SUBREGIONAL WORKSHOP ON INNOVATION AND TECHNOLOGY FOR SUSTAINABLE DEVELOPMENT WITH A FOCUS ON DIGITAL PUBLIC SERVICES FOR SMALL AND MEDIUM-SIZED ENTERPRISES IN NORTH AND CENTRAL ASIA

09:00 – 17:00 (UTC+6) | 26 - 28 June 2024 | Innovation Center under Kyrgyzpatent | Bishkek, Kyrgyzstan
"Strengthening the policy and regulatory framework in the field of digital public services for small and medium-sized enterprises (SMEs) in North and Central Asia in support of the Action Plan for the Establishment of the Asia-Pacific Information Superhighway (APIS) for 2022-2026"

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Individual Contractor ESCAP
Key Outputs

- Analysis of digital public services and digital platforms for SMEs in Kyrgyzstan.
- Development of an analytical tool for measuring the quality of digital public services in Kyrgyzstan.
- Preparation of the national assessment report
INTERNET USAGE IN THE KYRGYZ REPUBLIC

- **Population**: 7.2 million
- **Internet Penetration**: 77.9%
- **Internet Users**: 5.21 million
- **Social Media Users**: 2.75 million
International statistics

**United Nations**

81 position on the development of “E – government” in 2022

(83 in 2020)

82 position Online Service Index for the provision of online services

79 position e-Participation Index rating of electronic participation of citizens
National statistics

43.3% share of gross value added in GDP

16,587 SMALL ENTERPRISES

788 MEDIUM ENTERPRISES

442,507 INDIVIDUAL ENTERPRISES

In 2022
# National statistics

**STATE TAX SERVICE**

<p>| | | |</p>
<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>1. How many SMEs are registered in the STS system according to declarations for 2022</td>
<td></td>
<td>35 286</td>
</tr>
<tr>
<td>1.1. Small business entities</td>
<td></td>
<td>29 252</td>
</tr>
<tr>
<td>1.2. Medium-sized businesses</td>
<td></td>
<td>6 034</td>
</tr>
<tr>
<td>2. How many SMEs are registered in the STS system according to declarations for 2023</td>
<td></td>
<td>55 559</td>
</tr>
<tr>
<td>2.1. Small business entities</td>
<td></td>
<td>46 055</td>
</tr>
<tr>
<td>2.2. Medium-sized businesses</td>
<td></td>
<td>9 504</td>
</tr>
<tr>
<td>3. How many business entities are registered in the STS system in total</td>
<td></td>
<td>615 437</td>
</tr>
<tr>
<td>3.1. Individual entrepreneurs</td>
<td></td>
<td>480 883</td>
</tr>
<tr>
<td>3.2. Legal entities</td>
<td></td>
<td>134 554</td>
</tr>
<tr>
<td>4. The number of users of the taxpayer's account from the number of registered business entities</td>
<td></td>
<td>340 097</td>
</tr>
<tr>
<td>5. The number of connected subjects to the personal account from those registered in 2023</td>
<td></td>
<td>60 975</td>
</tr>
</tbody>
</table>
Who are SMEs?

The Tax Code (2022)

Small business entity
an organization or individual entrepreneur whose total revenue for the last 12 consecutive months does not exceed \(8\,000\,000\) soms.

Medium business entity
an organization or individual entrepreneur whose total revenue for the last 12 consecutive months exceeds \(8\,000\,000\) soms, but amounts to no more than \(50\,000\,000\) soms.


Small and medium-sized enterprises
legal entities, commercial enterprises, regardless of the organizational and legal form of business, having the number of employees in accordance with the Draft resolution of the Kyrgyz Republic dated February 17, 1998 No. 78

OR

commercial organizations and enterprises engaged in economic activities with a gross revenue volume not exceeding the annual registration threshold for value added tax

+ MAXIMUM NUMBER OF EMPLOYEES
Legislative framework

1. Decree of the President of the Kyrgyz Republic "On the National Development Program of the Kyrgyz Republic until 2026" dated October 12, 2021, UP No. 435;
3. The Law of the Kyrgyz Republic "On Electronic Signature" dated July 19, 2017 No. 128;
4. The Law of the Kyrgyz Republic "On personal information" dated April 14, 2008 No. 58;
5. The Law of the Kyrgyz Republic "On State and Municipal Services" dated July 17, 2014 No. 139;
7. Decree of the President of the Kyrgyz Republic "On urgent measures to enhance the introduction of digital technologies into the public administration of the Kyrgyz Republic" dated December 17, 2020, UP No. 64;
8. Decree of the President of the Kyrgyz Republic "On further measures to improve the accessibility and quality of public and municipal services to the population" dated February 8, 2021, UP No. 27;
9. Resolution of the Government of the Kyrgyz Republic dated February 10, 2012 No. 85 "On approval of the Unified Register (List) of Public Services provided by Executive authorities, their structural divisions and subordinate institutions";
The main Characters

- Cabinet of Ministers
  - Ministry of Finance
  - Ministry of Labor, Social Security and Migration
  - Ministry of Transport and Communications
  - Ministry of Justice
  - Other government agencies
  - Ministry of Economy and Commerce
  - Ministry of Digital Development
  - The National Bank
  - Banks, financial and credit organizations
  - SE"TUNDUK"
  - Associations, NGOs and NPOs
  - ГНС
BLOCKS OF PUBLIC SERVICES
HOW THEY WORK
Register of Public Services

438
PUBLIC SERVICES

- AVAILABLE ONLINE: 69
- IMPLEMENTED ON THE PORTAL: 64
- AVAILABLE FOR SME’S: 35
Register of Public Services

1. Educational and cultural services: 110 presented – 10 automated;
2. Medical services: 32 presented – 0 automated;
3. Social services: 27 presented – 6 automated;
4. Registration services, issuance of certificates, certificates and other documents, as well as their copies and duplicates: 100 presented – 19 automated;
5. Research, analysis, evaluation and expertise services: 66 presented – 9 automated;
6. Provision of information: 61 presented – 21 automated;
7. Printing, copying and publishing services: 4 presented – 2 automated;
8. Security and storage: 14 presented – 0 automated;
9. Other services: 16 presented – 2 automated.
The State portal of electronic services

164 PUBLIC SERVICES AND SERVICES
72(64) PUBLIC SERVICES
32 SERVICES AVAILABLE FOR SMEs
2 000 000 USERS

БИЗНЕС

27 PUBLIC SERVICES AND SERVICES
196 552 PUBLIC SERVICES AND SERVICES RECEIVED UNDER THE SECTION
6 636 989 PUBLIC SERVICES AND SERVICES RECEIVED ON THE PORTAL
6 SERVICES 0 REQUESTS

JANUARY –MAY 2024
The «Tunduk» mobile application

DIGITAL DOCUMENTS

- passport;
- driver's license;
- vehicle registration certificate;
- birth registration certificate of the child;
- marriage certificates;
- certificates of divorce.
- pension certificate;
- certificate of registration of an individual entrepreneur (Certificate of sole proprietorship)
- certificate of an individual entrepreneur

2 000 000 СКАЧИВАНИЙ
National assessment report

Licensing and permitting activities

97 TYPES OF LICENSES AND PERMITS

59 TYPES OF LICENSES AND PERMITS

7 SPECIAL LICENSES

31 PERMISSION

17 types of licenses and permits are available online
Information portal of licenses and permits

https://elicense.gov.kg/

DESCRIPTION OF **950** TYPES OF PERMITS

BY **22** TYPES OF ACTIVITY

- **MTC**
  - 4 types of license
  - 4 special permissions

- **MIA**
  - 3 types of license
Licensing of foreign economic activity

https://swis2.trade.kg/

7 government agencies
4 accredited enterprises
28 various licenses, permits, declarations, certificates, certificates and conclusions
Pure "G2B": Registration as an SME

https://online.minjust.gov.kg/

online registration/re-registration and registration of termination of legal entities

https://cabinet.salyk.kg/account/register

online submission of an application for registration of a taxpayer through a single "Taxpayer's Office"

Ishker24

The «Ishker24» mobile application allows you to register as an individual entrepreneur

Pure "G2B": Intellectual Property registration

https://e.patent.kg/

Registration of intellectual property rights takes place through a personal account in the system (KyrgyzPatent)
The system allows you to submit an application in electronic form for patenting/registration of intellectual property objects (IPOs)

Pure "G2B": Legal Compliance (KYC)

https://online.minjust.gov.kg/

online Register of registered legal entities and representative offices. The information is open and publicly available.
Pure "G2B": Tax compliance

- payment of taxes;
- application for registration of an individual entrepreneur;
- registration of an electronic patent and an insurance policy;
- working with electronic shipping invoices;
- checking for arrears or overpayments;
- submission of tax reports with zero indicators;
- requests for information from tax authorities;
- information about the registered property;
- access to additional STS electronic services;
- send an appeal, statement or complaint to the State Tax Service.

https://cabinet.salyk.kg

TAXPAYER'S PERSONAL ACCOUNT
Pure "G2B": Access to electronic document management, electronic signature, electronic power of attorney

https://esia.tunduk.kg/

The Unified Identification System (USI) is an automated system that aggregates identification and authorization methods provided for by the legislation of the Kyrgyz Republic. Uses a cloud-based electronic signature

https://en.minjust.gov.kg/

The unified platform of the Electronic Notary of the Kyrgyz Republic. The unified system allows you to register all notarial actions performed by public and private notaries on a single platform.

Pure "G2B": Complaints and dispute resolution online

https://portal.tunduk.kg/site/introd_page

The state system of electronic communications. Citizens can send any appeals: Complaints, Comments, Suggestions.

The system allows you to track the status of processing each request, which is a new experience of interaction for citizens.
Additional services

1. Access to finance and property support
2. Access to public procurement and procurement of large companies
3. Participation in lawmaking
4. Access to new markets
5. Access to information
6. Access to training/workforce
NEEDS
Researchers' opinion

POSITIVE SIDES

✓ Development of digital government services
✓ Combining various services and services on one site
✓ Development of the use of cloud-based electronic signatures
✓ The development of digital documents
✓ Various resources for solving sectoral or narrow tasks
✓ Ease of use for citizens

POTENTIAL FOR STRENGTHENING

▪ Development of an online licensing and Permitting
▪ Development of digital services for business
▪ Apply a business-centric approach when designing new services
Researchers' opinion

**Bottom line:** The development of electronic public services is moving in the right direction, but it is not yet intended for the bulk of **SMEs**, although **economic development implies the creation of conditions** for the development of **the SME sector**.
SMEs' opinion

NEEDS

• The need for further development of STS services and a platform for tax administration, including the revision of mechanisms for Electronic Consignment Note (ETTN), submission of zero reporting;

• The main service sectors that need to be reformed and digitalized:
  • Reporting to the Statistical Committee;
  • Licensing and licensing system;
  • Construction and architecture;
  • Taxation.

• Compiling a rating of clean organizations, as well as a rating system for civil servants;

• Review of loan rates by the National Bank, as well as the collateral process;
SMEs' opinion

NEEDS

• To expand the opportunity for the application of the QE, in particular the Cloud-based electronic signature, by creating specialized platforms for the implementation of online legally significant transactions and agreements, including between government agencies and the business sector (Electronic contracts, document management, etc.)

• To ensure universal awareness of the population (including regions) about changes in financial rates, tax rates and bank products;

• To increase the level of digital literacy on the part of both civil servants and entrepreneurs;

• To focus the development of digital public services on mobile applications;

• Digitalization of public services in the design should contain solutions for the full life cycle of entrepreneurs, from the creation/re-registration of an enterprise and opening a bank account, to obtaining all permits, reporting and its liquidation.
QUESTIONS?
Thank you

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