**General information on the initiative to build an alternative tunnel along the Bishkek-Osh highway at the Too-Ashuu pass**

A tunnel named by K. Kolbaev is located on the 129th kilometer of the road, built in 1962. The reconstruction of the tunnel was carried out in 2000. The tunnel has a length of 2500 m and is located at an altitude of 3200 m above level of sea. This tunnel is the only route for road transport links between the northern and southern regions of the country. The condition of the tunnel is assessed as satisfactory, but today it requires periodically repair work. In this regard, it becomes necessary to build a new and more technologically advanced tunnel.

The construction of an alternative tunnel is an initiative project in which the investor decides on the conditions for the construction and operation of the tunnel. Approximate coordinates for the construction of the tunnel: 113-144 km of the Bishkek-Osh highway. Preliminarily, the project of an alternative tunnel originates from the village of Sosnovka and ends in the Suusamyr valley of the Zhayil region, Chui region.

The project cost is estimated from 170 to 250 million US dollars, depending on the length and width of the tunnel. The average cost of a tunnel is estimated at USD 10 to 35 million per kilometer of the tunnel.

**Sample of application for participating on the initiative of construction an
alternative tunnel at the “Too-Ashnu” pass**

1. After reviewing the announcement of the search for an investor to initiate of building an alternative tunnel at the “Too-Ashuu” pass, Chui region, the Kyrgyz Republic, for the purpose of concluding an investment agreement, and the Kyrgyz Republic government’s conditions and criteria

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(name of organization, for individuals Full name)

(next - “Investor”), in the person

(representative's Full Name)

acting on the basis of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(№ and the date of the document, per representative)

I agree to the right to conclude an investment agreement

№ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, in accordance with the law of the Kyrgyz Republic “About investments”

1. The investor is informed with the project investment agreement.
2. The Investor is ready for differentiated splitting of income in favor of the state from the established fare for passage through an alternative tunnel on the following grid:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 5 years | 10 years | 15 years | 20 years | 25 years | 30 years |
| 3% | 4% | 7% | 10% | 18% | 60% |

1. The investor is ready to pay to the state from the date of commissioning with a 5- year increment up to 30 years, according to the above interest rates in paragraph 1, with the share payment reaching 60% at the end of the 30th year of operation.
2. After the end of the 30-year period, it is necessary to fully transfer the object to the balance of the state, with the right of further trust management by the investor, for Commission payments
3. Full financing of feasibility studies and geological exploration is implemented by the investor without the participation of the state.
4. The investor undertakes to provide a clear schedule for the construction ot the tunnel.
5. In case of unprofitability of the project or other force majeure circumstances, the investor undertakes not to submit claims to the government of the Kyrgyz Republic
6. The investor undertakes to conduct its activities in accordance with the legislation of the Kyrgyz Republic
7. By submitting this application, the investor is aware that he has the right to withdraw it until the moment when he acquires the status of an investor.
8. The investor undertakes to sign the Protocol no later than 5 days from the date of signing the investment agreement if it is deemed suitable for all criteria on the day of signing the investment agreement.
9. The investor is ready to place the amount set by the government of the Kyrgyz Republic- on deposit in a Bank as a guarantee of fulfillment of obligations under the investment agreement.
10. The address of the investor: (cont.telephone)\_ \_\_\_\_\_\_\_\_\_
11. Bank Details for legal entities:

investor's INN \_\_\_\_\_

Investor's checkpoint

Bank (full name)

Correspondent account ,

payment account ,

BIG

for individuals:

Investors INN

Personal account

Transit account

1. Position, Fill name of the person authorized to act on behalf of th applicant:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

“\_\_”\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 2020 y. signature \_\_\_\_\_\_\_\_\_\_L.P.(cor legal entities)

The application was accepted by the person authorized by the organizer of signing the investment agreement “ ” 2020y

Registration number of the application

Signature of the authorized representative of the auction

Organizer

The following documents are attached to the application:

1. A copy of tile certificate of state registration of a legal entity in the country of residence;
2. A copy of the Regulation (for a legal entity);
3. A copy of the certificate of registration in the state tax service (for legal entities and individual entrepreneurs);
4. Documents confirming international experience
5. Documents on financial position
6. Brief vision of the project,
7. Technical and economic calculations

**The Kyrgyz Republic Government’s conditions and criteria for implementing the initiative to build an alternative tunnel on the Bislikek-Osh highway at the**

“Too-Ashuu” pass

The government of the Kyrgyz Republic, in order to implement the initiative on the construction of an alternative tunnel on the Bishkek-Osh highway at the “Too- Ashuu” pass, based on the analysis and calculations made, intends to attract an investor-company, according to the following conditions and criteria

1. The investor is ready for differentiated splitting of income in the state benefits from the established fare for passage through an alternative tunnel on the following grid

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 5 vears | 10 years | 1 15 vears | 20 years | 25 years | 30 years |
| 3% | 4% | 1 7 % | 10% | 18% | 60% |

1. The investor is ready to pay to the state from the date of commissioning with a 5-year increment up to 30 years, according to the above interest rates in paragraph 1, with the share payment reaching 60% at the end of the 30th year of operation
2. After the end of the 30-year period, it is necessary to fully transfer the object to the balance of the state, with the right of further trust management by the investor, for Commission payments
3. Full financing of feasibility studies and geological exploration is implemented by the investor without the participation of the state
4. The investor undertakes to provide a clear schedule for the construction of the tunnel
5. In case of unprofitability of the project or other force majeure circumstances, the investor undertakes not to submit claims to the government of the Kyrgyz Republic
6. The investor undertakes to conduct its activities in accordance with the legislation of the Kyrgyz Republic
7. The investor is ready to place the amount set by the government of the Kyrgyz Republic on deposit in a Bank as a guarantee of fulfillment of obligations under the investment agreement

At the same time

1. The government of the Kyrgyz Republic guarantees compliance with all obligations, except for excluding financial risks and other risks not caused by the state
2. The government of the Kyrgyz Republic does not assume responsibility in the event of financial losses and other risks arising from the development of the above-mentioned measures by the investor and documentation
3. In case of default on the investors part, the government of the Kyrgyz Republic has the right to terminate the agreement in unilaterally.