

**Remarks by Kyrgyz Republic President Roza Otunbaeva  
at the inauguration of the new Head Office of the Kyrgyz Investment and Credit Bank  
23 March 2011, Bishkek, Kyrgyzstan**

Prince Rahim Aga Khan,  
Honored Members of the Board of Directors,  
Speaker and Members of Parliament,  
Ministers,  
Ambassadors,  
Ladies and Gentlemen,



I am pleased to welcome all of you today to the opening ceremony of the new Head Office of the Kyrgyz Investment and Credit Bank which has gained a reputation of an efficient and effective bank in Kyrgyzstan. The Bank has been successfully developing its operations for the past ten years. It is symbolic that this event follows the holiday of Nooruz which is widely celebrated in Central Asia symbolizing the beginning of a New Year and new hope. This holiday is important for the spirit of all the peoples who live in this part of the world.

When establishing the Kyrgyz Investment and Credit Bank in 2001, the Government of the Kyrgyz Republic together with International Financial Institutions believed that the Bank would succeed in attracting foreign investments for the Kyrgyz economy. I remember those days as I worked in London as a Kyrgyz Ambassador to the United Kingdom when active discussions were taking place with the European Bank for Reconstruction and Development, who is one of the shareholders of the Bank. The establishment of KICB allowed for new credit lines to flow from abroad to fund Kyrgyz businesses and to introduce international management standards in the banking system of Kyrgyzstan. In the recent years, the Bank has lived up to expectations of the Kyrgyz Government and has become one of the most reliable, stable and attractive financial institutions in Kyrgyzstan.

Many of you may be aware of these numbers but I would like to underline that the shareholders' equity of KICB reached US\$ 26.3 million at the beginning of 2011. The charter capital of the Bank has doubled in comparison with its earlier years of operation.

The total amount of credit line invested by the Bank in the Kyrgyz economy equals US\$ 205 million. These credits have supported the development of close to 10,000 Kyrgyz industrial, agricultural, trading and service companies. I am pleased to note that a significant part of these credits has stimulated the growth and expansion of small and medium enterprise, which is crucial for Kyrgyzstan. I would also like to note that 27,000 citizens of Kyrgyzstan today choose the services KICB with 16 branches in five regions of the country and I understand that the Bank is planning to expand to 30 branches in the near future.

KICB ranks second in the country with large geographic coverage and a full spectrum of banking services. Recently the shareholders of the Bank reaffirmed their decision to increase the charter capital of KICB from US\$ 10 million to US\$ 17.5 million in the second half of 2011. In our view, this decision of the shareholders is a testament of their commitment to the development of the Kyrgyz economy and confidence in the political

and economic stability of the country. This is an important and timely signal for foreign and local investors.

Dear guests, I would like to note that today is a very special and eventful day for Kyrgyzstan. Today the Bank announces the decision to increase its charter capital and officially opens its new Head Office in one of the most convenient locations in the downtown of the capital. This ceremony coincides with the visit of a Russian Federation delegation to discuss potential investment proposals and opportunities. I would like to reaffirm that political stability and economic attractiveness are the main priorities for the Government and Parliament of the country as well as the business community of the Kyrgyz Republic. I am happy to inform you today that the impending crisis in Parliament is apparently resolved and I leave it to the Speaker of Parliament to have a final say on this matter. We are glad to assure the shareholders of the Bank that it is our intention to maintain peace and stability in the country.

Dear guests, despite political and economic turbulence, small and medium enterprises are demonstrating signs of growth in the country and over seven percent of the population of the Kyrgyz Republic now has access to US\$ 300 million in microcredit and small loans.

KICB's decision to increase and enlarge its activity can indicate that the Kyrgyz economy is overcoming the harsh consequences of the last year and demonstrates the trust of private investors in the financial and economic policy of the Kyrgyz Government. The Bank is also an example of a successful public private partnership.

I am pleased to underline that Kyrgyz Investment and Credit Bank illustrates at best transparent banking practices in the country. The fight against corruption by means of increasing transparency of state authorities is an important priority for the Kyrgyz Government and transparency of business will enable effective cooperation between the State and business. I am pleased to inform you that at the Fifth Summit of Extractive Industries Transparency Initiative, Kyrgyzstan was ranked among the countries meeting international transparency standards. Kyrgyzstan and Azerbaijan are the only countries on this list.

The Speaker and I have just returned from the South of the country. Following the June events of 2010, small and medium enterprises, particularly in this part of the country, need financial resources for swift rehabilitation. The Government is doing its best to help the population, but these efforts alone are not sufficient. The help of private institutions is needed and we want the Kyrgyz Investment and Credit Bank, being one of the largest banks in the country, to contribute to the revival and development of the southern regions' economy. The launching of special preferential credit lines by the Bank for small and medium business in the South would be a great assistance to the Kyrgyz economy.

Dear guests, ten years is a long period during which the Board of Directors and managers of KICB have demonstrated their competency and ability to achieve success. More new achievements are ahead and I am sure that the Bank will be able to rise to the new heights.

I would like to thank all the shareholders of the Bank for their decision to increase the charter capital of the Bank which will operate in such a beautiful building. This is a demonstration of your efforts, your wishes and your ambitions. I wish you success and

hope that the Bank will become one of the most reputable banks not only in Kyrgyzstan but in Central Asia

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