders by training them in U.S. business practices. As such, the SABIT programs directly support Eurasian economic and civil society development by encouraging market-based reforms and by generating valuable export and investment opportunities for U.S. industry.

Griffin also encouraged commercial law development programs to provide technical assistance to strengthen intellectual property rights enforcement and improve transparency in government procurement, which he described as steps critical in helping the Kyrgyz Republic to improve its competitiveness in the global market. While the U.S. Department of Commerce does not maintain an office in Bishkek, its colleagues in the State Department at the U.S. Embassy work to connect Kyrgyz businesses to the Commerce Department and help them gain access to U.S. markets and services.

Lastly, Eric Rudenshiold, Senior Officer in Charge for Central Asia at USAID, discussed the future of investment cooperation between the United States and the Kyrgyz Republic, as well as the overall investment climate of Kyrgyzstan. According to Rudenshiold and USAID by extension, the Kyrgyz Republic is the most democratic country in Central Asia. The Kyrgyz Republic has demonstrated the challenges of overcoming corruption and trying to establish a stable and democratic country. Following the revolutions in 2005 and 2010, for instance, the country shifted from a top-down presidential system to a more accountable parliamentary system. Rudenshiold described this transition as facilitating the rise of party politics and real political competition in Kyrgyzstan, in addition to heightened political tension in a country not accustomed to unscripted party rivalry.

Though its political stability is certainly a strength, according to Rudenshiold, the average Kyrgyz citizen does not feel the same about the Republic's economic stability. In fact, many view it as an elusive goal of great concern. This is due to a variety of contributing factors. To begin with, the dissolution of the USSR left the Kyrgyz Republic with few industries and an infrastructure inadequate for developing a new economy. The poverty rate in Kyrgyzstan is also quite high, with 2 million people—or 2 in 5 workers—living below the poverty line. Rudenshiold attributes this poverty to a lack of opportunity for people to earn a living wage inside the Kyrgyz Republic and therefore having to emigrate to find work. In fact, it is estimated that a third of the Kyrgyz workforce has migrated, primarily to Russia, to find employment and send remittances to families back home. These factors provide a massive challenge to a government, economy and citizenry in the throes of development. Additionally, according to USAID, there is an urgent need for a more stable and affordable food supply, as 25% of households are "food insecure," meaning that these households spend more than 60% of their income on food.

In order to help jumpstart the economy, Rudenshiold discussed how USAID has targeted a number of different sectors to yield the greatest overall impact. For example, USAID sent USD 6 million annually to the Feed the Future program to increase food security in partnership with the Kyrgyz Republic, other donors and farmers.

The goal of the program, according to Rudenshiold, is to raise food production and lower market costs and prices for the consumer, which would lead to a return of agricultural jobs to Kyrgyzstan and increased food availability for families.

The program has already assisted 20,000 farmers and plans to increase seed variety to generate more productive crops. It has also helped over 80,000 farmers adopt better farming and animal care practices to render their farms more profitable and productive in terms of crop output, which then translates to more food for the population.

Furthermore, all of USAID's programs are responsive and reactive to conditions as they evolve in the country. For instance, as many women are left behind when male members of households emigrate for work, USAID has worked to provide more support and training to female entrepreneurs. USAID also works on projects related to energy security, energy

policy agendas, promoting a sustainable electronic grid for the country and the region, tourism, mining and hydro-electricity. It works to assist the Kyrgyz government in implementing new international policies that have been developed and designed to promote growth from within, and works with members of civil society, business groups, and all three branches of the government.

The fact that the Kyrgyz Republic receives the single largest investment by USAID in Central Asia is telling. USAID recognizes the need for reform and modernization of economies at large, and it also maintains very real expectations of governmental capabilities. With regards to the Kyrgyz Republic, USAID has observed a tenacious political will supported by meaningful, concrete actions already taken by the government. Its indicators in the World Bank report for doing business have improved, and its economy continues to make modest but steady improvements. To close, Rudenshiold discussed that given the size of the challenges facing the Kyrgyz Republic, and the fact that its accomplishments were achieved in a very short period of time, obstacles to further development are significant in the Kyrgyz Republic but with a helping hand they are not insurmountable.



Panel II: Why Invest in Kyrgyzstan?

Following Rudenshiold's presentation, the Honorable Congresswoman from Illinois, Tammy Duckworth, shared a few brief remarks. Rep. Duckworth encouraged the Kyrgyz Republic to continue its work to ensure that the U.S. and the Kyrgyz Republic move forward together in cooperation. A former helicopter pilot in the military, Rep. Duckworth shared her story of being injured in Iraq when she was hit by a rocket-propelled grenade and lost both of her legs. As a result of these experiences, Rep. Duckworth recognizes a warrior culture when she sees one. Rep. Duckworth was confident that this warrior culture and history will prepare the Kyrgyz Republic to face and overcome its challenges in the future.

Following Rep. Duckworth's remarks, Brian Sant Angelo, a senior business development officer with the Export-Import Bank of the U.S., addressed the audience. The Ex-Im Bank is the official export crediting agency of the U.S. government and supports financing for exports around the world in over 100 different countries and with exposure of over USD 100 billion. Sant Angelo discussed how purchasing from the U.S.

often provides more attractive financing solutions than those available in local markets by taking private sector funds and wrapping it in the guarantee of the U.S. government. Oftentimes, this extends tender and lowers interest rates. Sant Angelo concluded by offering to discuss any potential projects following his remarks.

And lastly, John Didiuk, Senior Investment Officer at the Overseas Private Investment Corporation (OPIC), offered brief remarks. OPIC oversees private corporate financing and is the development finance institution of the U.S. government. According to Didiuk, OPIC's mission is to mobilize U.S. investments and U.S. capital into developing and emerging markets. OPIC is open in the Kyrgyz Republic and in more than 100 other countries and has an investment portfolio of over USD 16 billion. Didiuk also invited anyone who wanted to speak with him about possible projects to find him after he concluded his remarks.



Gala Reception



The First Annual Kyrgyz American Convention's final event of the day was the signature Gala Reception. The Gala took place on Wednesday, November 20 during the evening at the Hyatt Regency on Capitol Hill. About 250 guests attended the reception, including 3 Kyrgyz Parliamentarians; 13 members of U.S. Congress, including Sen. Joe Donnelly (D-IN), Rep. Tammy Duckworth (D-IL); three Ambassadors; and distinguished business leaders from Kyrgyzstan and the U.S.

During the Gala Reception, emcee Lamiija Silajdžić introduced to the stage various U.S. Members of Congress, a distinguished Ambassador and TAA staff to address the audience.

Congressman Leonard Lance (NJ) welcomed guests to Washington, D.C., and offered the services of the U.S. Congress to the Kyrgyz Republic as it continues to develop its parliamentary democracy.

Congressman Alan Lowenthal (CA), who serves on the Eurasian Subcommittee of the Foreign Affairs Committee, looks forward to visiting the Kyrgyz Republic in the future.

Dr. Faruk Taban, President of the Turkic American Alliance, next addressed the audience. Dr. Taban welcomed guests once again to the important gathering—the first annual Kyrgyz American Convention. Dr. Taban went on to describe the mission of TAA, a young non-profit organization, as being the voice of Turkic Americans living in the U.S. Over the past four years, TAA has organized three major Turkic American conventions, the last one of which saw the most significant Turkic American gathering in Washington, D.C. TAA and its member federations also organize state house receptions in individual state capitols, which play a big role in establishing contacts with state officials and in continuing to grow relations with the U.S. TAA has so far organized receptions in 45 states; by the summer of 2015 it plans on organizing receptions in the remaining 5 states.

Gala Reception



The idea of hosting a Kyrgyz-American Convention came about after Chairman Imanaliev attended the Turkic American Convention in 2013. Now, Dr. Taban and the Chairman are discussing the prospects for the second annual Kyrgyz American Convention to be held in Bishkek.

Dr. Taban also addressed the importance of U.S.-Kyrgyz relations. The Kyrgyz Republic is the only post-Soviet country to hold free and competitive parliamentary elections and to have a peaceful transition of presidential power. These historic feats were made possible in part by U.S. democracy assistance programs. Additional U.S. foreign investment in the Kyrgyz Republic will help to spur economic development and further political stability—the makings of a strong model for the rest of Central Asia. In closing, Dr. Taban described TAA, a non-governmental entity, as truly representing Kyrgyz Americans and vowed to continue working with the Kyrgyz American community in the years to come. His Excellency Ambassador Muktar Djumaliev, Ambassador of the Kyrgyz Republic to the United States and Canada, described the convention as a success and thanked all the U.S. Members of Congress and Senators for their warm remarks regarding Kyrgyz American relations. Ambassador

Djumaliev also extended a special welcome to His Excellency the Ambassador of Tajikistan. According to the Ambassador, the discussions that took place throughout the convention will advance relations between the United States and the Kyrgyz Republic, for “our American friends” will now have a better view of the Kyrgyz Republic in terms of its political environment, as well as its potential for economic development. The Ambassador closed by wishing success to all those of the Kyrgyz Diaspora in their efforts to strengthen U.S.-Kyrgyz relations, and that the Embassy’s door is always open.

Congressman Brad Schneider (IL) stated that in the Kyrgyz Republic there is reason for hope because the Kyrgyz people are currently engaged in their own experiment in democracy. The U.S. was also born as a great experiment in democracy, and from those humble roots it has grown into the world’s most indispensable nation. With such power, however, comes the responsibility to support and help guide other democratic states, continued the Congressman.

Rep. Schneider described the Kyrgyz Republic’s democracy as a success both geopolitically and symbolically. The Kyrgyz Republic is already a strategic partner of the U.S. in terms of trade, research and global security, and both nations have much to gain in increased bilateral relations. This is especially the case as the U.S. presence in Afghanistan continues to decrease, presenting the opportunity to redefine U.S.-Kyrgyz relations more according to mutually beneficial economic relations than by cooperation on the global war on terror.

Additionally, continued the Congressman, U.S. and Kyrgyz government officials, businesses and ordinary citizens must continue to engage one another as partners in industries such as agriculture, medical equipment, chemicals, mining, trade and economic partnerships to realize their mutually bright future and tremendous potential. Congressman Schneider closed by offering his hopes that the Kyrgyz Republic will become a model of democracy in Central Asia and the world.

Congressman Paul Gosar (AZ) welcome the Kyrgyz guests and invited them in dialogue to continue to build the relationship between the Kyrgyz Republic, the U.S. and Turkey.

Congressman Matt Salmon (AZ) described himself as a great friend and strong ally of the Turkic people.

Congressman Mark Takano (CA) congratulated the Kyrgyz Republic on its 22 years of independence and looks forward to strengthening ties and increasing the prosperity of the Kyrgyz Republic and the U.S.

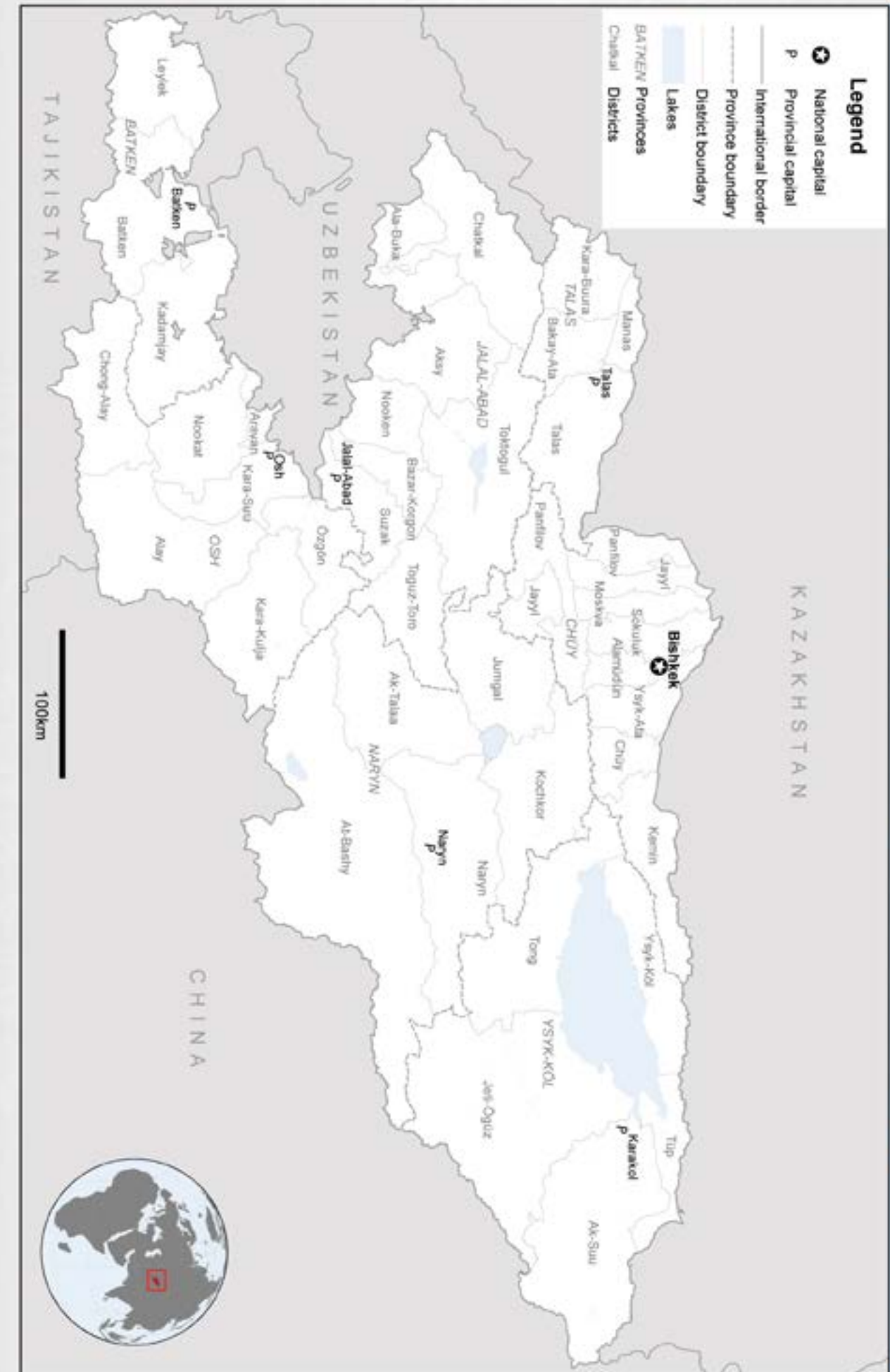
Congresswoman Robin Kelly (IL) looks forward to working closer with the Kyrgyz Republic and forging great relationships.

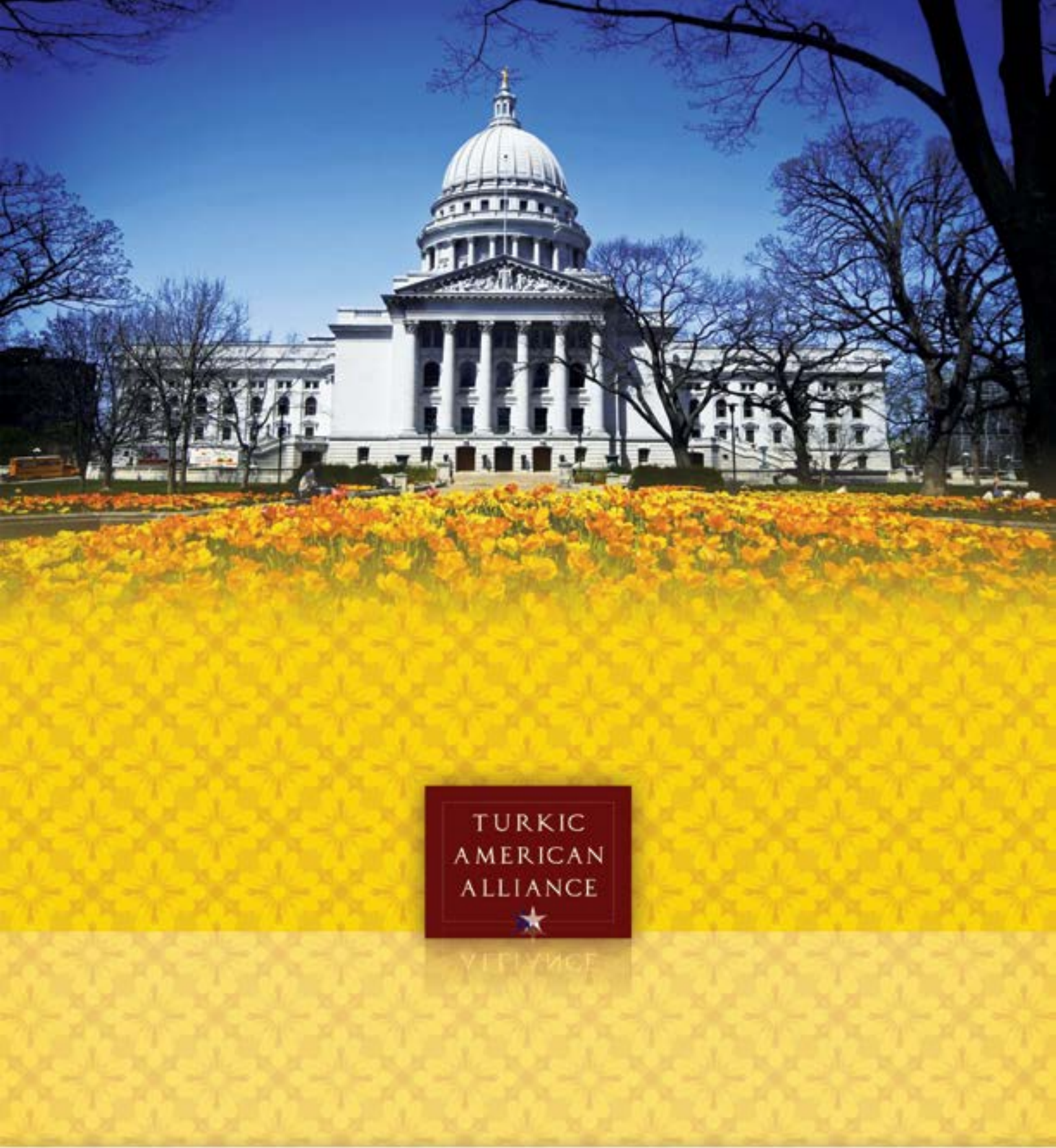


Gala Reception

Turkic American Alliance (TAA) and its member federation, the Turkic American Federation of Midwest (TAFM), co-organized this important event. Distinguished guests and panel speakers gathered to celebrate the two decades of strengthening relations and deepening partnerships between the United States and Kyrgyzstan.

In addition to an official delegation from Kyrgyzstan and from the Kyrgyz Embassy, close to 100 Kyrgyz individuals also attended the Gala Reception, including community and business leaders from Bishkek, Istanbul, Chicago, Cleveland, the Washington, D.C., metro area and New York. These individuals enjoyed the unique opportunity to meet with their political leaders both in the United States and Kyrgyzstan.





TURKIC
AMERICAN
ALLIANCE



YERLİNGE

Wednesday, November 20th, 2013

Hyatt Regency on Capitol Hill
400 New Jersey Ave. NW, Washington D.C. 20001