

The Kyrgyz Republic Government’s conditions and criteria for implementing the initiative to build an alternative tunnel on the Bishkek-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 years	10 years	15 years	20 years	25 years	30 years
3%	4 %	7 %	10 %	18 %	60 %

2. 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.
3. 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.
4. Full financing of feasibility studies and geological exploration is implemented by the investor without the participation of the state.
5. The investor undertakes to provide a clear schedule for the construction of the tunnel.
6. 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.
7. The investor undertakes to conduct its activities in accordance with the legislation of the Kyrgyz Republic.
8. 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 investor's part, the government of the Kyrgyz Republic has the right to terminate the agreement in unilaterally.

Recommendations to the Ministry of foreign Affairs of the Kyrgyz Republic: during the working with stakeholders foreign companies, please adhere to the following criteria, noted In the law of the Kyrgyz Republic “About investments”:

- the investor has to have a recognized international business reputation;
- unique knowledge and experience of successful implementation of projects in similar field of activity;
- the investor has identified the source of financing (own funds funds / borrowings);
- local (domestic) companies are also eligible to participate by creating a consortium with an international company, meets the above requirements.