

**THEMATIC COMPILATION OF RELEVANT INFORMATION SUBMITTED BY THE  
KYRGYZ REPUBLIC**

**ARTICLE 9**

**Management of Public Finances**

**KYRGYZ REPUBLIC (FOURTEENTH MEETING)**

The General Prosecutor's Office of the Kyrgyz Republic expresses its gratitude and readiness for the further development of equal anti-corruption cooperation in support of the rule of law.

The Kyrgyz Republic continues consistent work on the implementation of the provisions of the UN Convention against Corruption, takes effective measures for the creation and functioning of institutions and organizations, as well as the adoption of the necessary legislative acts.

Below we send short information according to the submitted questionnaire.

Under Article 9 of the Convention.

1. In accordance with Article 108 of the Constitution of the Kyrgyz Republic, the Accounts Chamber audits the execution of the republican and local budgets, extra-budgetary funds, the use of state and municipal property.

At the same time, in accordance with Article 6 of the Law of the Kyrgyz Republic "On the Accounts Chamber of the Kyrgyz Republic" dated August 13, 2004 No. 117, the Accounts Chamber operates on the basis of the following principles, including financial, functional and organizational independence.

Also, according to Chapter X (Financing) of the Law on the Accounts Chamber:

**"Article 63. Preliminary assessment**

The Accounts Chamber is financed from the republican budget and other funds.

The Accounts Chamber annually prepares a draft budget to finance its activities. This draft budget is sent for consideration to the relevant committee of the Jogorku Kenesh of the Kyrgyz Republic.

The Accounts Chamber has the right to submit an additional draft budget to the Jogorku Kenesh of the Kyrgyz Republic if the Chairman of the Accounts Chamber considers that the approved amount is inadequate for the Accounts Chamber to fulfill its duties.

To strengthen the material and technical base, increase the potential of employees and stimulate high performance in auditing, a fund is being created in the amount of 10 percent of the cost of maintaining the Accounts Chamber. The procedure for using this fund is regulated by the relevant Regulations of the Accounts Chamber.

The Government of the Kyrgyz Republic guarantees the allocation of funds to ensure adequate funding for the operations of the Accounts Chamber.

The funds provided for in the republican budget for financing the Accounts Chamber must be allocated to the Accounts Chamber in a timely manner. Delay or change in the amount of provided funds is not allowed and entails liability in accordance with the legislation of the Kyrgyz Republic."

In addition, according to part 4 of article 93 of the Budget Code of the Kyrgyz Republic dated May 16, 2016 No. 59 (hereinafter referred to as the Budget Code): "The Accounts Chamber has the right to submit for approval to the profile committee of the Jogorku Kenesh on additional funding necessary to ensure its activities."

2. In accordance with Article 44 of the Law on the Accounts Chamber: "The Accounts Chamber, in the exercise of its powers, applies international auditing standards."

Thus, in accordance with international auditing standards, the Council of the Accounts Chamber approved:

- 1) Guidance on compliance audit;
- 2) Guidelines for financial audit;
- 3) Guidance on performance audit;
- 4) Guidelines for the audit of public procurement and other documents.

**3. According to Article 62 of the Law on the Accounts Chamber:**

All reports submitted to the Jogorku Kenesh of the Kyrgyz Republic must be published within a month, unless otherwise established by the Jogorku Kenesh of the Kyrgyz Republic. The Accounts Chamber has the right to publish information to the public, if the published information does not violate the confidentiality of the audited object. However, if there is evidence that indicates the commission of a crime by officials of the audited entity, such information will not be protected from publication on the basis of confidentiality. The Accounts Chamber regularly provides the media with information about its activities, subject to mandatory publication.

In addition, on the official website of the Accounts Chamber ([www.esep.kg](http://www.esep.kg)) in the sections: "Results of audit activities", "Reports on audits of budget execution", "Report on the activities of the Accounts Chamber", the necessary information is published.

In order to ensure transparency and accountability in the management of public finances, including through a system of accounting and auditing standards, as well as for the purposes of appropriate supervision, the Ministry of Finance of the Kyrgyz Republic developed and approved:

1. Decree of the Cabinet of Ministers of the Kyrgyz Republic dated January 13, 2023 No. 16 "Financial Reporting Standards for a Public Administration Organization". In accordance with paragraph 3 of this resolution, the application of these Standards is planned from January 1, 2024. In this regard, the Ministry of Finance of the Kyrgyz Republic is currently developing by-laws on the application of these standards, which will be adopted by the end of 2023;

2. Order of the Ministry of Economy and Finance of the Kyrgyz Republic dated August 25, 2021 No. 80-p "Standards of internal audit in the Kyrgyz Republic". At the same time, for the purpose of appropriate supervision and in accordance with Part 6 of Article 10 of the Law of the Kyrgyz Republic "On Internal Audit", the Ministry of Finance of the Kyrgyz Republic annually submits a report on the activities of internal audit services for the previous year to the Administration of the President of the Kyrgyz Republic. 405509 In addition, for the purposes of an efficient and effective risk management and internal control system, the Ministry of Finance of the Kyrgyz Republic is currently developing the Regulations on the

Internal Control System in the Public Administration Sector, State and Municipal Enterprises.

**4. According to Article 64 of the Law on the Accounts Chamber:**

“In order to strengthen the material and technical base, increase the potential of employees and stimulate high performance in auditing, a fund is being created in the amount of 10 percent of the cost of maintaining the Accounts Chamber. The procedure for using this fund is regulated by the relevant Regulations of the Accounts Chamber.

5. In accordance with Article 8 of the Law on the Accounts Chamber: “The Accounts Chamber has the right to issue binding instructions to the audited entities, except as otherwise provided by this Law.”

According to Article 29 of the Law on the Accounts Chamber: “The official of the audited object shall promptly report on the measures taken to eliminate shortcomings related to the receipt, transfer or use of funds from the republican and local budgets, the use of state and municipal property and its management. Refusal or evasion of officials of the audited objects from timely provision of the necessary information or documentation at the request of the Accounts Chamber, as well as the provision of false information and refusal to answer lawfully posed questions, entails liability in accordance with the current legislation of the Kyrgyz Republic.

Besides, according to Part 3 of Article 130 of the Budget Code: “When facts of violation of financial discipline are revealed, the Accounts Chamber, as well as the authorized state body, submit to the President, the Jogorku Kenesh, the Cabinet of Ministers, as well as the relevant head of state authorities and local self-government bodies, proposals for exemption from positions of officials of public authorities, local self-government bodies, through the fault of which violations of financial discipline were committed.

Also, in accordance with Part 1 of Article 130 of the Budget Code: “Based on the results of identified violations of budget legislation in the course of monitoring, internal and external audits of budget execution, proposals are made to the Cabinet of Ministers to introduce restrictions on the financing of those programs and activities (issuance of interbudgetary transfers), with implementation (use) of which financial violations were revealed.

6. According to Article 15 of the Law on the Accounts Chamber: “The Accounts Chamber has the right to establish and maintain international relations with state bodies of foreign states and their international associations dealing with public audit issues, to conclude cooperation agreements with them. The Accounts Chamber, if necessary, can cooperate, provide or share information with audit institutions and law enforcement agencies of other countries.”

At the same time, to date, the Accounts Chamber has concluded 12 agreements on bilateral cooperation with the supreme audit bodies of foreign states.

7. According to Article 28. (Code of Ethics) of the Law on the Accounts Chamber: “The Chairman, auditors and employees of the Accounts Chamber are required to comply with the Code of Ethics, which regulates the rules and norms of conduct in the exercise of official powers and functions. Failure to comply with the rules of the Code of Ethics by the Chairman of the Accounts Chamber, auditors and employees of the Accounts Chamber shall entail liability in the cases and in the manner established by this Law.

At the same time, the Code of Ethics of the Accounts Chamber was approved by the Council of the Accounts Chamber in accordance with Article 12 of the Law on the Accounts Chamber.

8. As in all state bodies of the Kyrgyz Republic, the Accounts Chamber has a position: “Commissioner for the Prevention of Corruption”. The tasks of which are:

- coordination of the activities of the state body for the implementation of state policy in the field of preventing corruption;
- development of proposals for the implementation of measures to prevent corruption;
- implementation of primary monitoring of the implementation of anti-corruption measures;
- methodological and consulting support for measures to prevent corruption in the system of the body.

Also, the commissioner for the prevention of corruption analyzes the work of the departments of the body with applications and appeals of citizens and legal entities, including those received by "helplines" and e-mail, for the presence of information about the facts of corruption, as well as together with structural territorial subdivisions develops an anti-corruption plan of the Accounts Chamber, coordinates the process of their implementation.

It should be noted that the Kyrgyz Republic has an Anti-Corruption Business Council under the President of the Kyrgyz Republic. This Council is a permanent consultative and advisory body that provides the development of proposals and recommendations on the main directions of state policy in the field of combating corruption, improving the business environment, the investment climate, protecting the rights of investors and business entities, and accelerating the socio-economic development of the country.

9. The Accounts Chamber annually submits a report on the activities of the Accounts Chamber to the Jogorku Kenesh of the Kyrgyz Republic. Based on the results of the submission of the report, the Jogorku Kenesh adopts a resolution on the approval of the report with an assessment of the activities of the state body or official.

It should be noted that according to Article 3 of the Law on the Accounts Chamber: “In its activities, the Accounts Chamber is accountable to the President of the Kyrgyz Republic and the Jogorku Kenesh of the Kyrgyz Republic.” Also,

according to Article 11 of the said Law: “The work plan of the Accounts Chamber includes instructions from the President of the Kyrgyz Republic, the Jogorku Kenesh of the Kyrgyz Republic, its relevant Committee, as well as requests from the Government of the Kyrgyz Republic. The work plan of the Accounts Chamber and its territorial subdivisions is approved by the Council of the Accounts Chamber. The approved work plan of the Accounts Chamber, if necessary, may be amended and supplemented, which are adopted by the Council of the Accounts Chamber. Unscheduled control activities are carried out on the basis of instructions from the President of the Kyrgyz Republic, the Jogorku Kenesh of the Kyrgyz Republic,

**10. According to article 50 (Coordination activities) of the constitutional Law of the Kyrgyz Republic "On the Prosecutor's Office of the Kyrgyz Republic" dated September 10, 2021 No. 114.** The Prosecutor General and the prosecutors authorized by him, within their powers, coordinate the activities of law enforcement, fiscal and other state bodies, local self-government bodies on issues of combating corruption. The procedure and form of organizing the coordinating activities of prosecutors and the formation of the composition of the Coordinating Council are determined by the Prosecutor General. The decision of the Coordinating Council is binding on law enforcement, fiscal and other state bodies, local governments engaged in combating corruption.

In this regard, there is a Regulation on the Coordinating Council of Heads of Law Enforcement, Fiscal and Other State Bodies, Local Self-Government Bodies Kyrgyz Republic on combating corruption, approved by order of the Prosecutor General of the Kyrgyz Republic dated December 27, 2021, where the Accounts Chamber is a member of this Council.

**11. According to Article 41 of the Law on the Accounts Chamber:** “The Prosecutor General’s Office of the Kyrgyz Republic, the state body for national security of the Kyrgyz Republic, the Ministry of Internal Affairs of the Kyrgyz Republic, the National Bank of the Kyrgyz Republic, the Ministry of Finance of the Kyrgyz Republic and their departmental divisions, other state bodies are obliged to facilitate the activities of the Accounts Chamber . The Accounts Chamber is obliged to cooperate with the above organizations, as well as, if violations are detected, to report them and provide their conclusions to law enforcement agencies or the court. The above organizations, in particular law enforcement agencies and courts, are obliged to provide information on the progress of proceedings in cases referred to them.

In this regard, there is an Agreement on Cooperation between the Accounts Chamber of the Kyrgyz Republic and law enforcement agencies, prosecution authorities dated May 31, 2018.

According to this Agreement: The prosecution authorities and law enforcement agencies that have received audit materials/information for consideration take measures to restore the amounts of financial violations identified by audits of the Accounts Chamber. Based on the results of interaction, the Parties annually exchange

information on the implementation of this Agreement in order to develop measures to improve interaction. The parties quarterly reconcile the number of submitted audit materials.

In accordance with the specified Agreement: "The interaction of the Parties is carried out in the following areas:

1) transfer by the Accounts Chamber of audit materials/information to the prosecutor's office and law enforcement agencies in order to give a legal assessment of the violations identified by the audit and take measures;

2) mutual provision of legal assistance, exchange of methodological recommendations, analytical information, including on issues of prevention, detection and suppression of offenses in the field of budget legislation;

3) holding seminars and trainings, as well as interdepartmental working meetings and meetings to strengthen mutual cooperation of the Parties".

**12. According to Article 62 (Publications) of the Law on the Accounts Chamber:** "All reports submitted to the Jogorku Kenesh of the Kyrgyz Republic must be published within a month, unless otherwise established by the Jogorku Kenesh of the Kyrgyz Republic. The Accounts Chamber has the right to publish information to the public, if the published information does not violate the confidentiality of the audited object. However, if there is evidence that indicates the commission of a crime by officials of the audited entity, such information will not be protected from publication on the basis of confidentiality. The Accounts Chamber regularly provides the media with information about its activities, which is subject to mandatory publication."

In this regard, the report on the activities of the Accounts Chamber and the results of audit activities are published on an ongoing basis on official website of the Accounts Chamber ([www.esep.kg](http://www.esep.kg)), and information about the activities of the Accounts Chamber is placed on the pages Accounts Chamber on Facebook and Telegram channel and well-known media portals.

**13. According to Article 14 (Training and Vocational Education) of the Law on the Accounts Chamber:** "Employees of the Accounts Chamber are required to undergo regular training on advanced training, namely the study of new technologies, changes in legislation, etc. at the expense of the republican budget and grants.

In this regard, the Human Resources Management Department of the Accounts Chamber regularly organizes training for employees of the Accounts Chamber, including on corruption prevention.

**14. The Accounts Chamber carries out its activities on the basis of the following principles, including publicity and openness, to the extent that this does not contradict the requirements of the legislation on the protection of the rights and freedoms of the individual, and taking into account the regime of secrecy and other information protected by the legislation of the Kyrgyz Republic.**

According to Chapter VIII of the Law on the Accounts Chamber:

“Article 55. Independent auditor

Audit of the financial statements of the Accounts Chamber is carried out once every 3 years by an independent auditor.

An independent auditor with an appropriate license to conduct an audit is appointed by the Jogorku Kenesh of the Kyrgyz Republic on the proposal of the Accounts Chamber.

The selection of an independent auditor is carried out on a tender basis in accordance with the legislation on public procurement.

The same auditor cannot be approved by the Jogorku Kenesh of the Kyrgyz Republic more than twice in a row.

Payment for the services of an independent auditor is provided for by the law of the Kyrgyz Republic on the republican budget for the corresponding year.

Article 56. Powers of an independent auditor in the field of publication and disclosure of information

An independent auditor has the same authority to collect information as the Accounts Chamber.

The independent auditor is subject to the same disclosure restrictions as the Accounts Chamber.

The results of an independent audit of the financial statements of the Accounts Chamber are considered by the Council of the Accounts Chamber and appropriate decisions are made on them.

Article 57. Audit

An independent auditor conducts an audit of the Accounts Chamber's financial statements in accordance with international auditing standards.

The audit report on the financial statements of the Accounts Chamber must be submitted to the President of the Kyrgyz Republic and the Jogorku Kenesh of the Kyrgyz Republic no later than June 20 of the year following the calendar year to which the financial statements relate.

In addition, it should be noted that the independent auditor's report is published on the official website([www.esep.kg](http://www.esep.kg)).

16. The Accounts Chamber has an official website([www.esep.kg](http://www.esep.kg)) Where in the sections: “Results of audit activities”, “Reports on audits of budget execution”, “Report on the activities of the Accounts Chamber”, the necessary information is published, and there are also pages on Facebook and the Telegram channel, where information about the activities of the Accounts Chamber is published.

## II. On the implementation of Article 5 of the UN Convention against Corruption

1. It should be noted that in the Kyrgyz Republic there is a system of state bodies that are engaged in the prevention of corruption and the fight against corruption.



At the same time, the general coordination of the work of state bodies in the fight against corruption is assigned to the Prosecutor General's Office.

According to the constitutional Law "On the Prosecutor's Office of the Kyrgyz Republic", the Prosecutor's Office of the Kyrgyz Republic (hereinafter referred to as the Prosecutor's Office) is a state body designed to ensure the rule of law, the unity and strengthening of the rule of law, as well as the protection of legally protected interests of the individual, society and the state.

In addition, according to Article 50 of the same Law, the Prosecutor General and the prosecutors authorized by him, within their powers, coordinate the activities of law enforcement, fiscal and other state bodies, local governments on issues of combating corruption.

The procedure and form of organizing the coordinating activities of prosecutors and the formation of the composition of the Coordinating Council are determined by the Prosecutor General.

The decision of the Coordinating Council is binding on law enforcement, fiscal and other state bodies, local governments engaged in combating corruption.

At the same time, according to Article 5 of the Law "On Combating Corruption", all state bodies and local self-government bodies, state and municipal employees within the limits of their functions and powers are required to combat corruption. The heads of state bodies, local self-government bodies and institutions, within their powers, ensure the fulfillment of the requirements of this Law and the application of the measures provided for by this Law. Heads of ministries, state committees, administrative departments, local governments and legal entities, regardless of their form of ownership, as well as citizens, provide assistance and necessary assistance to authorized anti-corruption units.

Identification, prevention and suppression of corruption offenses and bringing the persons guilty of their commission to justice within their competence are carried out by law enforcement agencies.

The official results of the work of state bodies, including those on the prevention and fight against corruption, are posted on the official websites of state bodies.

In this regard, draft regulatory legal acts for public discussion are posted on the official websites of the rule-making bodies:

- on the website of the President of the Kyrgyz Republic ([www.president.kg](http://www.president.kg)) Section bills and draft decrees;

- on the website of the Jogorku Kenesh of the Kyrgyz Republic ([www.kenesh.kg](http://www.kenesh.kg)) bills section;

- on the website of the General Prosecutor's Office of the Republic [www.prokuror.kg](http://www.prokuror.kg)

- on the website of the Cabinet of Ministers of the Kyrgyz Republic ([www.gov.kg](http://www.gov.kg)) public discussion section;

- on the website of the National Bank of the Kyrgyz Republic ([www.nbkr.kg](http://www.nbkr.kg)) section projects for discussion;

- Online Central Electoral Commission for Elections and Referendums Kyrgyz Republic ([www.shailoo.gov.kg](http://www.shailoo.gov.kg)) section for public discussion of projects.

In addition, there is a single portal for discussing projects normative legal acts ([www.koomtalkuu.gov.kg](http://www.koomtalkuu.gov.kg)).