

**APPENDIX VI. KYRGYZ REPUBLIC: TABLE OF COMMON INDICATORS REQUIRED FOR
SURVEILLANCE**
(as of September 29, 2006)

	Date of latest observation	Date received	Frequency of Data ⁶	Frequency of Reporting ⁶	Frequency of publication ⁶	Memo Items:	
						Data Quality – Methodological soundness ⁷	Data Quality – Accuracy and reliability ⁸
Exchange Rates	9/15/06	9/18/06	D	D	W		
International Reserve Assets and Reserve Liabilities of the Monetary Authorities ¹	9/15/06	9/18/06	M	M	M		
Reserve/Base Money	9/15/06	9/18/06	D	D	M	LO, O, LO, LO	LO, O, O, LO, LO
Broad Money	8/31/06	9/18/06	M	M	M		
Central Bank Balance Sheet	8/15/06	9/18/06	D	D	M		
Consolidated Balance Sheet of the Banking System	8/31/06	9/18/06	M	M	M		
Interest Rates ²	9/08/06	9/18/06	W	W	W		
Consumer Price Index	8/31/06	9/08/06	M	M	M	O, LO, O, O	LO, LO, O, O, O
Revenue, Expenditure, Balance and Composition of Financing ³ – General Government ⁴	7/31/06	9/15/06	M	M	Y	O, LNO, LO, O	LO, O, O, LO, LO
Revenue, Expenditure, Balance and Composition of Financing ³ – Central Government	7/31/06	9/15/06	M	M	M		
Stocks of Central Government and Central Government-Guaranteed Debt ⁵	3/31/06	7/21/06	M	M	Y		
External Current Account Balance	6/30/06	8/14/06	Q	Q	Q	LO, LO, LO, LO	O, LO, LO, LO, LO
Exports and Imports of Goods and Services	8/31/06	9/08/06	Q	Q	Q		
GDP/GNP	8/31/06	9/08/06	M	M	M	O, O, LO, O	LO, LO, LO, O, O
Gross External Debt	6/30/06	9/29/06	M	M	Y		

¹ Includes reserve assets pledged or otherwise encumbered as well as net derivative positions.

² Both market-based and officially determined, including discount rates, money market rates, rates on treasury bills, notes and bonds.

³ Foreign and domestic financing only.

⁴ The general government consists of the central government (budgetary funds, extra budgetary funds, and social security funds) and state and local governments.

⁵ Including currency and maturity composition.

⁶ Daily (D), Weekly (W), Monthly (M), Quarterly (Q), Annually (A), Irregular (I); Not Available (NA).

⁷ Reflects the assessment provided in the data ROSC (published on November 2003, and based on the findings of the mission that took place during November 2002) for the dataset corresponding to the variable in each row. The assessment indicates whether international standards concerning concepts and definitions, scope, classification/sectorization, and basis for recording are fully observed (O), largely observed (LO), largely not observed (LNO), or not observed (NO).

⁸ Same as footnote 7, except referring to international standards concerning source data, statistical techniques, assessment and validation of source data, assessment and validation of intermediate data and statistical outputs, and revision studies.

Statement by the IMF Staff Representative
November 3, 2006

The following information has become available since the staff report was issued on October 20, 2006. It does not change the thrust of the staff appraisal.

1. Economic activity has continued to rebound, with year-on-year real GDP growth of 3.2 percent through September. Output growth excluding the Kumtor gold mine (which suffered a serious accident) exceeded 6 percent, led by construction and services. Twelve-month inflation in September edged up to 5.3 percent. Faced with buoyant remittances and short-term capital inflows, the National Bank has continued its active unsterilized foreign exchange intervention. As a consequence, reserve money growth accelerated to 43 percent in the 12 months ending October and gross official reserves now stand at \$730 million or 4.3 months of projected 2007 imports of goods and services. Bank credit to the private sector expanded by 51 percent in the 12 months ending September.
2. Tax collections through September rose well above program projections, sparked by a rapid increase in receipts from import transactions; receipts from domestic taxes grew much slower. Budgetary execution to date has been in line with the program. The first reading of the 2007 budget bill planned for September has been delayed to November and the government plans to submit a revised bill in late November, with input from a brief Fund staff visit planned shortly. The authorities have indicated that the phased fiscal decentralization slated to start next year has been postponed, pending progress in capacity building and clearer definition of central and local government fiscal competencies.
3. Preliminary data show that end-September 2006 indicative targets have been met with margins, except for the ceiling on reserve money. The authorities met the end-September structural benchmark on formulation (in close cooperation with World Bank staff) of an energy sector action plan, but the plan continues to be debated inside the government and will likely be revised in consultation with Bank staff. As described in the staff report, the current version features phased tariff hikes and supporting measures to improve bill collections and reduce technical losses and theft, with a view to curtailing the electricity sector's quasi-fiscal deficit. Contrary to earlier indications, the authorities missed the benchmark on expanding coverage of the Large Taxpayers Unit, which only amounted to 56 percent of total tax revenue versus the target of 60 percent.
4. The authorities have just increased the minimum wage to som 340 (\$8.70) a month effective January 1, 2007, from the level of som 100 that has been in place for many years. The upcoming staff visit will discuss the implications of this unexpected measure (e.g., on indexation of tax brackets and deductions).
5. Negotiations are underway with Uzbekistan on its proposal to raise the export price of natural gas from \$55 per thousand cubic meters effective January 2007; Uzbekistan's asking price (\$100 per tcm) would further widen the Kyrgyz Republic's external current account deficit by 1 percent of GDP in 2007.