



КЫРГЫЗ БАНКЫ

NATIONAL BANK OF THE KYRGYZ REPUBLIC

ANNUAL REPORT

2024



Bishkek-2025

Annual Report of the National Bank of the Kyrgyz Republic for 2024.

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Dear readers!

The Annual Report of the National Bank of the Kyrgyz Republic for 2024, which reflects the main results of our work and the current state of the financial sector of the country, is presented to your attention.

External conditions remained among the important factors that determined the monetary policy of the National Bank in 2024. Increased geopolitical tension and fragmentation of the world trade contributed to high volatility of prices for food products and commodities. Increased inflationary development and currency risks were observed in a number of countries of the region.

In these circumstances, the National Bank's balanced monetary policy created conditions to achieve our main objective – to ensure price stability in the country, reducing the inflation rate from 7.3 down to 6.3 percent and preserving the purchasing power of the national currency. This, in turn, contributed to maintaining macroeconomic stability and creating background for long-term sustainable economic growth.

In general, supported monetary conditions predetermined long-lasting stability in the interbank money and the foreign exchange markets. The effective management of international reserves based on the principles of ensuring liquidity and security resulted in an increase in the volume of international reserves by 57.2 percent – up to USD 5.1 billion, which is a historical maximum.

The commercial banks and non-banking financial-credit organizations continued their sustainable development, demonstrating a significant growth of the key indicators and the potential for increasing the level of financial intermediation.

In 2024, the total assets of the banking sector increased by 32.8 percent and the credit portfolio grew by 32.2 percent. The deposit base of the banking sector grew by 37.3 percent to reflect growing confidence of the population in the banking system.

At the end of the year, assets of the non-banking sector grew by 29.7 percent, meanwhile the credit portfolio grew by 23.2 percent.

The National Bank paid special attention to supervision over compliance by the commercial banks, non-banking financial and credit, payment organizations, and exchange bureaus with the legislation of the Kyrgyz Republic, including those related to counter-terrorism financing and anti-money laundering.

In 2024, the payment system of the Kyrgyz Republic operated in a stable and sustainable mode. As part of implementation of the State Program on Increasing the Share of Non-cash Payments and Settlements in the Kyrgyz Republic, measures were taken to encourage people to use non-cash payment methods, develop digital banking services and payment infrastructure. Thus, the Kyrgyz Republic has taken a leading position in the banking sector of the EAEU countries in ensuring intersystem integration of various payment systems to make payments and transfers by means of QR-codes of the national standard.

In the reporting year, the number of payments with the use of QR-codes increased by 20,9 times compared to the previous year. The number of bank payment cards increased by 2.3 million during the year, to make 9.2 million by the end of the year.

One of the important decisions of the National Bank taken with a view to increasing accessibility of non-cash payments for the population and popularizing digital banking

services was cancellation of commissions for money transfers made via mobile applications and Internet banking.

In 2024, work on implementation of the Digital Som project made significant progress. Draft laws defining the legal status of the Digital Som were developed and submitted to the Jogorku Kenesh for consideration. Basic requirements for the platform were defined and the technical requirements of the Digital Som prototype were finalized within the framework of technological work in addition to considering the legal and regulatory issues related to introduction of a digital national currency.

At the same time, in the reporting year, protection of the financial services consumers' rights was among the priority areas of the National Bank's activities. A "cooling-off period" was introduced for remote lending in order to protect the citizens from fraudulent operations.

The National Bank will continue to work in all areas of its activities in the future, contributing to sustainable economic development in the country.

This report was prepared based on the principles of openness, reliability, and completeness of information provision and includes the financial statements confirmed by an independent international audit.

Chairman



M. Turgunbaev



NATIONAL BANK OF THE KYRGYZ REPUBLIC

КЫРГЫЗ БАНКЫ

MONETARY POLICY RESULTS

Consumer Price Index

6,3% December 2024
to December 2023

INTERNATIONAL RESERVES

Gross international reserves

Growth by **57,2%**
(USD 5,088.1 million)

PROTECTION OF CONSUMERS' RIGHTS

Consulting and legal assistance was provided
to **1,217** people

PAYMENT
SYSTEM

Number of payments and transfers
made through QR-code

Growth by **20,9** times (64.8 million)

Volume of payments and transfers
made through QR-code

Growth by **26,2** times (KGS 85.2 billion)

DEVELOPMENT
OF FINANCIAL-CREDIT
ORGANIZATIONS

FCOs' assets

Growth by **32,6%** (KGS 875.9 billion)

FCOs' credit portfolio

Growth by **31,0%** (KGS 389.6 billion)

FCOs' deposit base

Growth by **37,4%** (KGS 599.9 billion)

ECONOMIC SITUATION IN THE KYRGYZ REPUBLIC IN 2024



CHAPTER 1. ECONOMIC DEVELOPMENT OF THE KYRGYZ REPUBLIC IN 2024

In 2024, the economy of the Kyrgyz Republic demonstrated high growth rates – real gross domestic product (GDP) of the country increased by 9.0 percent. The positive contribution was provided by the main sectors of the economy, primarily the service and construction sectors. Domestic consumption showed stable expansion amid growth in real incomes of the population.

At the end of 2024, the annual inflation rate in the Kyrgyz Republic amounted to 6.3 percent, remaining within the range of the medium-term target of monetary policy – 5-7 percent, due to measures taken by the National Bank to ensure price stability in the country.

The fiscal sector was characterized by stable fiscal consolidation policy. The state budget surplus amounted to 2.4 percent to GDP in 2024, exceeding the figure of 1.0 percent to GDP in 2023.

The foreign economic activity of the Kyrgyz Republic was characterized by changed situation in the regional trade. During 2024, there was a decrease in imports amid an increase in exports therefore the current account balance was formed negative at 25.2 percent to GDP.

Amid current high uncertainty and geopolitical factors worldwide, generally, the reporting year for the economy of the Kyrgyz Republic was characterized by long-lasting influence of external conditions, including increased inflation environment in the main countries - trading partners of the Kyrgyz Republic, high price volatility in the world commodity markets and multidirectional trends in the international financial markets. The country's economy continued to show progressive development despite the external economic risks.

1.1. Real Sector of Economy¹

GDP

In 2024, the Kyrgyz Republic demonstrated stable and high growth rate of real GDP at 9.0 percent, the same as in the previous year, meanwhile, nominal GDP amounted to KGS 1.5 trillion.

Expansion of domestic demand reflected consumer activity of economic entities amid increase of real incomes of the population, growth in the net inflow of individuals' remittances to the country and consumer lending.

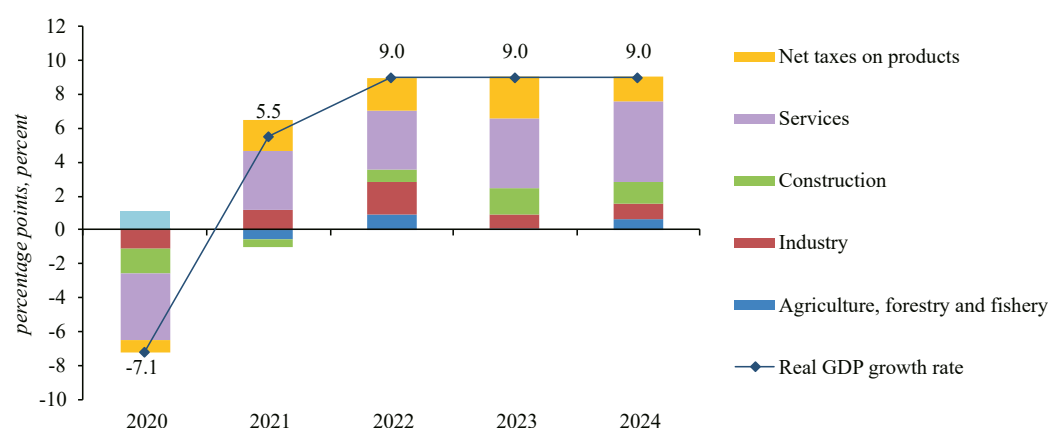
¹ According to the NSC KR: data for 2024 are preliminary, for 2023 – updated.

Table 1.1.1.**Structure of the Gross Domestic Product**

Economic sectors	Share, percent		Growth rate, percent		Contribution to growth, percentage points	
	2023	2024	2023	2024	2023	2024
Agriculture, forestry and fishery	9.5	8.6	0.6	6.3	0.1	0.6
Industry	16.3	16.5	4.8	5.6	0.8	0.9
Mining	2.0	1.9	3.4	4.0	0.1	0.1
Manufacturing (processing)	12.6	12.6	4.6	4.4	0.6	0.6
Provision (supply) of electricity, gas, steam and conditioned air	1.5	1.7	8.2	15.8	0.1	0.2
Water supply, purification and treatment of waste and generation of secondary materials	0.2	0.2	4.8	17.7	0.0	0.0
Construction	7.3	8.3	22.7	18.0	1.6	1.3
Services	51.3	52.1	7.9	9.3	4.0	4.8
Wholesale and retail trade; repair of motor vehicles and motorcycles	16.6	17.6	16.2	16.3	2.5	2.7
Transportation and storage of goods	3.0	3.0	7.7	5.5	0.2	0.2
Information and communication	2.5	2.4	11.3	6.7	0.2	0.2
Other	29.2	29.1	3.6	6.0	1.1	1.7
Net taxes on products	15.6	14.5	17.9	9.2	2.5	1.4
GDP	100.0	100.0	9.0	9.0	9.0	9.0
GDP (nominal, billions of KGS)	-	-	1,333.7	1,523.2	-	-

Source: NSC of KR, NBKR calculations.

The main sectors of economy showed relatively high growth rates conditioned by expansion of investment activity financed mainly from the domestic sources. At the same time, primarily the service (4.8 percentage points) and construction (1.3 percentage points) sectors contributed to GDP growth. In the reporting period, contribution of net taxes on products to GDP growth decreased from 2.5 down to 1.4 percentage points.

Chart 1.1.1.**Contribution of Economic Sectors to Real GDP Growth**

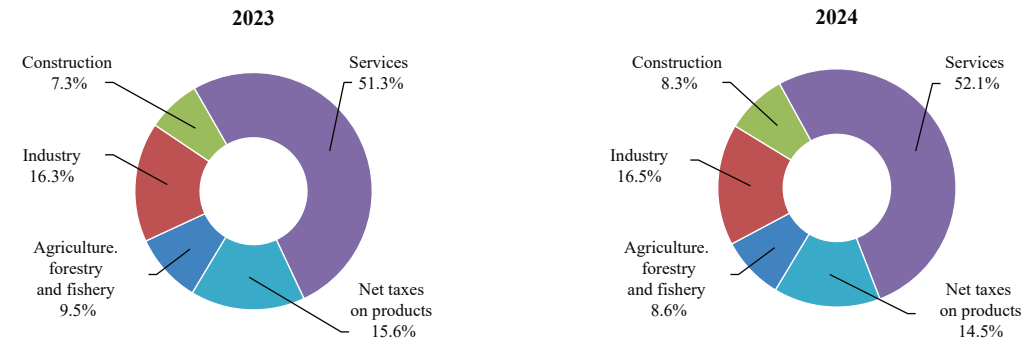
In the reporting period, the structure of economy in the country did not suffer substantial changes compared to 2023, the share of the service sector (52.1 percent) prevailed, to provide the largest contribution to economic growth. This sector increased by 9.3 percent, mainly due to active trade. Wholesale and retail trade grew by 16.3 percent, meanwhile its share in the GDP structure increased from 16.6 up to 17.6 percent.

*Trade and
service sector*

Construction and capital investment

During the reporting period, the construction sector demonstrated high growth rates due to active implementation of infrastructure projects and investment attraction in this sector. However, the largest increase in investment was provided by the republican budget (+ KGS 31.5 billion). Construction was also supported by implementation of the investment projects and measures stipulated in the public investment program for 2024. In addition, an increase in lending provided by the banks also supported growth in this sector. There was an increase in foreign capital investment by 11.5 percent due to growth in the inflow of foreign direct investment. As a result, at the end of the reporting year, the volume of production output in construction increased by 18.0 percent, however its share in the GDP structure increased from 7.3 up to 8.3 percent.

Chart 1.1.2.
GDP Sector Composition by Types of Economic Activity



Industry

The industrial sector demonstrated positive trends mainly due to growth of production output in the processing industry. During the reporting period, new industrial enterprises were commissioned under the project “100 Industrial Enterprises – 2024” to condition creation of new jobs. Total production output in the industrial sector increased by 5.6 percent in 2024 against 4.8 percent in 2023. The share of this sector in the GDP structure increased by 0.2 percentage points compared to 2023 and amounted to 16.5 percent.

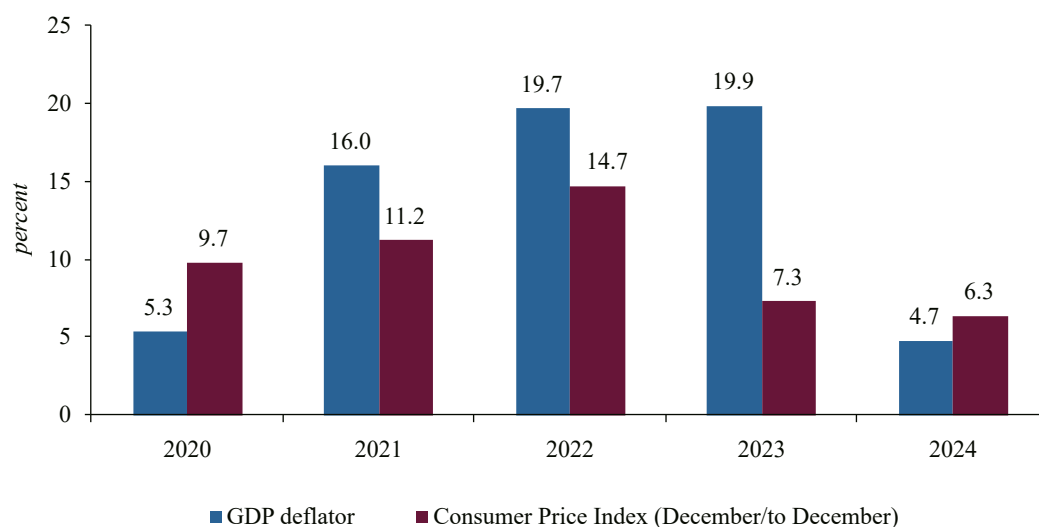
Agriculture

In the reporting period, contribution of agriculture to GDP was 0.6 percentage points, meanwhile the growth rate of agricultural production output accelerated from 0.6 percent in 2023 up to 6.3 percent in 2024. Such high indicator was formed due to favorable environmental conditions, as well as an increase in crops yield, expansion of cultivated area and growth of livestock production output. Public sector provided stable support to financing of agricultural industries.

The GDP deflator decreased from 19.9 percent in 2023 down to 4.7 percent in 2024 to reflect slowdown in growth of prices for goods and services.

Chart 1.1.3.

Dynamics of GDP deflator and CPI



1.2. Public Finance Sector¹

In the reporting year, the policy of fiscal consolidation was still conducted in the fiscal sector. Public expenditures demonstrated stable social focus with fulfillment of all social obligations and reduction of non-priority expenditures. Thus, measures taken to optimize expenditures and increase state budget revenues resulted in the state budget surplus of 2.4 percent to GDP in 2024 against 1.0 percent to GDP in 2023. The primary balance² of the state budget was formed positive at 3.6 percent to GDP.

State budget revenues from operating activities increased by 18.3 percent compared to 2023 and amounted to KGS 463.8 billion, or 30.4 percent to GDP.

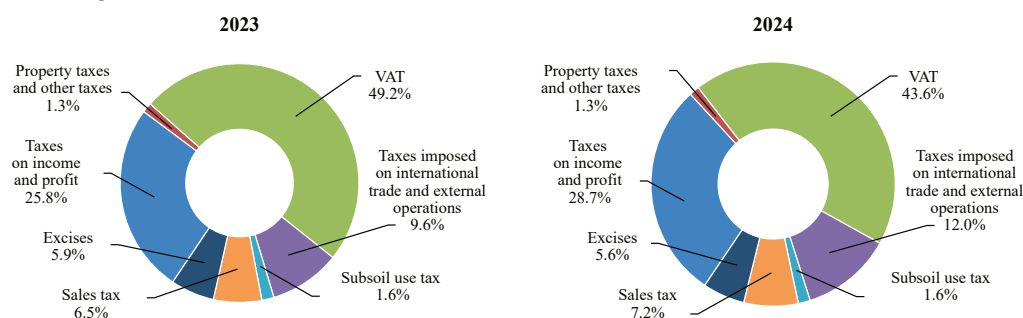
Tax and non-tax revenues, comprising the main shares in the structure of budget revenues, remained the main sources for budget resources replenishment. During the reporting year, the volumes of tax revenues increased compared to 2023, being the result of improved administration of tax and customs procedures and high economic activity. The volume of non-tax revenues also increased compared to 2023 mainly due to growth of revenues from the use of state and municipal property, interest on issued loans and credits, as well as due to the transfer of the National Bank's profit to the budget.

In 2024, the National Bank transferred profit in the amount of KGS 12.4 billion to the republican budget according to the Constitutional Law of the Kyrgyz Republic "On Transfer of Profit of the National Bank of the Kyrgyz Republic" No. 90 dated May 28, 2024.

Fiscal policy

¹ Preliminary data of the Ministry of Finance of the Kyrgyz Republic.

² Primary balance is the state budget deficit/surplus excluding the amount of interest payments for public debt service.

Chart 1.2.1.**State Budget Tax Revenue Structure**

In the reporting year, state budget expenditures for operating activities amounted to KGS 319.9 billion, or 21.0 percent to GDP. There was slowdown in the growth rates of state budget expenditures for operating activities, the growth rate thereof was 11.4 percent against 27.8 percent in 2023. At the same time, in the reporting year, expenditures on the items “expenditures for purchase of goods and services” increased by 54.1 percent and “interest payments” – by 30.7 percent. An increase in interest payments was observed mainly for internal borrowings.

Expenditures for the items “health care” and “economic issues” made the main contribution to growth of total expenditures in the structure of expenditures by functional classification. In turn, reduction of expenditures for general public services and education had a restraining effect on the growth rate of current expenditures.

Public debt

Net capital expenditures of the state budget for 2024 increased by 16.2 percent or KGS14.9 billion and amounted to KGS 107.1 billion, or 7.0 percent to GDP (in 2023 – 6.9 percent to GDP).

Expenditures for public debt servicing amounted to KGS 59.9 billion, or 3.9 percent to GDP, KGS 18.1 billion thereof or 1.2 percent to GDP – interest payments.

At the end of 2024, the public debt amounted to KGS 573.3 billion or 37.6 percent to GDP against KGS 559.5 billion or 42.0 percent to GDP in 2023. In the structure of public debt, the share of external debt amounted to 68.8 percent and internal debt – 31.2 percent.

Government securities market

Domestic borrowings were attracted through issuance and placement of government securities (GS) of the Ministry of Finance of the Kyrgyz Republic on the trading platforms of the National Bank of the Kyrgyz Republic and “Kyrgyz Stock Exchange” CJSC (“KSE” CJSC).

The short-term segment of securities was represented by the state treasury bills (STB), and the long-term segment – by the state treasury bonds (STB).

An auction of 12-month ST-Bonds was held on the trading platform of the National Bank in 2024: the volume of demand amounted to KGS 1.3 billion (in 2023 – KGS 125.0 million), and, at the end of the auction, the volume of sales amounted to KGS 1.0 billion (in 2023 – KGS 11.7 million). The weighted average yield in the ST-Bills market increased by 3.7 percentage points compared to 2023 and amounted to 12.2 percent.

Table 1.2.1.Parameters of ST-Bills and ST-Bonds Primary Placement¹

	unit of measurement	2023	2024
ST-bills			
Volume of supply	<i>billions of KGS</i>	0.5	0.5
Volume of demand	<i>billions of KGS</i>	0.1	1.3
Volume of sales (taking into account additional placements)	<i>billions of KGS</i>	0.01	1.0
Average weighted	<i>percent</i>	8.5	12.2
ST-bonds			
Volume of supply	<i>billions of KGS</i>	69.2	44.3
Volume of demand	<i>billions of KGS</i>	53.8	46.3
Volume of sales (taking into account additional placements)	<i>billions of KGS</i>	53.2	41.7
Average weighted	<i>percent</i>	15.6	15.6

In 2024, within the framework of implementing the Strategy of the Kyrgyz Republic Public Debt Management, the Cabinet of Ministers of the Kyrgyz Republic provided stable support to supply of long-term ST-Bonds. At the same time, securities with all maturities, except for 15- and 20-year ones, were represented in the ST-Bonds market.

Supply, demand, and sales of ST-Bonds decreased compared to 2023 (a decrease by 35.9, 13.8, and 21.8 percent, respectively) on the trading platform of the National Bank.

In the reporting year, the largest volume of funds in ST-Bonds placement was attracted through the sale of 3-year ST-Bonds, the share thereof in the total volume of sales amounted to 52.1 percent. The share of 5-year, 7-year, and 10-year ST-Bonds in the total volume of sales amounted to 16.5, 15.9, and 15.6 percent, respectively. In 2024, the total weighted average yield of ST-Bonds remained at the level of 2023, to make 15.6 percent.

In 2024, 12-month ST-Bills and 2-year ST-Bills were still placed on the trading platform of “Kyrgyz Stock Exchange” CJSC. The sales of short-term securities on the trading platform of “KSE” CJSC amounted to KGS 1.1 billion with the weighted average yield of 13.1 percent. Sales of long-term securities amounted to KGS 3.1 billion with weighted average yield of 14.2 percent.

In 2024, within the framework of the resolution No. 29 adopted by the Cabinet of Ministers of the Kyrgyz Republic on January 26, 2024, the volume of state treasury bonds issued to finance construction, capital repairs and reconstruction projects amounted to KGS 15.0 billion. 3-year state treasury bonds were presented with the total weighted average yield of 15.3 percent.

1.3. Balance of Payments of the Kyrgyz Republic²

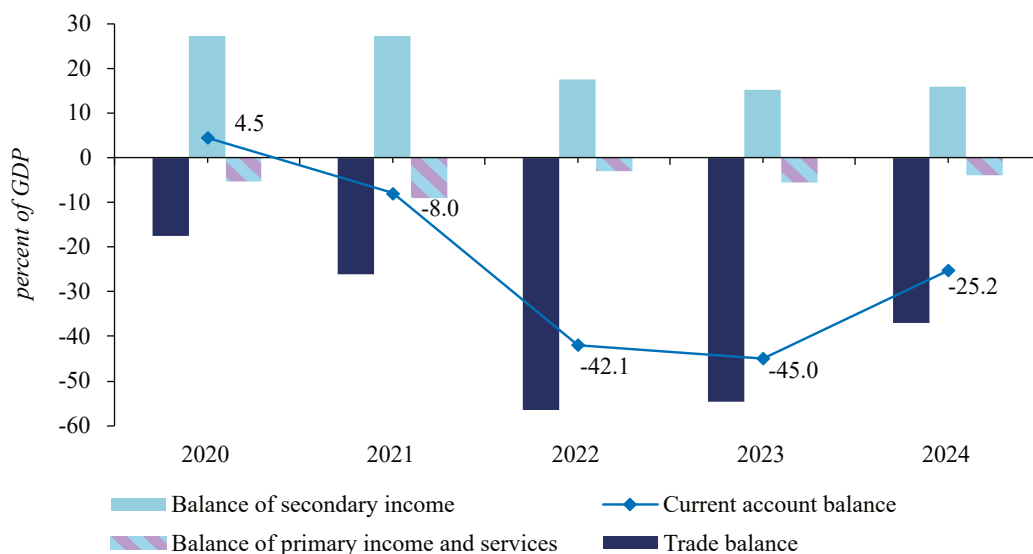
According to the preliminary data, in 2024, the current account deficit amounted to USD 4,422.0 million, or 25.2 percent to GDP (in 2023, the current account deficit to GDP amounted to 45.0 percent). A significant reduction of the trade deficit, along with improvement of the balances of services and secondary income, had a determining influence on the dynamics of this indicator.

¹ On the trading platform of the National Bank of the Kyrgyz Republic.

² Since 2023, the balance of payments of the Kyrgyz Republic has been compiled in accordance with methodology of the sixth edition of the International Monetary Fund's (IMF) Balance of Payments and International Investment Position Manual (BPM6).

Chart 1.3.1.

Current Account

*Foreign trade*

In 2024, the trade deficit decreased by 21.6 percent (from USD 8,285.6 million down to USD 6,492.6 million) compared to 2023.

In the reporting year, exports of goods (in FOB prices) amounted to USD 4,922.3 million¹, having increased by 45.7 percent mainly due to export of gold in the amount of USD 2,506.1 million. Exports excluding gold increased by 15.3 percent and amounted to USD 2,416.2 million. In the reporting period, the growth of supplies of ores and concentrates of precious metals, articles of apparel and footwear, vegetables, kerosene and a number of other goods was also observed. At the same time, there was a decrease in exports of non-ferrous base metal waste and scrap, fresh or dried fruits and nuts, live animals, iron and steel.

In the reporting year, exports to the EAEU countries increased by 13.0 percent mostly owing to the growth of exports of footwear and different fabrics.

In 2024, imports of goods (in FOB prices) amounted to USD 11,414.9 million, having decreased by 2.1 percent compared to 2023, mainly due to a significant decrease in supplies of motor cars and vehicles and locksmiths' wares as well. Along with this, there was an increase in the imports of parts of equipment for production machinery, iron and steel, petroleum products, and woven fabrics of man-made textile materials.

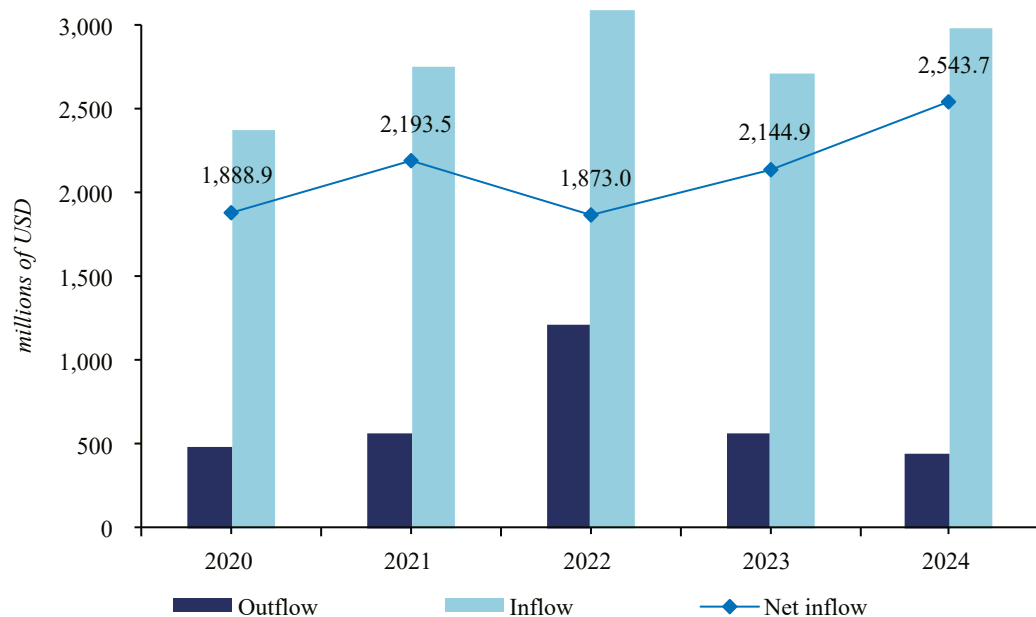
In the reporting year, import supplies from the EAEU countries slightly increased by 6.7 percent, mostly due to the growth of imports of petroleum products.

According to the preliminary results of 2024, there was a surge in both imports of services by 22.9 percent and exports – by 55.2 percent. As a result, the balance of services was formed with a deficit at USD 110.2 million. Significant amount of received “transportation services” and “other services” were the main factors determining the current negative balance.

Secondary income

Net inflow on the secondary income balance grew by 20.0 percent compared to 2023 and amounted to USD 2,772.3 million. In the structure of the secondary income balance, significant volume of inflows was provided by the item “workers’ remittances” primarily by individuals’ cross-border remittances using money transfer systems, banking mobile applications (bank cards and e-wallets). As a result of 2024, net inflow of individuals’ cross-border remittances increased by 18.6 percent and amounted to USD 2,543.7 million.

¹ Including the National Bank’s additional estimates according to the methodology of the balance of payments.

Chart 1.3.2.**Dynamics of Individuals' Cross-border Remittances**

In the reporting year, the negative balance of the primary income account escalated by 3.0 times and amounted to USD 591.4 million. It was formed under the influence of significant growth of the investment income payments to direct investors – non-residents.

According to the preliminary results of 2024, the capital account balance was positive in the amount of USD 154.8 million, having decreased by 29.8 percent compared to 2023.

During the reporting period, net borrowing from the rest of the world, as presented in the financial account, totaled USD 1,010.1 million (at the end of 2023 – USD 157.8 million). The financial account balance was primarily formed under the impact of the items “direct investments” and “other investments”.

The net inflow of foreign direct investment amounted to USD 573.4 million (an increase by 3.8 times compared to 2023) due to participation in the authorized capital by direct non-resident investors (mainly due to reinvested earnings).

The item “other investments” was formed with a negative balance of USD 435.7 million (at the end of 2023 – (-) USD 15.8 million). This trend was conditioned by the excess of net incurrence of liabilities on loans and borrowings, trade credits and advances of other sectors over net acquisition of financial assets of the banks – residents of the Kyrgyz Republic abroad in the form of currency and deposits.

According to the preliminary results of 2024, the balance of the item “errors and omissions” was formed positive in the amount of USD 3,491.2 million at the expense of the statistical discrepancies.

The overall balance of payments was formed negative in the amount of USD 234.0 million (in 2023, the negative balance was USD 6.4 million).

At the end of the reporting year, gross international reserves amounted to USD 5,088.1 million, which corresponded to 4.3 months of coverage of the future imports of goods and services.

*Primary income**Capital account**Financial account**Overall balance*

ACTIVITY
OF THE NATIONAL BANK
OF THE KYRGYZ REPUBLIC
IN 2024



CHAPTER 2. MONETARY POLICY

In 2024, the monetary policy of the National Bank was aimed at ensuring price stability in the Kyrgyz Republic amid high uncertainty in the external economic environment and preservation of geopolitical factors worldwide.

Trends in development of the external economic environment remained among the main conditions in conducting the monetary and foreign exchange policy by the National Bank. At the same time, increased consumer demand and planned revision of the state tariff policy were the internal factors that influenced formation of the inflation dynamics in the country.

Generally, the situation in the domestic foreign exchange market remained stable, meanwhile the exchange rate remained flexible. The National Bank conducted foreign exchange interventions solely to prevent sharp fluctuations of the exchange rate.

During the reporting year, the National Bank actively conducted monetary operations aimed at regulating excess liquidity in the banking system in order to ensure the equilibrium level of money supply in the economy.

The inflation rate in the Kyrgyz Republic was kept within the medium-term target of 5-7 percent and the impact of external factors on price movement in the country was minimized due to the monetary policy measures taken in 2024. In December 2024, the annual inflation rate was formed at 6.3 percent.

Within the framework of international reserves effective management, the National Bank increased the volume of gross international reserves of the Kyrgyz Republic by 57.2 percent, up to USD 5,088.1 million by the end of 2024.

2.1. Goal and Objectives of Monetary Policy

The National Bank's goal

According to the Constitutional Law of the Kyrgyz Republic “On the National Bank of the Kyrgyz Republic”, the main goal of the National Bank’s activity is to achieve and maintain price stability through appropriate monetary policy (MP).

The monetary policy target is defined as keeping the inflation rate within 5-7 percent in the medium term in the strategic document “The Main Directions of the Monetary Policy for the Medium Term”¹.

In the Statement of the National Bank on Monetary Policy for 2024², the target consisted in keeping the inflation rate near the upper limit of the medium-term inflation target.

Monetary policy main objectives

Maintaining the purchasing power of the national currency, neutralizing the inflationary pressure from the external environment and limiting the monetary factor of inflation by actively regulating excess liquidity in the banking system were the priority tasks contributing to achieving the goal of the National Bank’s activity.

In the reporting year, work was continued to improve the monetary policy transmission mechanism³, to enhance forecasting and analytical tools for making monetary decisions, and strengthen the communication channel of monetary policy.

¹ Approved by the Resolution of the Board of the National Bank of the Kyrgyz Republic No. 2017-II-07/51-1-(ДКП) dated December 13, 2017.

² Approved by the Resolution of the Board of the National Bank of the Kyrgyz Republic No. 2023-II-07/80-1-(ДКП) dated December 20, 2023.

³ Monetary policy transmission mechanism is a transmission mechanism characterizing the process of impact of monetary policy decisions on price dynamics through channels of influence: interest rate, foreign exchange, credit and communication channels.

Monetary Policy Main Objectives in 2024



2.2. Monetary Policy Implementation

During 2024, monetary policy was conducted amid long-lasting high uncertainty in the external economic environment due to the influence of geopolitical factors and price volatility in the world food and commodity markets.

Development trends of the domestic economy, assessments of inflation factors and its forecasts, as well as an analysis of the external economic environment, including inflation processes in the countries – main trading partners of the Kyrgyz Republic, were taken into account when making monetary decisions.

The monetary tools available for the National Bank were used in order to achieve the monetary policy goal declared for 2024 – keeping the inflation rate near the upper limit of the medium-term inflation target.

The policy rate of the National Bank (key rate) remained the main tool to regulate monetary conditions in the country's economy. During the reporting year, the Board conducted eight meetings regarding the policy rate. As the inflationary pressure eased in the country's economy, the National Bank gradually decreased the policy rate: in April – from 13.00 down to 11.00 percent, in May – from 11.00 down to 9.00 percent.

Interest rate policy

The boundaries of the interest rate corridor around the National Bank's policy rate were also revised downwards: the interest rate on "overnight" credits (upper limit) – from 15.00 down to 11.00 percent, the interest rate on "overnight" deposits (lower limit) – from 11.00 down to 4.00 percent.

Gradual easing of monetary conditions affected positively lending to the real sector of economy, while supporting stable control over inflation developments in the country.

Liquidity regulation

In 2024, tactical decisions of the monetary policy were made amid high level of excess liquidity in the banking sector formed through the operations conducted by the fiscal authorities and the monetary channel. In the reporting year, the average daily volume of excess liquidity increased by KGS 26.0 billion compared to 2023 and amounted to KGS 90.0 billion.

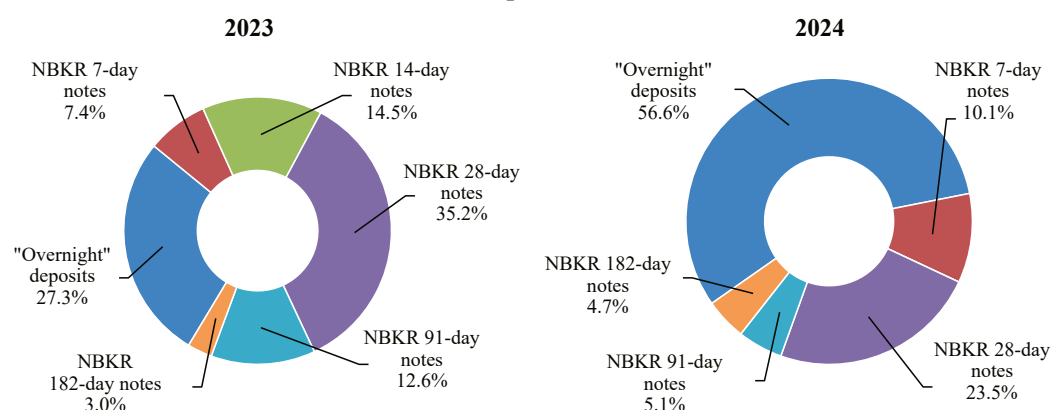
In order to limit the monetary factor of inflation, the National Bank actively regulated the level of excess liquidity in the banking system through the open market operations (issue of National Bank notes) and placement of the commercial banks' available funds to "overnight deposits" in the National Bank. In the reporting year, the average daily volume of the National Bank operations to absorb excess liquidity increased by KGS 25.9 billion compared to 2023 and amounted to KGS 90.3 billion.

“Overnight” deposits prevailed in the structure of sterilization operations of the National Bank, the share thereof increased from 27.3 percent in 2023 up to 56.6 percent in 2024. During the reporting year, the commercial banks placed their available funds in “overnight” deposits in the National Bank on a daily basis, approximately in the amount of KGS 51.1 billion (in 2023 – KGS 17.6 billion).

The National Bank notes with maturities from 7 to 182 days were offered in the market. In the reporting year, the average daily volume of sterilization through the National Bank notes amounted to KGS 39.2 billion (in 2023 – KGS 46.8 billion). At the same time, the share of notes in the total structure of sterilization decreased from 72.7 down to 43.4 percent.

Chapter 2.2.1.

Structure of National Bank Sterilization Operations



In 2024, there was no demand for the National Bank credit resources from the commercial banks amid high level of excess liquidity in the banking system.

2.2.1. Open Market Operations

The National Bank notes

In 2024, the National Bank continued to implement monetary policy amid structural surplus of liquidity in the banking sector. The National Bank notes were the key instrument to withdraw excess liquidity used by the National Bank in the open market.

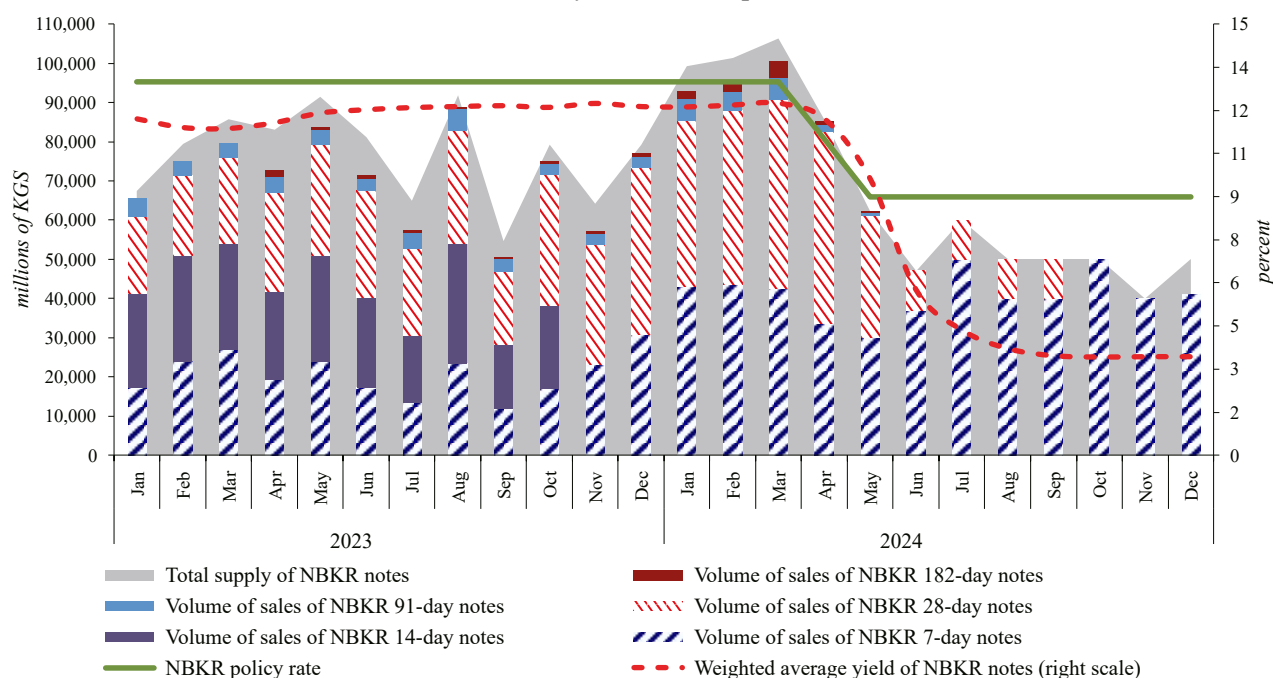
Notes are discount securities of the National Bank with various maturities placed at the auctions to regulate liquidity in the banking system. The offer at the auctions for notes placement was established based on the analysis of the banking sector liquidity. Generally, the National Bank used auction sales of 7-day notes for operational management of liquidity in the banking sector. 116 auctions for notes placement were held in 2024.

In 2024, the volume of notes supplied by the National Bank amounted to KGS 801.6 billion (in 2023 – KGS 922.4 billion). The volume of demand for notes amounted to KGS 1,464.2 billion, having increased by 49.8 percent compared to 2023 (in 2023 – KGS 977.4 billion). In 2024, the total volume of notes placement decreased by 9.4 percent compared to 2023 and amounted to KGS 773.9 billion.

The largest volume of sales was accounted for the National Bank notes with a maturity of 7 and 28 days, the share thereof in the total volume amounted to 63.4 and 33.0 percent. The sales of notes with a maturity of 91 and 182 days amounted to 2.4 and 1.2 percent, respectively.

Chapter 2.2.1.1.

Sales Volume of National Bank Notes and Policy Rate Developments



The weighted average yield of notes decreased by 4.8 percentage points down to 7.1 percent compared to 2023. In 2024, the average daily value of the volume of notes in circulation decreased by 19.3 percent compared to 2023 (KGS 51.3 billion) and amounted to KGS 41.4 billion.

Generally, the commercial banks purchased the National Bank notes, in 2024, the share thereof in the total sales of notes amounted to 97.6 percent (in 2023 – 98.6 percent), other holders of notes were the institutional investors, the share thereof constituted 2.4 percent (in 2023 – 1.4 percent).

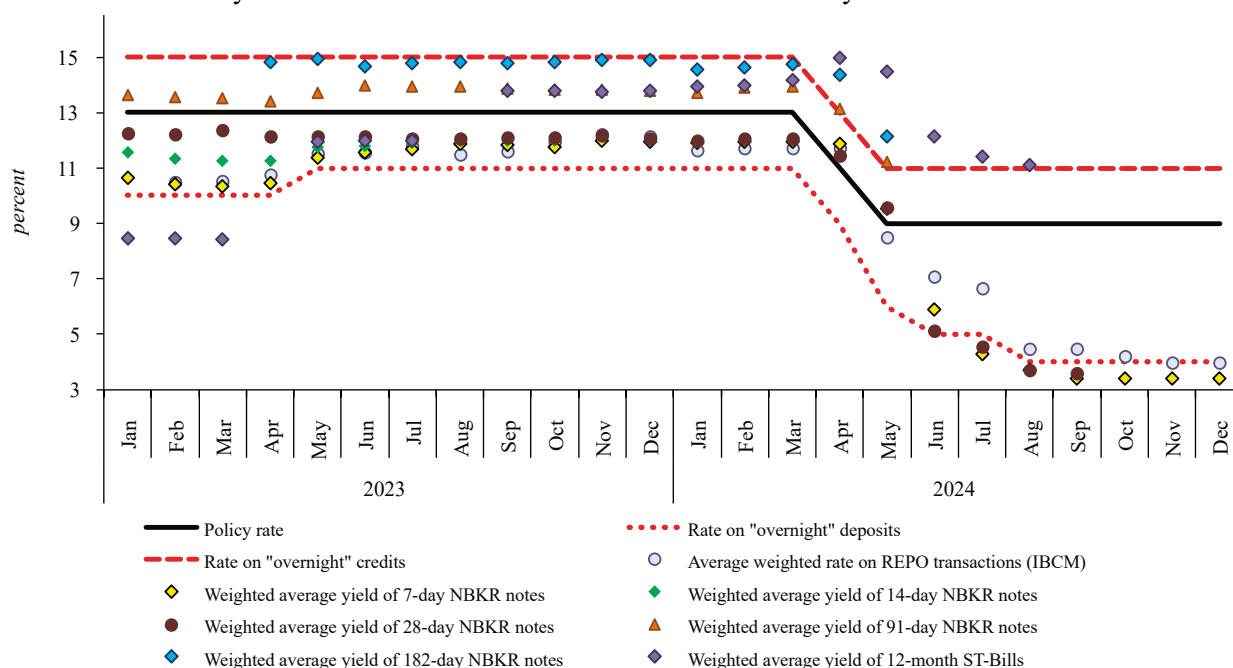
At the same time, in the reporting period, the National Bank conducted operations on purchase of 10-, 15- and 20-year ST-Bonds on the secondary market on outright terms without an obligation to resell in order to develop the secondary market for government securities. The total volume of these operations at their actual value amounted to KGS 9.8 billion.

2.2.2. Operations in the Interbank Money Market

In the interbank money market, the short-term interest rates were formed under the influence of liquidity surplus in the banking sector and fluctuated near the lower limit of the interest rate corridor set by the National Bank.

Chart 2.2.2.1.

Dynamics of the Interest Rates in the Interbank Money Market



In 2024, the participants' activity in the interbank credit market significantly decreased due to the high level of excess liquidity in the banking system and a decline in demand for borrowed resources.

Repo operations

Under these conditions, the segments of repo and swap operations, mainly with the use of foreign currency, were the most preferable for the commercial banks in the interbank money market.

In the reporting period, the commercial banks conducted repo operations for the total amount of KGS 11.1 billion, the volume of transactions decreased by 56.5 percent compared to 2023. The weighted average interest rate on interbank repo operations decreased by 4.0 percentage points compared to 2023 and amounted to 7.5 percent. These transactions were primarily concluded for an average maturity of 5 days (in 2023 – the average maturity was 4 days).

In the reporting year, the number of creditors in the repo segment of the interbank credit market decreased from 13 to 6 banks, and the number of borrowers – from 11 to 10 banks.

The banks actively used the National Bank notes (approximately 30.8 percent of the total volume of transactions) and the government securities – ST-Bonds (approximately 69.2 percent of the total volume of transactions) as collateral for interbank repo operations.

At the same time, in 2024, the volume of government securities¹ in the commercial banks' own portfolio increased to KGS 53.3 billion, up from KGS 36.7 billion in 2023. At the end of the reporting year, 14 out of 21 operating banks had government securities as part of their assets (in 2023 – 15 out of 23 banks).

In the reporting year, the operations involving provision of standard credits in the national and foreign currencies were not conducted in the interbank credit market, as before. At the same time, the domestic banks still acted as the creditors of non-resident banks by granting credit resources in foreign currencies. In 2024, the total volume

¹ Based on the results of auctions conducted on the trading platform of the National Bank of the Kyrgyz Republic.

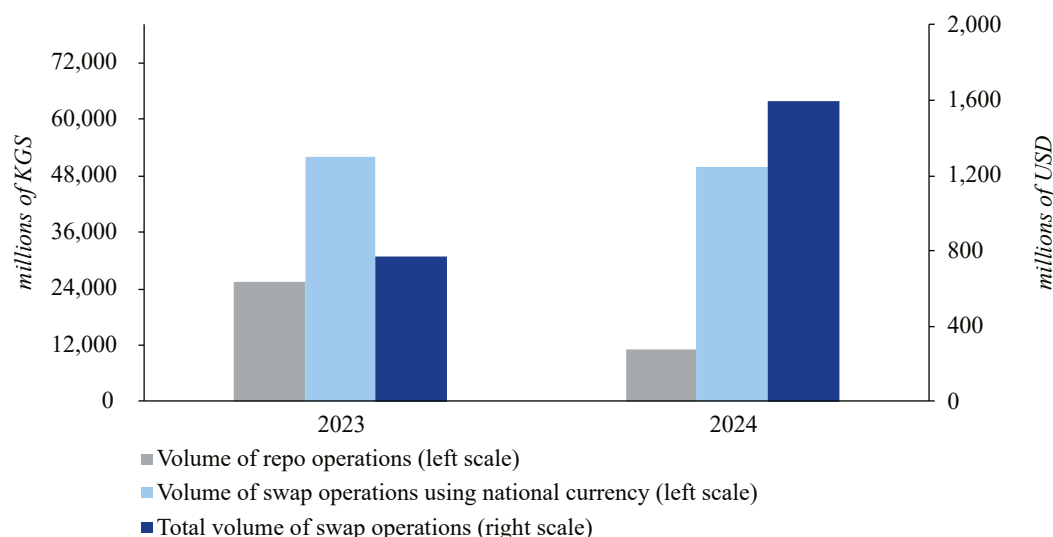
of these operations decreased by 38.5 percent compared to 2023 and amounted to KGS 245.3 billion.

In 2024, the National Bank did not conduct swap operations. However, the total volume of interbank swap operations conducted by the commercial banks in the domestic market and with non-resident banks increased by 2.1 times compared to 2023 and amounted to USD 1,593.1 million. The volume of interbank swap operations with the national currency decreased by 4.6 percent, to KGS 49.7 billion.

Swap operations

Chart 2.2.2.2.

Operations in the Interbank Money Market



2.2.3. Operations on Banks Refinancing

In the reporting year, credits were not issued to the commercial banks due to significant excess liquidity in the banking system.

The National Bank refinancing instruments are represented in the form of various credits. Banks refinancing is among the instruments used to maintain current liquidity and provide additional liquidity for the commercial banks.

Short-term credits such as intraday, “overnight” and 7-day credits are the standing window instruments.

The National Bank also has at its disposal a refinancing instrument – credit auctions. Credit auctions are held on the initiative of the National Bank to provide the commercial banks with credit resources in the national currency for maintaining liquidity and lending to certain sectors of the economy.

In addition, the National Bank is entitled to provide credits to the Deposit Protection Agency of the Kyrgyz Republic to ensure the financial stability of the Deposit Protection System of the Kyrgyz Republic, protect the depositors’ interests, prevent the systemic risk and provide stability of the banking system, as well as to issue credits to the international organizations established by the Kyrgyz Republic jointly with other states.

Refinancing instruments

2.2.4. Domestic Foreign Exchange Market Operations

In 2024, the situation in the domestic foreign exchange market demonstrated relatively stability. Exchange rate dynamics was formed by the market mechanisms of supply and demand under the influence of seasonal factors. The National Bank

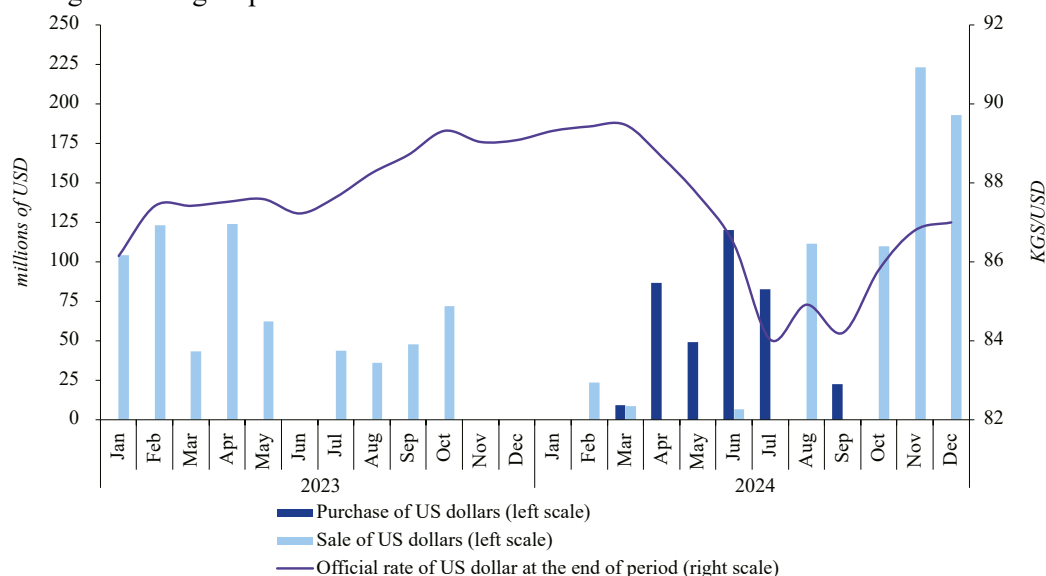
participated in the foreign exchange auctions depending on the nature of market conditions and the need to smooth sharp fluctuations of the exchange rate.

In 2024, the National Bank conducted 13 interventions on sale of US dollars in the amount of USD 675.7 million and 13 interventions on purchase of US dollars in the amount of USD 369.9 million. The volume of net sales amounted to USD 305.8 million.

In the reporting year, the official Kyrgyz som – US dollar exchange rate strengthened by 2.34 percent, from KGS 89.0853 to KGS 87.0000 per 1 USD. At the same time, flexibility of the exchange rate was stable.

Chart 2.2.4.1.

Foreign Exchange Operations of the National Bank



Foreign exchange interventions

In Q1, there was seasonal demand for foreign currency amid a decrease in the supply of foreign currency, which affected the exchange rate volatility. In Q1 of the reporting year, the National Bank conducted two interventions on sale of foreign currency for the amount of USD 31.9 million to smooth sharp fluctuations of the exchange rate. However, since the end of Q1, there was an increase in the supply of foreign currency, therefore one intervention on purchase of foreign currency in the amount of USD 9.0 million was conducted. In Q1, net sales amounted to USD 22.9 million.

In Q2, there was excess of foreign currency supply over demand due to growth in the inflow of remittances and increased activity in the tourism industry. In Q2, generally, the National Bank conducted interventions on purchase of foreign currency – nine interventions on purchase in the amount of USD 256.0 million and one intervention on sale in the amount of USD 6.7 million. In Q2, net purchase amounted to USD 249.3 million.

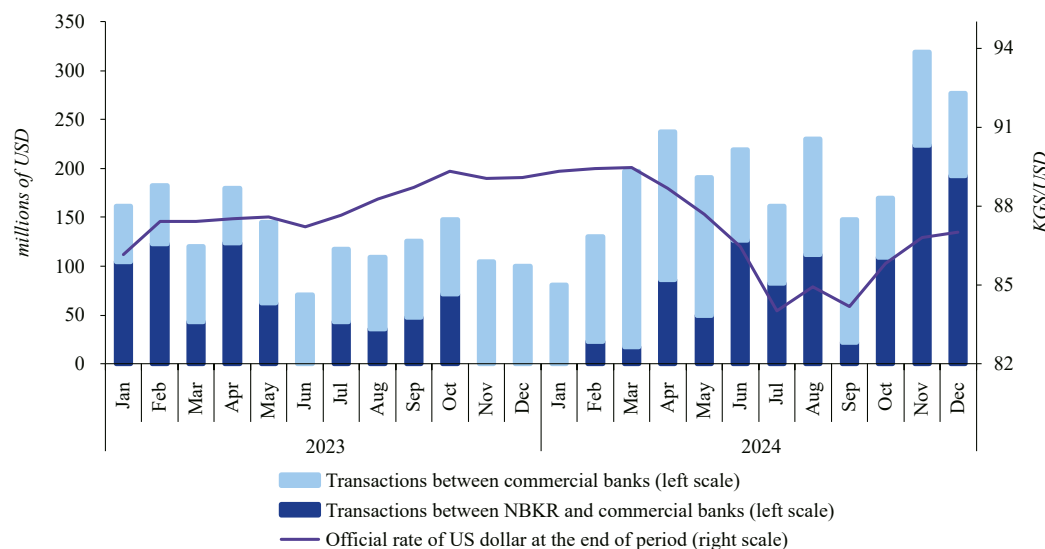
In Q3, the situation in the foreign exchange market developed amid market participants' expectations regarding changes in the monetary policies of the leading countries to result in multidirectional dynamics of the exchange rate. The National Bank conducted interventions on purchase and sale of foreign currency. In the reporting period, the National Bank conducted three interventions on purchase of USD 104.9 million and two interventions on sale of USD 111.5 million. In Q3, net sale amounted to USD 6.6 million.

Q4 was characterized by high demand for foreign currency. This demand was formed under the influence of USD strengthening in the world financial markets, tightening the sanctions policy with regard to the financial markets and high volatility of the exchange

rates of currencies of some countries – trading partners of the Kyrgyz Republic. In Q4, the National Bank conducted eight interventions on sale of foreign currency in the amount of USD 525.7 million.

Chart 2.2.4.2.

Exchange Rate Movement and Volume of Interbank Foreign Exchange Auction Operations



In order to ensure timely fulfillment of the Kyrgyz Republic obligations under the EAEU Treaty, the National Bank conducted foreign exchange operations on purchase of Russian rubles in the domestic foreign exchange market. The total amount of purchase amounted to RUB 16.9 billion.

2.2.5. Reserve Requirements

Reserve requirements (RR) are among the instruments of the National Bank's monetary policy and are used to regulate the general level of liquidity in the banking system and short-term money market interest rates.

Reserve requirements represent the requirements for the commercial banks and microfinance companies attracting deposits for the mandatory depositing funds in reserve assets. The ratio of reserve requirements and the procedure for their fulfillment are set by the Board of the National Bank under the terms and conditions of the monetary policy.

In 2024, the reserve requirement ratio for the commercial banks was kept unchanged for all types of liabilities: for liabilities in foreign currency (excluding liabilities in Armenian drams, Belarusian rubles, Kazakh tenge, Chinese yuan Renminbi, and Russian rubles) – at the level of 15.0 percent; for liabilities in the national currency, currencies of the EAEU member-states, and Chinese yuan – at the level of 4.0 percent. The reserve requirements ratio for the banks' liabilities on depersonalized metal accounts of the clients also remained the same – at zero level.

The requirement for the banks to comply with the minimum threshold level of funds on the correspondent account in the National Bank in order to fulfill the reserve requirements on a daily basis during 2024 was kept unchanged at 70.0 percent.

In 2024, the following penalties were imposed:

- on one commercial bank for non-compliance with the reserve requirements during the base period (in the amount of three-fold average policy rate of the National Bank of the amount of the average daily deviation of reserve assets from the reserve requirements ratio);

RR standards

- on three banks for non-compliance with the requirement to fulfill the minimum threshold level of the reserve requirements ratio established for the relevant day (in the amount of three-fold National Bank's policy rate of the amount of reserve assets deviation from the reserve requirements ratio).

2.3. Management of International Reserves

According to the Constitutional Law of the Kyrgyz Republic "On the National Bank of the Kyrgyz Republic", the National Bank independently forms, owns and manages all international reserves, taking into account the priorities of liquidity and ensuring the safety of reserve assets.

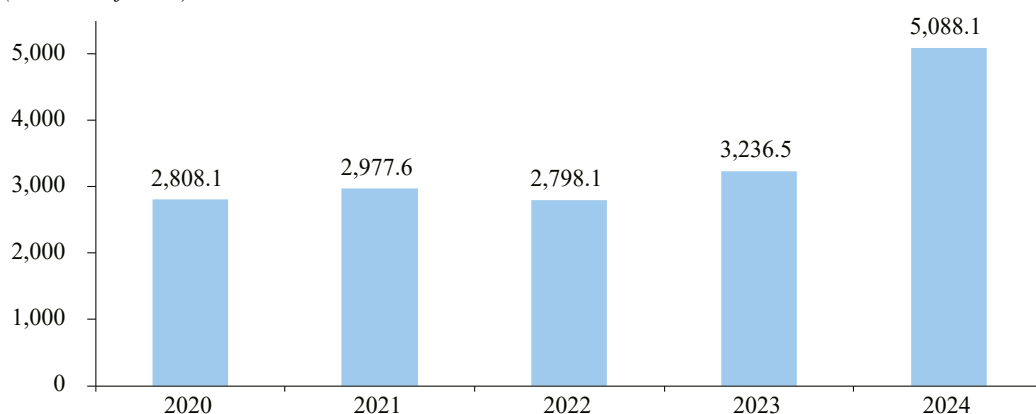
Management of international reserves was regulated by the Investment Policy of the National Bank and the Risk Management Policy in International Reserves Management.

At the end of 2024, gross international reserves amounted to USD 5,088.1 million, having increased by USD 1,851.6 million or 57.2 percent over the year.

*Volume of
international reserves*

Chart 2.3.1.

Dynamics of Gross International Reserves
(millions of USD)



In 2024, the volume of gross international reserves were influenced by payments on the external liabilities of the Kyrgyz Republic, exchange rate of fluctuations of reserve currencies, changes in precious metals prices, income from management of international reserves, gold operations, foreign exchange operations of the National Bank conducted in the domestic market of the country, and receipts of foreign currency in favor of the Cabinet of Ministers of the Kyrgyz Republic.

The international reserves of the National Bank comprise the gold, Special Drawing Rights (SDRs) and the foreign currency portfolio.

*Structure of
international reserves*

Table 2.3.1.

Structure of International Reserves (end-of-period)
(percent)

	2023	2024
Gold	44.2	62.9
Currency portfolio	50.4	33.0
Special Drawing Right	5.4	4.1
Total	100.0	100.0

Foreign currency reserve assets were managed on the portfolio basis to maintain the required level of liquidity and to enhance the efficiency of international reserves allocation.

In 2024, the international reserves currency portfolio included the following currencies: US dollars, Euros, British pounds sterling, Chinese yuan, Japanese yen, Canadian dollars, Australian dollars, Swiss francs, as well as other currencies required to service the operations of the Cabinet of Ministers of the Kyrgyz Republic.

Division of the currency portfolio into the working and investment ones ensured maintenance of the optimal yield level of reserves.

The working currency portfolio comprises the part of international reserves allocated to conduct daily operations, finance forecasted short-term liabilities as well as any possible outflow. The working portfolio assets were placed in the most liquid instruments and were used for the operations in the domestic interbank foreign exchange market, as well as for the payments of the National Bank and the Cabinet of Ministers of the Kyrgyz Republic in foreign currency, including the state external debt service.

Working portfolio placement

The foreign currency investment portfolio is a part of international reserves allocated to generate return, taking into account liquidity priorities and ensuring the safety of reserve assets, and represents a set of financial investments consisting of the aggregate of securities, deposits and other instruments. The investment portfolio was managed in accordance with the approved benchmark portfolio of international reserves. The securities portfolio included the government securities of individual countries, the short-, medium- and long-term investment instruments of the international financial institutions. The time deposits were placed in the international financial institutions, foreign central and commercial banks with high international rating.

Investment portfolio management

The central banks, international financial institutions, and foreign commercial banks are the counterparties of the National Bank.

According to the legislation of the Kyrgyz Republic, the Cabinet of Ministers and the National Bank have the right of priority purchase of gold produced in the territory of the Kyrgyz Republic.

National Bank's operations with gold

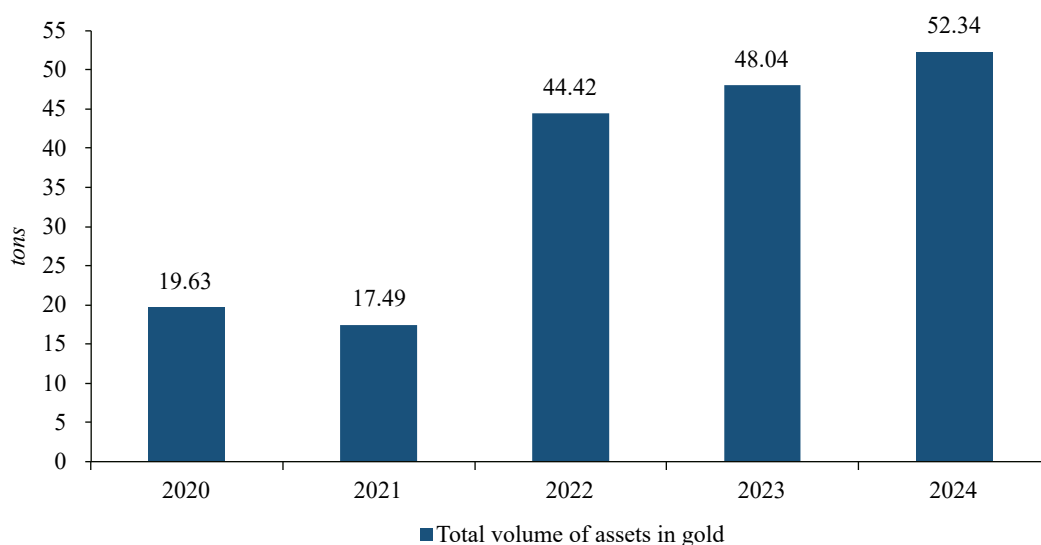
In the reporting year, the National Bank continued to conduct operations in the domestic precious metals market and purchased gold for the national currency to replenish the National Bank's assets in gold.

The total volume of assets in gold (monetary gold, non-monetary gold, and gold inventory) of the National Bank as of December 31, 2024 increased by 4.3 tons compared to the same indicator as of December 31, 2023 and amounted to 52.34 tons.

In 2024, the volume of gold purchased by the National Bank in the domestic precious metals market amounted to 6.08 tons (in 2023 – 20.72 tons).

Chart 2.3.2.

Total Volume of National Banks's Assets in Gold



2.4. Monetary Policy Results

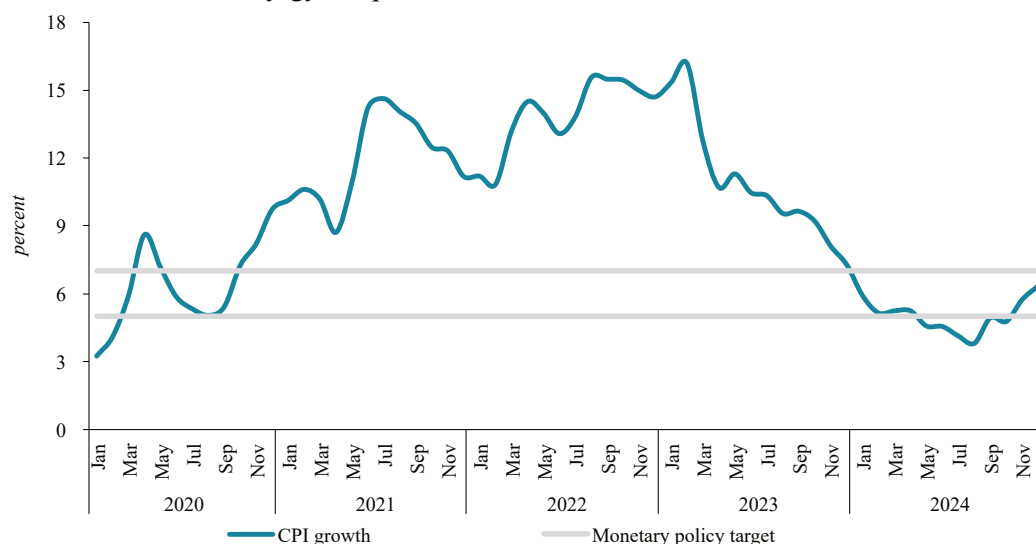
Inflation

During 2024, the monetary policy allowed to keep the inflation rate in the Kyrgyz Republic within the medium-term target of 5-7 percent.

According to the National Statistical Committee, by the end of the reporting year, the consumer prices in the Kyrgyz Republic increased by 6.3 percent in annual terms (December 2024 to December 2023).

Chapter 2.4.1.

Inflation Rate in the Kyrgyz Republic



Since January till August 2024, the food component of inflation demonstrated slowdown due to favorable price situation in the world food markets and improved forecasts for the harvest of the domestic agricultural products. At the same time, since September 2024, price growth in this commodity group accelerated due to rise in prices for meat. Thus, by the end of the reporting year, the annual inflation rate in the group “food products” amounted to 5.4 percent. Contribution of this group to the overall

consumer price index (CPI) was 2.4 percentage points, 1.2 percentage points thereof were accounted for meat and 0.7 percentage points – for vegetables. At the same time, the commodity group demonstrated a decrease in the growth rate of prices for sugar, fruits, bakery and cereal products, dairy products, cheese and eggs, as well as fish.

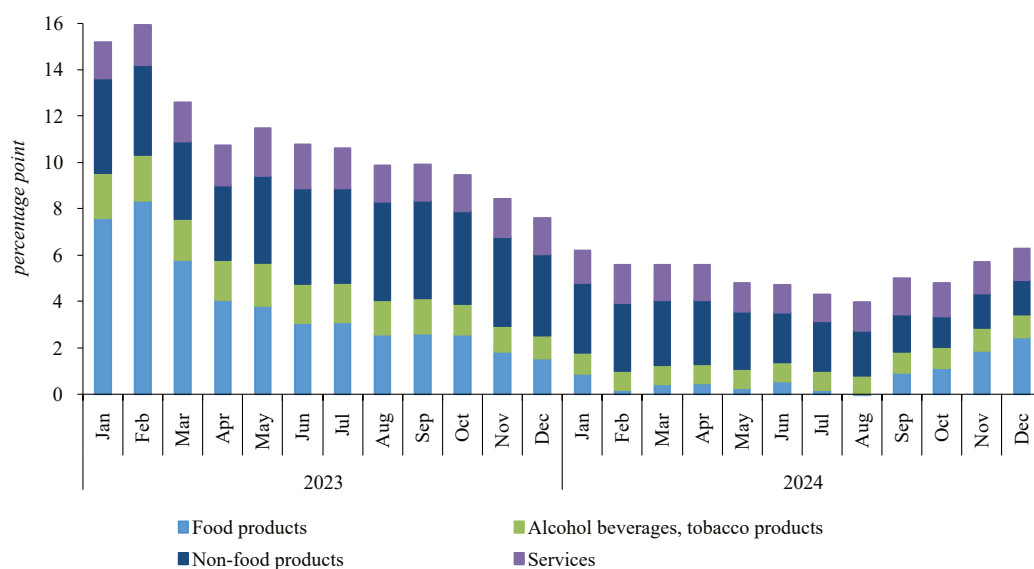
There was a significant slowdown in the annual growth rates of prices from 12.2 percent in December 2023 down to 5.1 percent in December 2024 in the group “non-food products” due to a decrease in price growth for almost all goods of this group mainly due to a decline in the rates of price growth for “clothes and footwear Contribution of non-food products to the overall CPI constituted 1.5 percentage points, which is 2.0 percentage points lower than in 2023. An increase of prices in the group “housing services, water, electricity, gas and other types of fuel” conditioned by the impact of measures of the state tariff policy, made the main contribution to growth in prices for non-food products.

At the end of 2024, the growth rates of prices for alcoholic beverages and tobacco products were almost at the same level as in the previous year and constituted 11.4 percent in annual terms.

During 2024, prices for services were multidirectional with a downward trend, however in September of the reporting year, the rate of price growth for services accelerated slightly due to growth in prices for education as a result of lifting the moratorium on increase in the tuition fees introduced in 2021. At the end of the reporting year, prices of the group “paid services” increased by 8.1 percent in annual terms.

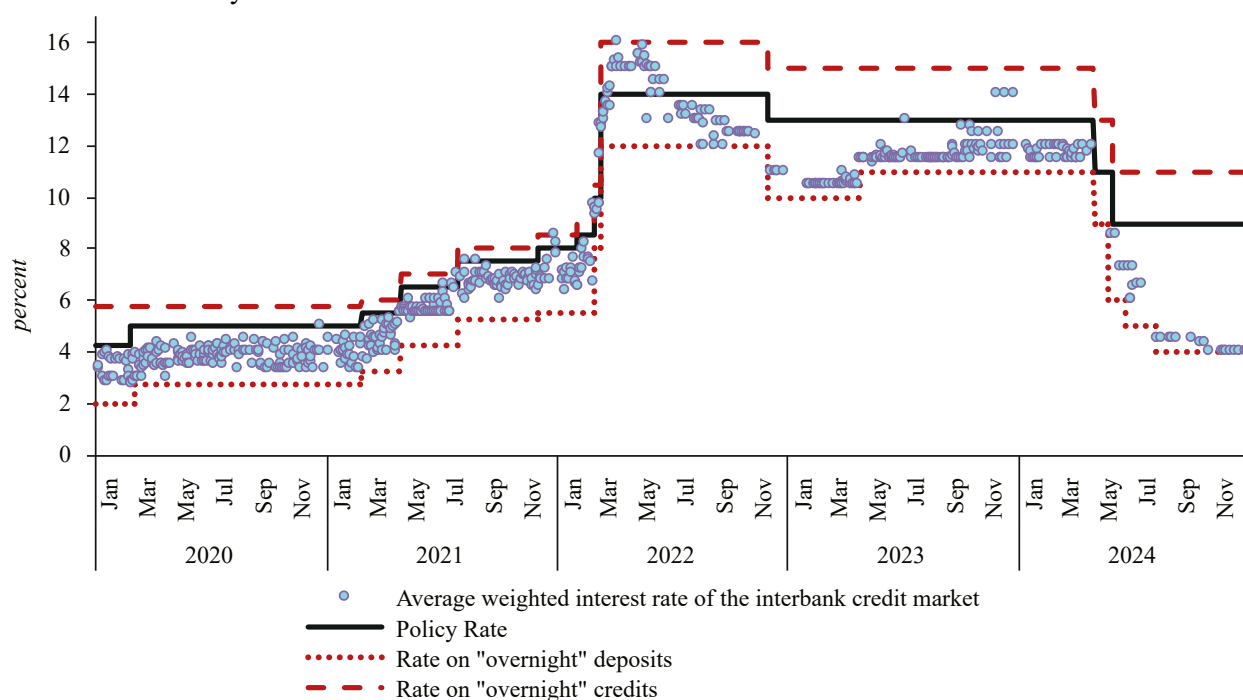
Chart 2.4.2.

Contribution to CPI Growth

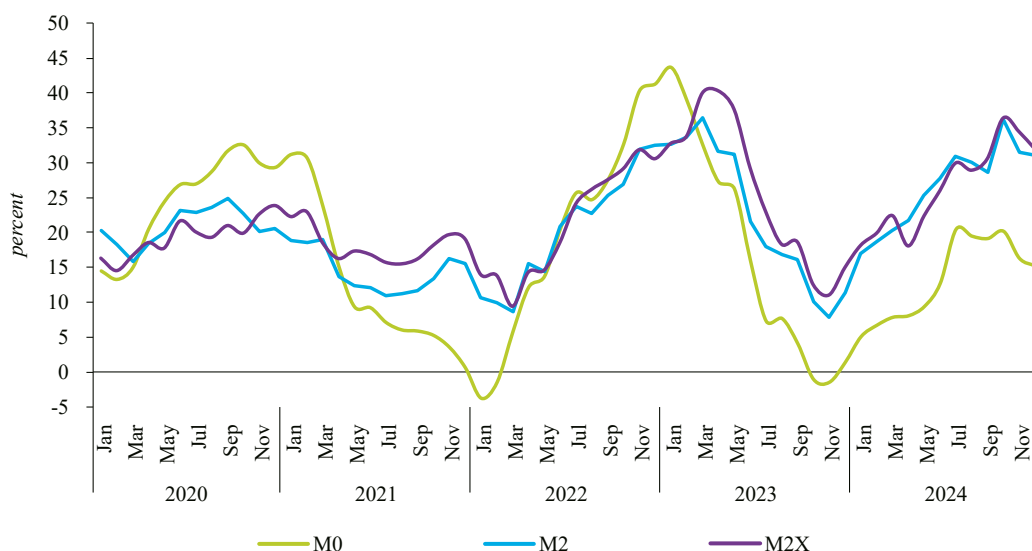


Short-term interest rates in the money market followed the trajectory of the National Bank’s policy rate and were formed mainly near the lower limit of the interest rate corridor due to excess liquidity in the banking system.

Money market

Chart 2.4.3.**Dynamics of Interbank Credit Market Rates****Monetary base**

Monetary indicators (monetary base and aggregates) demonstrated growth in 2024. At the end of the reporting period, the monetary base increased by 17.5 percent during the reporting year and amounted to KGS 293.6 billion. The operations of the fiscal authorities and the monetary channel were the main factor of monetary base growth.

Chart 2.4.4.**Annual Rates of Change in Monetary Aggregates**

Increased use of non-cash means of payment for goods and services, as well as improved savings behavior of the population contributed to growth of the broad money supply, which includes deposits in the national and foreign currencies (M2X monetary aggregate).

At the end of 2024¹, M2X increased by 31.9 percent, up to KGS 673.1 billion². The increase in this indicator was primarily due to growth of deposits by 40.9 percent and money outside banks – by 15.2 percent.

Broad money supply in the national currency (M2 monetary aggregate) increased by 31.0 percent in the reporting year, up to KGS 489.4 billion at the end of 2024.

¹ The above data on monetary aggregates may be adjusted taking into account changes in the source data of the periodic regulatory bank reporting/final turnovers.

² As of December 31, 2024.

CHAPTER 3. DEVELOPMENT OF FINANCIAL-CREDIT ORGANIZATIONS

In 2024, the activities of the financial-credit organizations (FCOs) in the Kyrgyz Republic maintained stability and were characterized by resilience.

The key indicators of the banking sector demonstrated steady growth. The financial-credit organizations remained highly liquid and sufficiently capitalized. The liquidity reserve and growth of the banking system's resource base contributed to expansion in banks' lending to the real sector of the economy and to the population. A significant growth in the deposit base of the banking sector indicates an increase in public trust in the banking system.

In the reporting year, total assets of the financial-credit organizations increased by 32.6 percent and amounted to KGS 876.1 billion, which is 53.5 percent to GDP. Total liabilities increased by 33.9 percent and amounted to KGS 712.6 billion. The level of dollarization in the banking system continues to decline.

The financing portfolio on the Islamic principles increased by 45.3 percent and amounted to KGS 10.6 billion. The ongoing growth of financing on the Islamic principles in the reporting year indicates increased interest of the population in this type of banking services.

3.1. Overview of the Banking System Development¹

In the reporting year, the banking system remained stable, the main indicators showed positive dynamics.

21 commercial banks operated in the country in 2024, 11 banks thereof had foreign capital. The authorized capital of banks increased from KGS 60.1 billion up to KGS 76.9 billion, which reflects increased resilience of the banking system. The share of foreign capital in the authorized capital of banks increased by 7.8 percentage points compared to the previous year and amounted to 28.0 percent.

The total assets of the banking system increased by 32.8 percent and amounted to KGS 815.6 billion by the end of the reporting year. Growth of assets of the banking system was driven by an increase of the credit portfolio (+32.2 percent), correspondent accounts and deposits in other banks (+43.8 percent), as well as growth of other assets by 147.8 percent. The main share of the banks' assets to comprise loans, correspondent accounts and deposits in other banks amounted to 41.8 and 19.9 percent, respectively.

*Banking system
assets*

¹ According to the periodic regulatory bank reporting (PRBR).

Table 3.1.1.**Structure of Assets of Commercial Banks (end-of-period)**

Asset category	2023		2024	
	billions of KGS	Share, percent	billions of KGS	Share, percent
Cash	78.0	12.7	80.3	9.8
Correspondent account with the NBKR	45.2	7.4	57.1	7.0
Correspondent accounts and deposits with other	112.8	18.4	162.3	19.9
Securities portfolio	70.2	11.4	50.0	6.2
Securities purchased under repurchase (REPO) agreement	0.1	0.0	0.5	0.1
Loans and financial lease to clients	257.8	42.0	340.7	41.8
Loans to financial and credit organizations	4.6	0.7	8.1	1.0
Special LLP*	-22.4	-3.6	-23.5	-2.9
Fixed assets	22.6	3.7	28.7	3.5
Investments and financial participation	0.8	0.1	1.1	0.1
Other assets	44.6	7.2	110.3	13.5
Total	614.3	100.0	815.6	100.0

* *Special Loan Loss Provision (LLP) refers to reserves to cover potential losses on non-performing loans (substandard, doubtful, loss).*

In 2024, immediately available assets of the commercial banks, including cash, short-term assets, and correspondent accounts with the National Bank, increased by 26.9 percent and amounted to KGS 299.6 billion or 36.7 percent of the total assets.

The quality of the commercial banks' assets remained at a fairly high level. The volume of performing assets and off-balance sheet liabilities amounted to 92.9 percent of the total assets or KGS 613.6 billion, and the share of non-performing assets and off-balance sheet liabilities amounted to 7.1 percent or KGS 47.1 billion.

Table 3.1.2.**Classification of Banks' Assets and Off-balance Sheet Liabilities (percent)**

Classification category	Assets and off-balance liabilities	
	2023	2024
Total performing	93.5	92.9
including:		
Standard	71.4	65.4
Satisfactory	11.6	17.8
Under supervision	10.5	9.7
Total non-performing	6.5	7.1
including:		
Substandard	2.1	3.9
Doubtful	0.9	0.7
Losses	3.5	2.5
Total	100.0	100.0

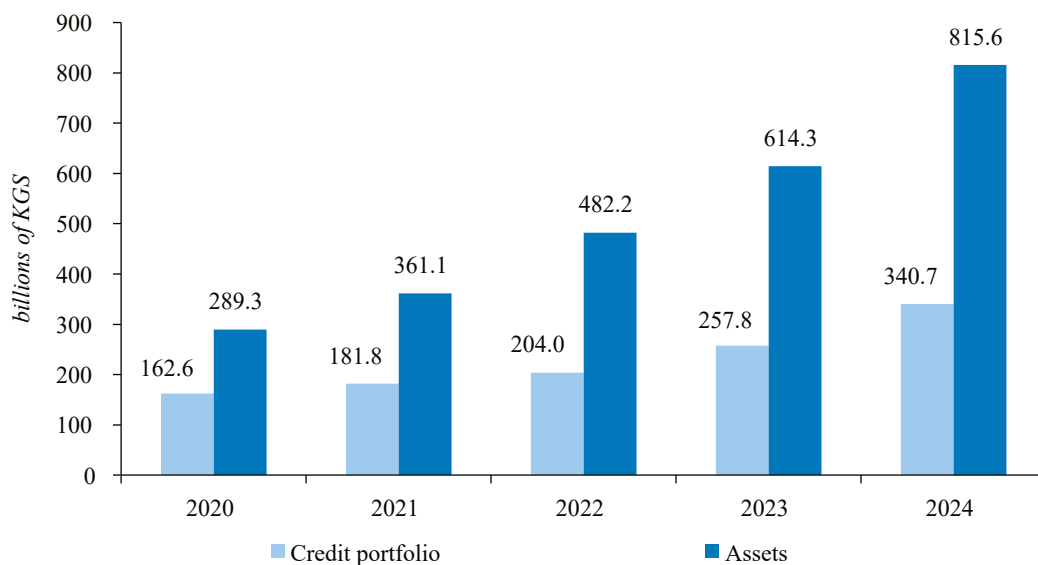
The aggregate credit portfolio of the banks¹ increased by 32.2 percent and amounted to KGS 340.7 billion.

Credit portfolio

¹ Hereinafter, data are given excluding loans extended to the banks and other financial-credit organizations.

Chart 3.1.1.

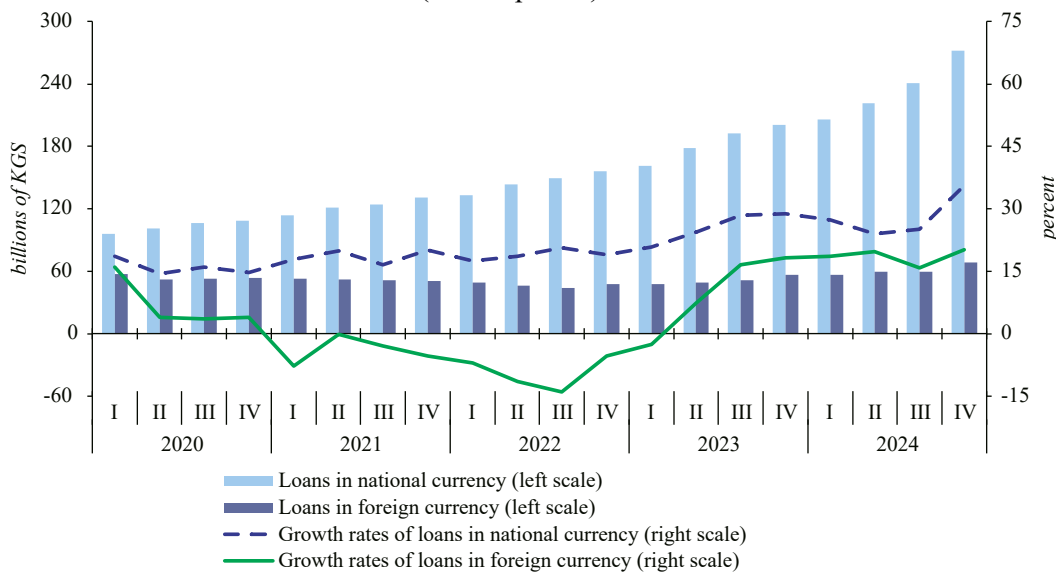
Dynamics of Assets and Credit Portfolio of Banks (end-of-period)



The banks' credit portfolio increased due to the growth of lending in the national and foreign currencies. The volume of loans in the national currency increased by 35.5 percent and amounted to KGS 272.4 billion, and loans in foreign currency increased by 20.3 percent and amounted to KGS 68.4 billion.

Chart 3.1.2.

Volume of Banks' Credit Portfolio (end-of-period)



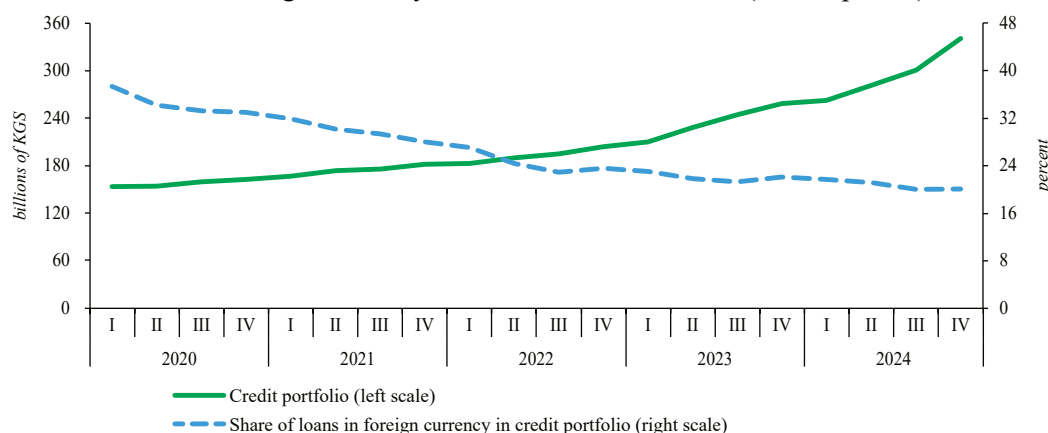
During the reporting year, there was an increase in the volume of loans with all maturities. Loans with maturity over three years increased by 46.5 percent and amounted to KGS 146.0 billion, demonstrating the highest growth rate. Loans with maturity up to one year grew by 21.2 percent and amounted to KGS 52.8 billion, and loans with maturity from one to three years increased by 25.4 percent and amounted to KGS 135.6 billion. As a result, growth of loans with maturity over one year affected the average maturity of loans (duration), which increased from 30.8 to 32.0 months. The number of borrowers increased by 32.2 percent and amounted to 1.0 million individuals and legal entities.

At the end of 2024, the share of loans in foreign currency in the banks' credit portfolio decreased by 2.0 percentage points compared to 2023, down to 20.1 percent.

Share of loans in foreign currency in the credit portfolio

Chart 3.1.3.

Share of Loans in Foreign Currency in Banks' Credit Portfolio (end-of-period)

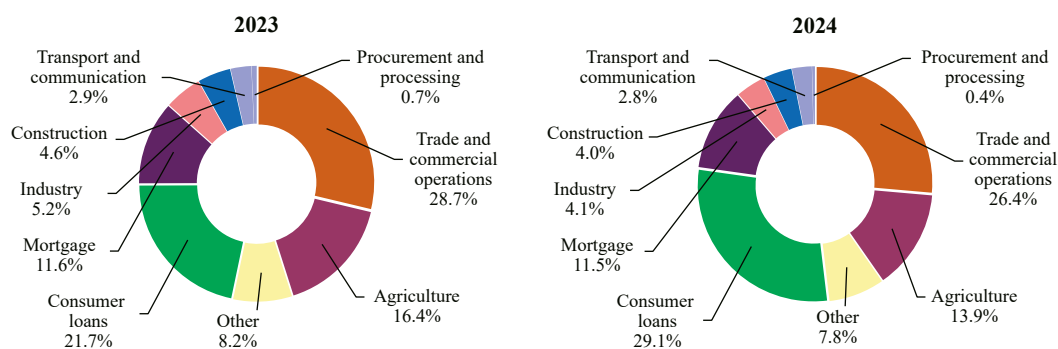


In the structure of the credit portfolio, there was growth in the share of consumer loans. The loans were mainly extended in the following sectors: consumer lending – KGS 99.2 billion (an increase by 77.8 percent); trade and commercial operations – KGS 89.9 billion (an increase by 21.5 percent); agriculture – KGS 47.4 billion (an increase by 12.4 percent); mortgage – KGS 39.2 billion (an increase by 30.5 percent); industry – KGS 14.0 billion (an increase by 4.7 percent); construction – KGS 13.6 billion (an increase by 14.4 percent); transport and communication – KGS 9.5 billion (an increase by 27.1 percent).

Structure of credit portfolio

Chart 3.1.4.

Structure of Credit Portfolio of Banks (end-of-period)



In 2024, the volume of the banks' credit portfolio increased in all regions of the Kyrgyz Republic. The credit portfolio primarily increased in Talas oblast – by 41.1 percent, in Chui oblast – by 40.7 percent, in Issyk-Kul oblast – by 37.4 percent.

Regional structure of the credit portfolio

Table 3.1.3.

Regional Structure of Commercial Banks' Credit Portfolio (end-of-period)*

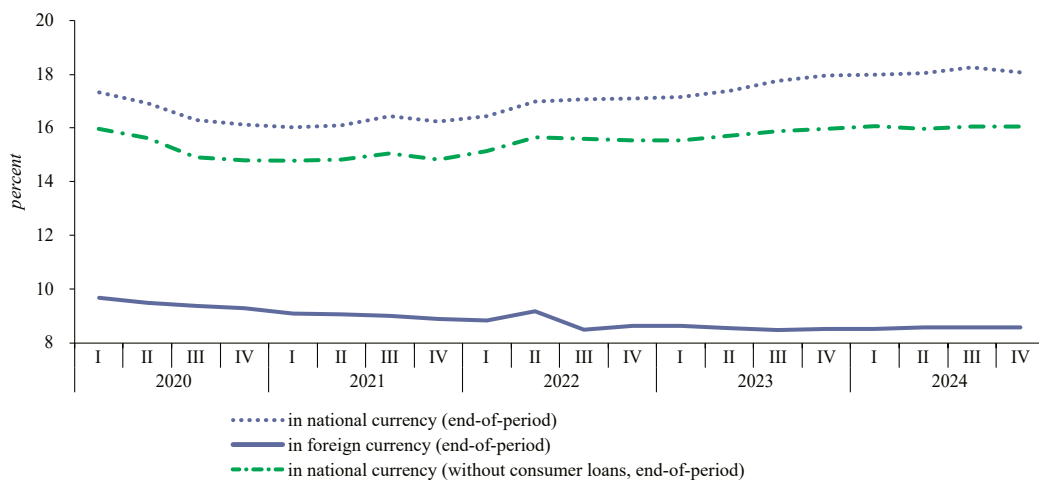
	2023			2024		
	billions of KGS	Share, percent	Growth rate, percent	billions of KGS	Share, percent	Growth rate, percent
Bishkek city	130.5	50.7	23.8	170.4	50.1	30.6
Osh city and Osh oblast	35.9	14.0	27.0	46.8	13.8	30.4
Jalal-Abad oblast	28.2	11.0	32.5	37.3	11.0	32.1
Chui oblast	19.2	7.5	25.1	27.0	7.9	40.7
Issyk-Kul oblast	16.8	6.5	30.3	23.1	6.8	37.4
Batken oblast	10.1	3.9	42.1	13.8	4.0	35.9
Naryn oblast	8.5	3.3	20.1	10.6	3.1	25.3
Talas oblast	7.9	3.1	27.2	11.1	3.3	41.1
Total	257.1	100.0	26.3	340.1	100.0	32.3

* The credit portfolio is presented including discount. Discount is the amount of excess of the loan balance over its amortized cost resulting from loan restructuring or extending a loan at a below market rate.

As at the end of the reporting year, the weighted average interest rate on the commercial banks' credit portfolio in the national currency amounted to 18.1 percent and in foreign currency – 8.6 percent. By the end of the year, the weighted average interest rate on the credit portfolio (excluding consumer loans) in the national currency amounted to 16.1 percent.

Chart 3.1.5.

Weighted Average Interest Rates of Commercial Banks' Credit Portfolio



Classification of the commercial banks' loans and LLP

The share of non-performing loans in the credit portfolio of the banking system increased by 1.5 percentage points compared to 2023 and amounted to 10.8 percent, or KGS 36.6 billion.

In the reporting period, with the growth in the volume of the credit portfolio the amount of allocations to LLP constituted 0.8 percent of the credit portfolio, or KGS 2.6 billion.

Table 3.1.4.

Classification of Commercial Banks' Loans
(percent)

Classification category	Loans	
	2023	2024
Total performing	90.8	89.2
including:		
Standard	53.2	50.4
Satisfactory	18.7	23.0
Under supervision	18.9	15.8
Total non-performing	9.2	10.8
including:		
Substandard	3.0	6.5
Doubtful	1.5	1.0
Losses	4.7	3.3
Total	100.0	100.0

The total volume of loans issued by the commercial banks in 2024 increased by 39.9 percent compared to 2023 and amounted to KGS 386.0 billion. There was a significant increase in the volume of new loans issued in the national currency by 40.9 percent (up to KGS 323.3 billion) and those in foreign currency – by 35.3 percent (up to KGS 62.7 billion).

Newly issued loans

The average value of the interest rate on newly issued loans in the national currency constituted 19.8 percent and those in foreign currency – 8.9 percent. The average value of the interest rate on newly issued loans (excluding consumer loans) in the national currency amounted to 17.7 percent, those in foreign currency – 8.9 percent.

Credit risk is among the main risks accompanying banking activities, which is assessed based on the classification of assets and off-balance sheet liabilities. In 2024, the ratio of special reserves for non-performing loans to the credit portfolio made up 4.9 percent, having decreased by 1.3 percentage points year-to-date. Improvement of the borrowers' financial discipline and an increase in the volume of newly issued loans affected significantly the quality of the credit portfolio.

Credit risk

At the end of 2024, the total volume of liabilities of the commercial banks increased by 34.3 percent, up to KGS 684.8 billion. The total volume of liabilities in the national currency amounted to KGS 405.5 billion, those in foreign currency – KGS 279.4 billion. The share of liabilities in foreign currency decreased by 2.6 percentage points compared to 2023 and amounted to 40.8 percent of total liabilities at the end of 2024.

Banking system liabilities

Table 3.1.5.

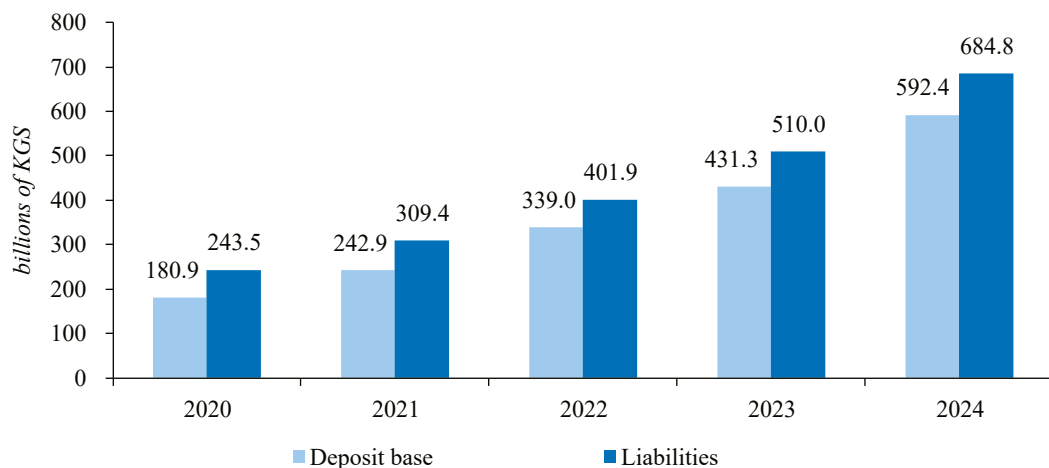
Structure of Commercial Banks' Liabilities (end-of-period)

Liability category	2023		2024	
	billions of KGS	Share, percent	billions of KGS	Share, percent
Settlement accounts	153.2	30.0	230.9	33.7
Demand deposits	85.8	16.8	108.7	15.9
Term deposits	91.1	17.9	125.7	18.4
Liabilities to the NBKR	0.0	0.0	0.0	0.0
Settlement accounts and deposits of banks	4.4	0.9	5.7	0.8
Loans received	27.0	5.3	27.1	4.0
Government deposits	39.0	7.7	51.7	7.6
Government loans	7.8	1.5	9.1	1.3
Deposits of non-residents	62.2	12.2	75.4	11.0
Securities sold under repurchase (repo) agreements	0.1	0.0	0.6	0.1
Other liabilities	39.4	7.7	49.9	7.2
Total	510.0	100.0	684.8	100.0

There was a steady upward trend in the share of deposits in the total liabilities of the commercial banks. The share of the deposit base in the gross volume of liabilities increased by 1.9 percentage points compared to 2023 and amounted to 86.5 percent.

Chart 3.1.6.

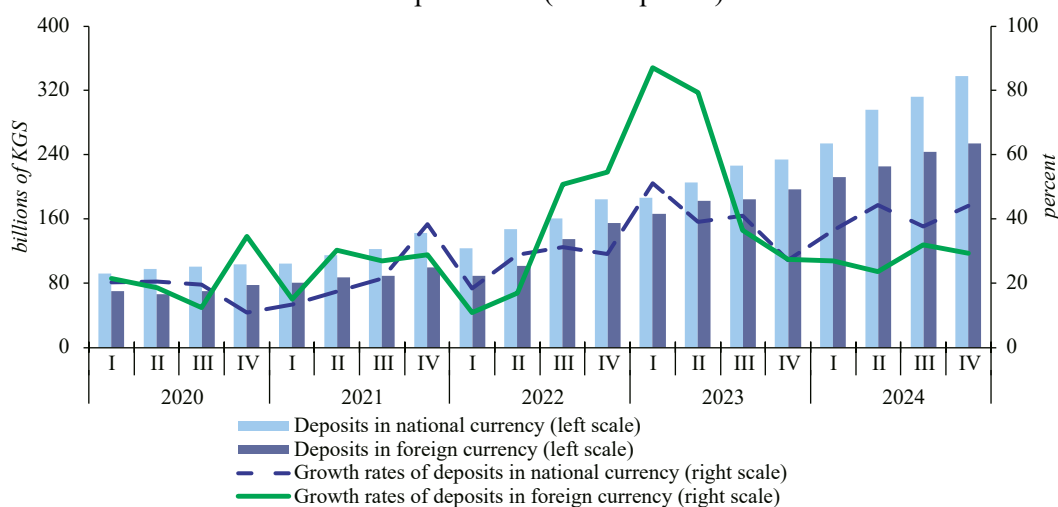
Dynamics of Liabilities and Deposit Base

*Deposit base*

In 2024, the total volume of the commercial banks' deposit base showed significant growth, having increased by 37.3 percent, up to KGS 592.4 billion. There was growth of deposits in the national (+44.1 percent) and foreign currencies (+29.3 percent). With the growth of the deposit base, there was an increased in the number of accounts of the individuals and the legal entities by 19.0 percent, up to 8.8 million. The current dynamics reflects an increase in the level of public confidence in the banking system, as well as growth of citizens' financial literacy.

Chart 3.1.7.

Volume of Commercial Banks' Deposit Base (end-of-period)

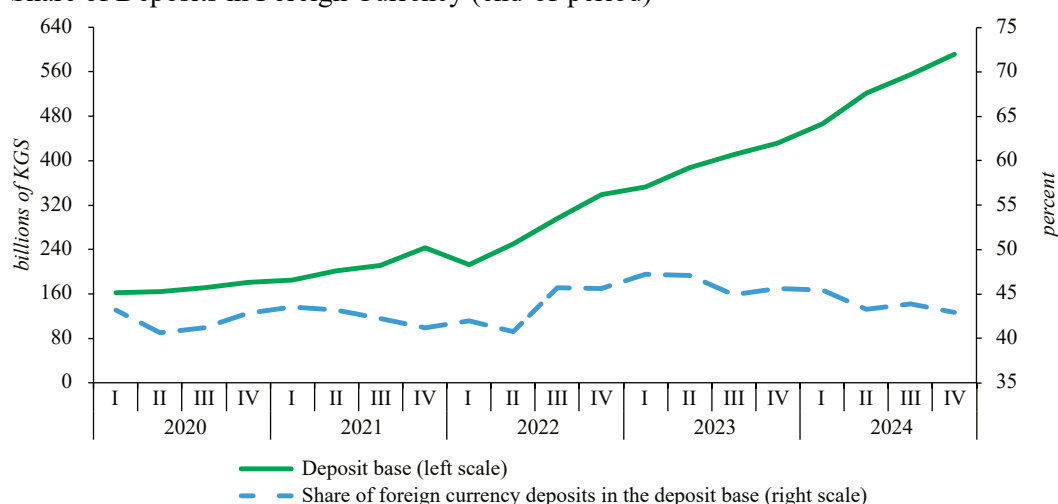


The share of deposits in foreign currency decreased by 2.7 percentage points compared to 2023 and amounted to 42.9 percent.

Share of deposits in foreign currency

Chart 3.1.8.

Share of Deposits in Foreign Currency (end-of-period)



The structure of deposits demonstrated an increase in the short-term deposits (up to one year) from 19.6 percent up to 20.0 percent, meanwhile the share of long-term deposits (over one year) decreased from 6.7 percent down to 6.0 percent. The depositors began giving their preference to the short-term deposits. As a result, the duration of the deposit base decreased from 3.2 months in 2023 down to 3.0 months in the reporting year. Moreover, the duration of time deposits decreased by 0.6 points, down to 11.7 months.

Structure of the deposit base

As at the end of 2024, the weighted average interest rate on deposits in the national currency amounted to 5.3 percent (a decrease by 0.2 percentage points) and the same in foreign currency – 1.0 percent (an increase by 0.3 percentage points). The weighted average interest rate on term deposits in the national currency also decreased by 0.4 percentage points, down to 12.1 percent, the same in foreign currency, on the contrary, increased by 0.4 percentage points, up to 3.0 percent.

Deposit interest rates

New deposits

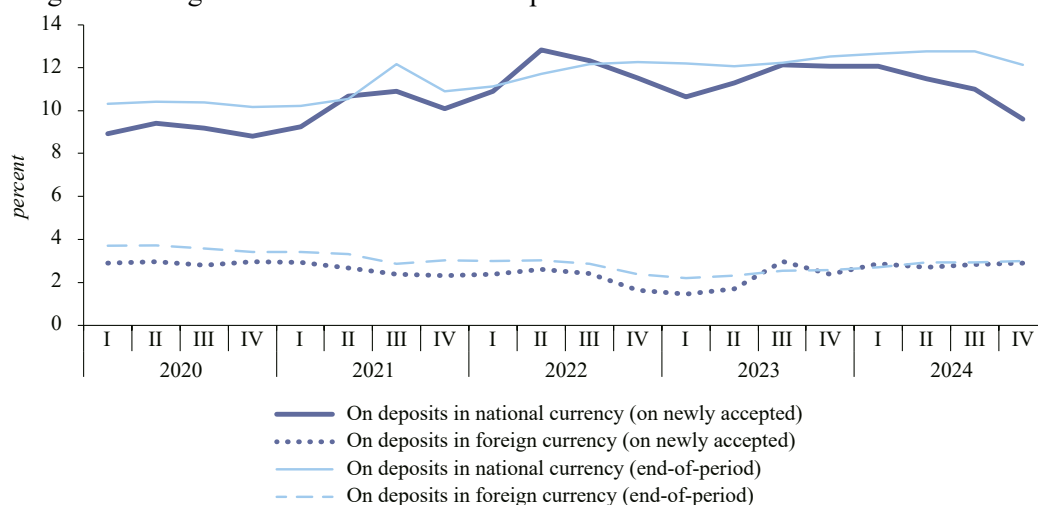
During 2024, the volume of new deposits¹, accepted by the banks amounted to KGS 4,913.3 billion, having increasing by 68.2 percent compared to 2023 mainly due to attracted demand deposits.

The volume of new deposits accepted in the national currency increased by 95.9 percent, up to KGS 3,848.1 billion and the same in foreign currency increased by 11.3 percent, up to KGS 1,065.2 billion. The main inflow of deposits was provided by the receipt of funds on the accounts of demand deposits.

The weighted average interest rate on new term deposits attracted in the national currency decreased by 0.6 percentage points compared to 2023 and amounted to 11.0 percent. The weighted average interest rate on new term deposits attracted in foreign currency increased by 0.8 percentage points, up to 2.8 percent.

Chart 3.1.9.

Weighted Average Interest Rates on Term Deposits of Banks

*Liquidity risk*

Liquidity risk in the banking system is assessed in terms of liabilities coverage by the assets in each maturity to provide the possibility to assess the need for funds according to the existing gap by assets maturities and liabilities. In 2024, the negative gap by maturities of the assets and liabilities was not changed significantly, and the risk of liabilities prevailing over assets in the aforementioned maturities can be compensated by positive gaps in the long-term maturities.

¹ Hereinafter, funds on the settlement accounts were not considered in the volume of deposits attracted during the year.

Table 3.1.6.¹

Assets and Liabilities by Maturity (end-of-period)
(billions of KGS)

2023	Maturity in days					Total
	0-30	31-90	91-180	181-365	more than 365	
Assets	300.4	40.8	25.0	51.4	220.4	637.9
Liabilities	350.2	15.4	26.5	45.7	66.0	503.8
Amount of excess assets over liabilities	-49.8	25.5	-1.5	5.6	154.3	134.1
in percent of the total volume of assets	-16.6	62.4	-6.2	11.0	70.0	21.0
Cumulative gap	-49.8	-24.4	-25.9	-20.3	134.1	134.1
in percent of the total volume of assets	-16.6	-7.1	-7.1	-4.9	21.0	21.0

2024	Maturity in days					Total
	0-30	31-90	91-180	181-365	more than 365	
Assets	410.4	32.7	33.7	65.8	297.5	840.1
Liabilities	478.0	21.2	28.0	58.9	93.0	679.0
Amount of excess assets over liabilities	-67.6	11.5	5.8	6.9	204.5	161.1
in percent of the total volume of assets	-16.5	35.1	17.1	10.5	68.7	19.2
Cumulative gap	-67.6	-56.1	-50.4	-43.5	161.1	161.1
in percent of the total volume of assets	-16.5	-12.7	-10.6	-8.0	19.2	19.2

In the reporting period, the National Bank's activity was focused on the banks capitalization and ensuring sustainability of the banking system.

During 2024, the volume of net total capital² of the commercial banks increased by 24.8 percent and amounted to KGS 132.6 billion. The amount of paid-up authorized capital³ increased by 28.0 percent, up to KGS 76.9 billion. An increase in the net total capital and paid-up authorized capital of the commercial banks indicates strengthening of financial stability in the banking sector and confidence of the investors. The results of comparison with the previous years show a stable upward trend in the level of banks capitalization conditioned by strengthening of the regulatory requirements and the banks' afford to improve their competitiveness in the market.

At the end of 2024, the level of capital adequacy in the banking sector (K 2.1.) amounted to 22.0 percent, having significantly exceeded the established standard by at least 12 percent. High capital adequacy indicators of the banking system reflect availability of potential to further improve the level of financial intermediation, ensure sustainability of the banking sector, as well as contribute to active support of economic growth by the banks.

*Capital of
commercial banks*

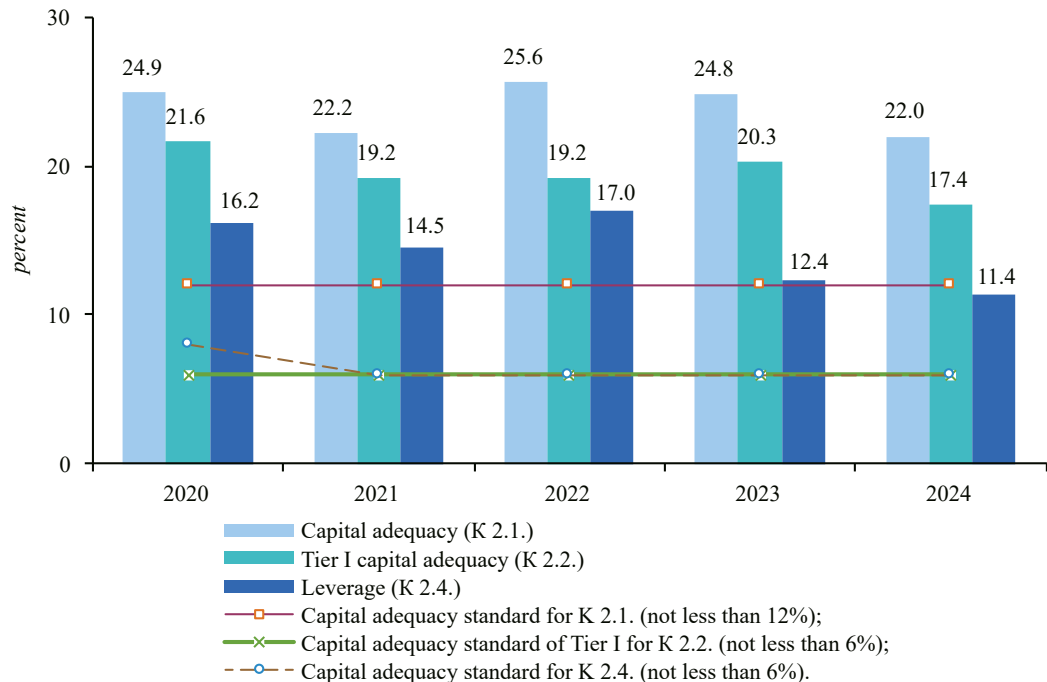
¹ Data are given based on section 12 PRBR.

² Estimate indicator, including authorized capital of the bank, the financial result of the activity implemented in the reporting and previous years, created reserves, except for investments in the subsidiaries and the capital of other financial-credit organizations. This indicator is applied when calculating the values of economic standards established by the National Bank of the Kyrgyz Republic.

³ Ordinary and preference shares are included into this category.

Table 3.1.7.**Indicators of Commercial Banks' Capital (end-of-period)**

	2023	2024
Net total capital, <i>billions of KGS</i>	106.3	132.6
Net risk assets, taking into account the capital reserved to cover operational risks, <i>billions of KGS</i>	382.3	603.6
Total capital adequacy ratio, <i>percent</i>	24.8	22.0
Total capital adequacy ratio standards (not less), <i>percent</i>	12.0	12.0
Total capital adequacy ratio standards for systemically important banks (not less), <i>percent</i>	14.0	14.0
Number of banks with capital adequacy ratio more than 30 percent, <i>units</i>	6	3
Number of banks with capital adequacy ratio from 20 to 30 percent, <i>units</i>	11	7
Number of banks with capital adequacy ratio under 20 percent, <i>units</i>	6	11

Chart 3.1.10.**Dynamics of Capital-Based Indicators of Banks**

At the end of 2024, the preliminary net profit of the banking system increased by KGS 6.9 billion compared to 2023 (+28.6 percent), from KGS 24.2 billion up to KGS 31.1 billion.

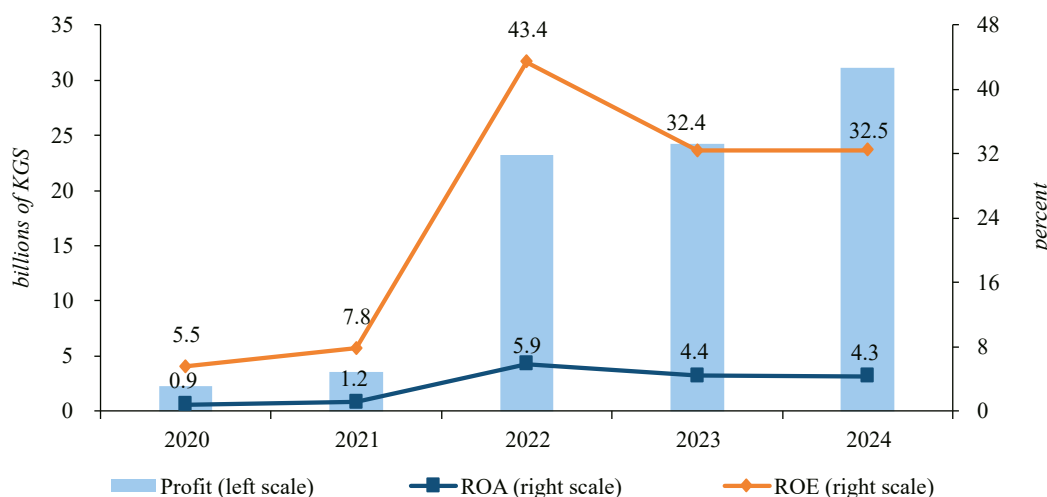
Table 3.1.8.

Volume of Income and Expenses of Banks
(billions of KGS)

Category	2023	2024
Total interest income	49.5	64.0
Total interest expenses	15.3	21.9
Net interest income	34.2	42.1
Allocations to LLP (loans)	-1.1	2.6
Net interest income after allocations to LLP	35.3	39.5
Total non-interest income	74.1	93.4
Total non-interest expenses	50.5	55.3
Total other operating and administrative expenses	30.9	42.2
Net operating income (loss)	28.0	35.4
Allocations to LLP (on other assets)	1.0	0.6
Net income (loss) before tax	27.0	34.8
Profit tax	2.8	3.7
Net income	24.2	31.1

Chart 3.1.11.

Indicators of Banks' Profitability



The commercial banks' return on assets (ROA) decreased by 0.1 percentage point and amounted to 4.3 percent, return on equity (ROE), on the contrary, increased by 0.1 percentage point, from 32.4 up to 32.5 percent.

The results of assessments of financial stability in the Kyrgyz Republic based on the analytical and modeling approach show that the banking system has significant financial strength to successfully withstand potential risks and shocks, as well as to endure significant deterioration in the quality of the credit portfolio. During 2024, there were certain external risks, however, despite this, the banking system has sufficient financial strength.

Financial stability of the banking system

3.2. Overview of Non-Banking Financial-Credit Organizations Development¹

At the end of 2024, the total assets of non-banking financial-credit organizations (NBFCOs)² increased by KGS 13.8 billion or 29.7 percent compared

NBFCOs assets

¹ According to periodic regulatory reporting (PRR).

² Without considering the assets of the credit bureau, guarantee fund, and the exchange bureaus.

to 2023 and amounted to KGS 60.5 billion. Assets in foreign currency amounted to KGS 3.4 billion or 5.6 percent of total assets (KGS 1.8 billion or 3.9 percent at the end of 2023).

Table 3.2.1.

Structure of NBFCOs Assets (end-of-period)

Asset category	2023		2024	
	millions of KGS	Share, percent	millions of KGS	Share, percent
Cash	304.6	0.7	218.8	0.4
Correspondent accounts and deposits in other banks	2,730.4	5.9	3,777.8	6.2
Securities portfolio	180.9	0.4	32.1	0.1
Loans to financial and credit organizations	1,414.9	3.0	1,582.0	2.6
Loans and financial lease to clients	38,580.9	82.7	47,555.5	78.6
Financial leasing	6.4	0.0	3.5	0.0
Special LLP*	-992.5	-2.1	-1,606.3	-2.7
Fixed assets	1,246.2	2.7	1,014.7	1.7
Investments and financial participation	757.0	1.6	5,021.9	8.3
Other assets	2,407.9	5.2	2,874.5	4.8
Total assets	46,636.7	100.0	60,474.6	100.0

* Special Loan Loss Provision (LLP) refers to reserves to cover potential losses on non-performing loans (substandard, doubtful, losses)

NBFCOs credit portfolio

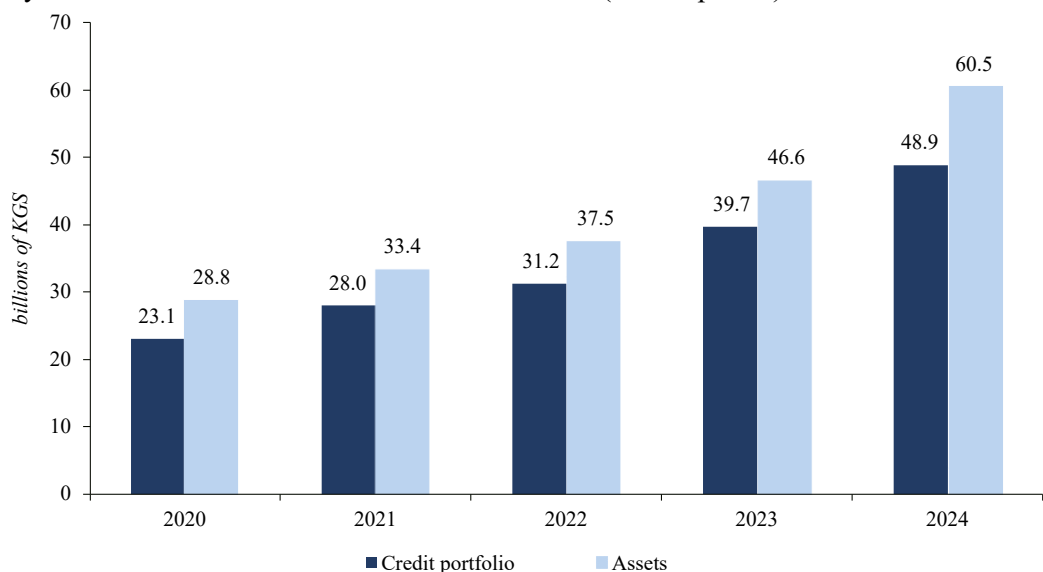
The NBFCOs¹ credit portfolio increased by KGS 9.2 billion or 23.2 percent compared to 2023 and amounted to KGS 48.9 billion, meanwhile the same in foreign currency amounted to KGS 1.4 billion or 2.8 percent of the NBFCOs credit portfolio (KGS 1.1 billion or 2.8 percent at the end of 2023).

At the end of 2024, the share of the NBFCOs credit portfolio in the NBFCOs total assets amounted to 80.8 percent (85.1 percent in 2023).

In the reporting year, investments and financial participation of the NBFCOs increased by KGS 4.3 billion or by more than 6 times due to growth in investments in the banking and financial-credit organizations.

Chart 3.2.1.

Dynamics of Assets and NBFCOs Credit Portfolio (end-of-period)



¹ Without considering the credit portfolio of the specialized financial-credit organizations (SCFOs) and the NBFCOs financial leasing.

In 2024, there was an increase in the volume of NBFCOs credit portfolio mainly in Bishkek city (an increase by 37.5 percent), in Batken oblast (an increase by 24.2 percent), and in Talas oblast (an increase by 21.5 percent).

Table 3.2.2.

Structure of NBFCOs¹ Credit Portfolio by Regions (end-of-period)

Regions	2023			2024		
	<i>millions of KGS</i>	<i>Share, percent</i>	<i>Growth rate, percent</i>	<i>millions of KGS</i>	<i>Share, percent</i>	<i>Growth rate, percent</i>
Bishkek city	9,894.4	24.9	27.5	13,603.4	27.8	37.5
Osh city and Osh oblast	8,052.0	20.3	21.5	9,726.1	19.9	20.8
Chui oblast	6,791.3	17.1	29.4	7,903.7	16.2	16.4
Jalal-Abad oblast	5,330.6	13.4	33.6	6,457.1	13.2	21.1
Issyk-Kul oblast	3,903.4	9.8	23.1	4,463.1	9.1	14.3
Batken oblast	2,245.7	5.7	31.5	2,788.5	5.7	24.2
Naryn oblast	2,122.2	5.3	20.9	2,309.6	4.7	8.8
Talas oblast	1,332.9	3.4	30.6	1,619.9	3.3	21.5
Total	39,672.5	100.0	26.8	48,871.4	100.0	23.2

The main share of loans, or 82.8 percent of the total credit portfolio, was concentrated in such categories as consumer loans, agriculture, services, as well as trade and commercial operations. Meanwhile, in 2024, consumer loans (by KGS 4,623.3 million or 29.8 percent), loans for services (by KGS 1,714.0 million or 44.5 percent), construction and mortgages (by KGS 970.0 million or 25.3 percent) demonstrated the largest increase in volume.

Table 3.2.3.

Credit Portfolio of NBFCOs² by Categories (end-of-period)

Categories	2023		2024	
	<i>millions of KGS</i>	<i>Share, percent</i>	<i>millions of KGS</i>	<i>Share, percent</i>
Consumer loans	15,529.0	39.1	20,152.2	41.2
Agriculture	8,551.9	21.6	9,481.0	19.4
Services	3,852.0	9.7	5,566.0	11.4
Trade and commercial operations	4,893.1	12.3	5,288.1	10.8
Construction and mortgage	3,829.1	9.7	4,799.1	9.8
FCO loans	1,091.6	2.8	1,315.8	2.7
Transport	661.0	1.7	817.6	1.7
Industry	335.3	0.8	493.3	1.0
Procurement and processing	3.4	0.0	10.8	0.02
Other loans	926.1	2.3	947.4	1.9
Total loans	39,672.5	100.0	48,871.4	100.0

At the end of the reporting year, the weighted average interest rates on the NBFCOs credit portfolio were as follows:

- for the microfinance organizations – 30.3 percent, a decrease by 1.7 percentage points compared to 2023;
- for the credit unions – 25.0 percent, the same as in 2023.

In the reporting year, the share of non-performing loans in the NBFCOs credit portfolio increased from 3.9 percent up to 5.0 percent.

Interest rates on NBFCOs loans

¹ Without considering the credit portfolio of the SFCOs and financial leasing of the NBFCOs.

² Without considering the credit portfolio of the SFCOs and financial leasing of the NBFCOs.

Table 3.2.4.**NBFCOs Credit Portfolio Quality (end-of-period)**

Loan classification category	2023		2024	
	millions of KGS	Share, percent	millions of KGS	Share, percent
Total performing	38,127.6	96.1	46,433.8	95.0
Total non-performing	1,544.9	3.9	2,437.6	5.0
<i>including:</i>				
<i>Substandard</i>	615.5	1.6	867.8	1.8
<i>Doubtful</i>	211.9	0.5	372.6	0.8
<i>Losses</i>	717.6	1.8	1,197.2	2.4
Total credit portfolio	39,672.5	100.0	48,871.4	100.0

*Excluding NBFCOs credit portfolio and NBFCOs financial leasing.

At the end of 2024, the number of NBFCOs borrowers increased by 77,794 borrowers or 15.5 percent compared with 2023 amounted to 580,543 individuals (120 of them are legal entities). The share of women in the total number of borrowers-individuals was 55.5 percent, the share of men – 44.5 percent.

NBFCOs liabilities

At the end of the reporting year, the NBFCOs¹ liabilities increased by KGS 5.7 billion or 25.9 percent and amounted to KGS 27.7 billion.

Table 3.2.5.**Structure of NBFCOs Liabilities (end-of-period)**

Liability category	2023		2024	
	millions of KGS	Share, percent	millions of KGS	Share, percent
Loans received	12,200.8	55.4	14,869.1	53.6
<i>including:</i>				
<i>from international financial and credit organizations</i>	4,521.1	20.5	4,732.7	17.1
<i>from banks of the Kyrgyz Republic</i>	2,670.7	12.1	4,313.4	15.6
<i>from international financial organizations and donors</i>	3,474.0	15.8	3,724.2	13.4
<i>from other financial and credit organizations of the Kyrgyz Republic</i>	1,197.8	5.4	1,912.7	6.9
<i>from the Government of the Kyrgyz Republic</i>	337.3	1.5	186.1	0.7
Term deposits	5,397.5	24.5	7,504.5	27.1
Subordinated debts	99.9	0.5	203.0	0.7
Other liabilities	4,325.2	19.6	5,160.5	18.6
Total	22,023.4	100.0	27,737.2	100.0

At the end of 2024, the NBFCOs deposit base increased by KGS 2.1 billion KGS or 39.0 percent compared to 2023 and amounted to KGS 7.5 billion.

NBFCOs capital

In 2024, the NBFCOs² aggregate capital increased from KGS 24.6 billion up to KGS 32.7 billion due to growth of the authorized capital and retained earnings.

¹ Without considering the liabilities of credit bureaus, guarantee fund and exchange bureaus.

² Without considering the capital of credit bureaus, guarantee fund and exchange bureaus.

Table 3.2.6.

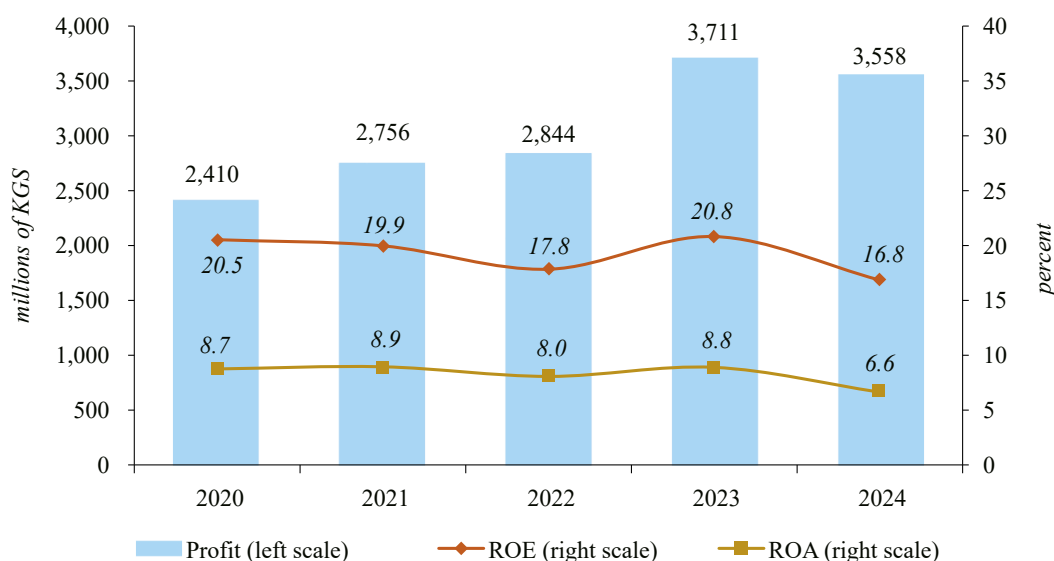
Structure of NBFCO Incomes and Expenses
(millions of KGS)

Category	2023	2024
Total income	10,988.7	14,000.3
Total expenses	2,984.3	3,913.8
Net income	8,004.4	10,086.5
Allocations to LLP (loans)	380.2	1,287.0
Net income after allocations to LLP	7,624.2	8,799.5
Total other income	993.7	1,529.6
Total other operating and administrative expenses	4,483.1	6,319.2
Net operating income	4,134.8	4,009.9
Allocations to LLP (on other assets)	0.4	-6.2
Net income before tax	4,134.5	4,016.1
Profit tax	423.7	458.5
Net profit (loss)	3,710.7	3,557.6

At the end of 2024, the NBFCOs provisional net profit decreased by KGS 153.1 million or 4.1 percent compared to 2023 and amounted to KGS 3.6 billion.

Chart 3.2.2.

Dynamics of NBFCO Net Profit and Profitability Indicators



Return on assets (ROA) of the non-banking financial-credit organizations decreased from 8.8 percent in 2023 down to 6.6 percent in 2024, return on equity (ROE) decreased from 20.8 percent down to 16.8 percent, respectively.

Guarantee fund

In 2024, one guarantee fund continued to operate in the Kyrgyz Republic, at the end of the reporting year, its assets increased by KGS 89.4 million or 1.2 percent and amounted to KGS 7.4 billion.

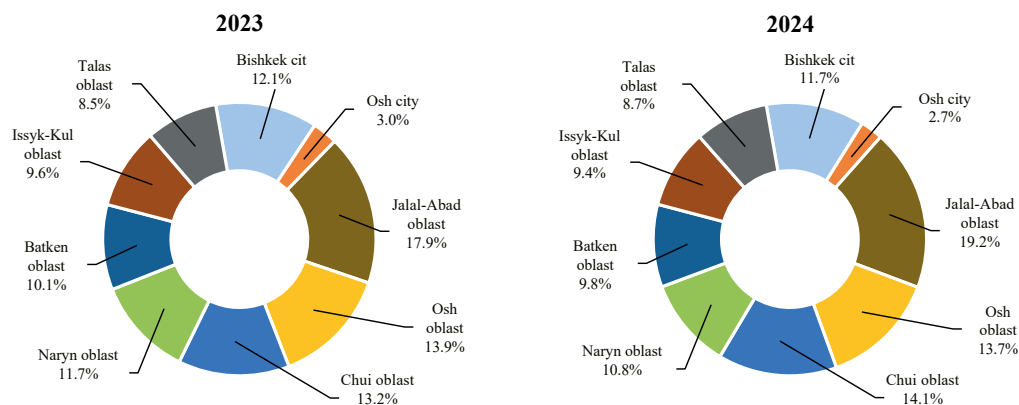
The liabilities of the guarantee fund increased by KGS 136.2 million or 64.5 percent compared to 2023 and amounted to KGS 347.3 million.

At the end of 2024, the net profit decreased by KGS 64.8 million or 14.8 percent compared to the end of 2023 and amounted to KGS 371.7 million.

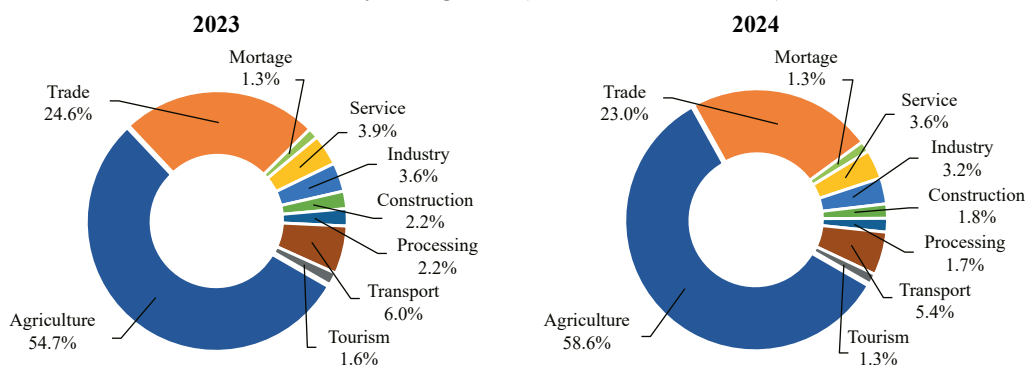
During 2024, 2,987 guarantees were issued in the total amount of KGS 3.2 billion (in 2023 – 4,736 guarantees in the total amount of KGS 2.8 billion). 11,153 guarantees were issued in the total amount of KGS 11.4 billion during the whole period of the guarantee fund operation.

Chart 3.2.3.

Number of Issued Guarantees by Regions (as of the end of 2024)

**Chart 3.2.4.**

Number of Issued Guarantees by Categories (as of the end of 2024)



3.3. Development of the Principles of Islamic Finance¹

In 2024, 15 financial and credit organizations were entitled to conduct operations in accordance with the principles of Islamic banking and finance in the territory of the Kyrgyz Republic. In 2023, this number was 14.

In the reporting year, the National Bank continued its activities to develop of the principles of Islamic finance (PIF).

Improvement of the regulatory legal framework on the principles of Islamic finance was focused on ensuring an equal approach in regulation and supervision of all participants of the financial-credit system in the country.

The effective application of certain banking products under the principles of Islamic finance stipulated by the legislation of the Kyrgyz Republic was studied within the framework of cooperation with the international organizations.

In the reporting year, the National Bank published literature, held a forum, organized seminars and conducted other activities aimed at improving the specialists' capacity and increasing public awareness about the principles of Islamic finance.

In the reporting year, five commercial banks provided services in accordance with the principles of Islamic banking and finance in the national and/or foreign currency.

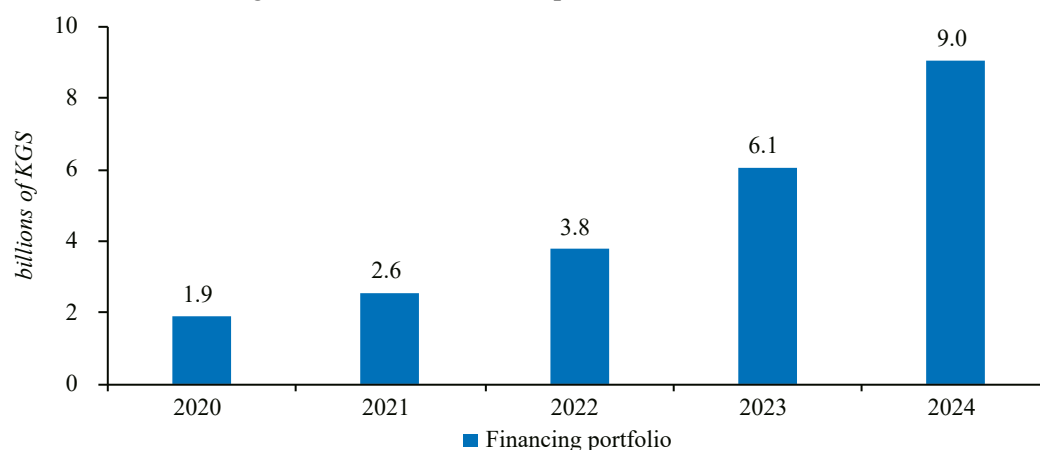
In 2024, the volume of financing based on the Islamic principles increased by 49.3 percent compared to 2023 and amounted to KGS 9,033.4 million.

*Banking sector
under the PIF*

¹ According to the periodic regulatory bank reporting (PRBR).

Chart 3.3.1.

Volumes of Financing under the Islamic Principles

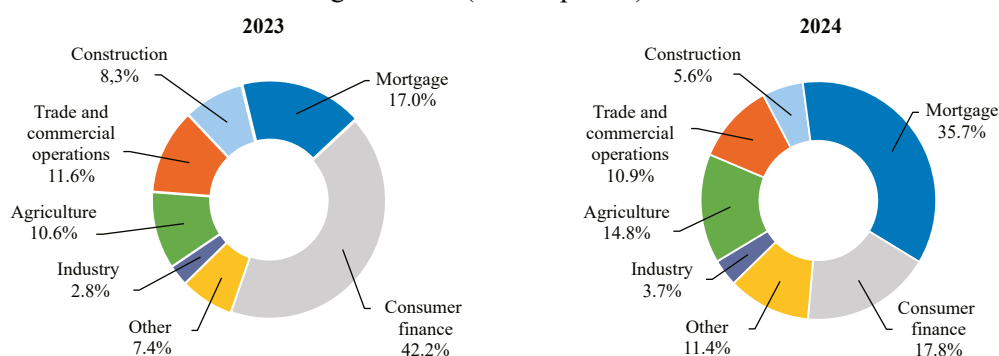


In the reporting period, the share of mortgage financing based on the Islamic principles in the banks' financing portfolios increased significantly – from 17.0 to 35.7 percent – while the share of consumer financing decreased, falling from 42.2 to 17.8 percent.

Structure of banks' financing portfolio

Chart 3.3.2.

Structure of Banks' Financing Portfolio (end-of-period)



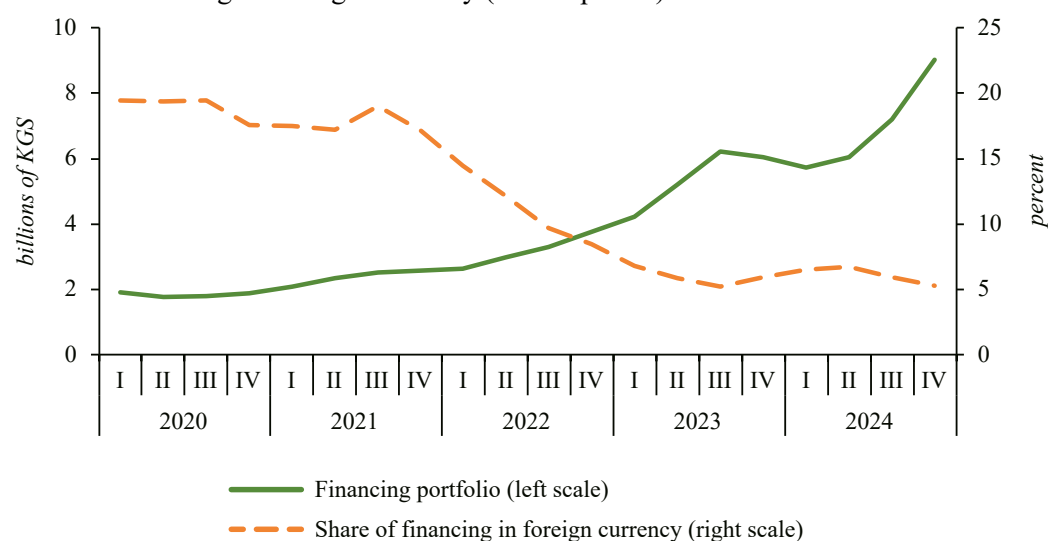
Financing based on the Islamic principles was primarily directed to mortgage – KGS 3.2 billion (a 3.1 – fold increase over the year), consumer financing – KGS 1.6 billion (a 37.0 – percent decrease) and agriculture – KGS 1.3 billion (a 2.1 – fold increase).

By the end of 2024, the share of financing in foreign currency in the banks' financing portfolios decreased by 0.7 percentage points compared to 2023 and amounted to 5.3 percent.

Share of financing in foreign currency

Chart 3.3.3.

Share of Financing in Foreign Currency (end-of-period)

*New financing*

In 2024, the volume of newly issued financing increased by 13.2 percent compared to 2023 and amounted to KGS 8,376.7 million, of which financing in national currency increased by 10.9 percent to KGS 8,004.1 million, and financing in foreign currency increased by 109.0 percent to KGS 372.6 million.

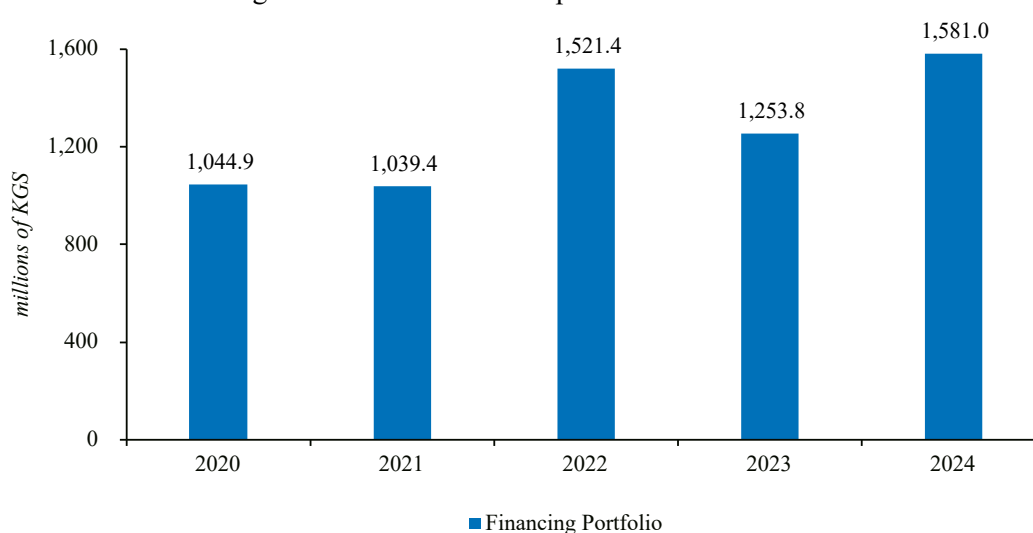
NBFCOs sector on the PIF

In the reporting year, ten non-banking financial-credit organizations provided services in accordance with the principles of Islamic finance: eight microcredit companies, one microcredit agency, and one credit union.

In 2024, the volume of financing based on the Islamic principles increased by 26.1 percent compared to 2023 and amounted to KGS 1,581.0 million.

Chart 3.3.4.

Volumes of Financing under the Islamic Principles

*Structure of NBFCOs financing portfolio*

In the reporting period, within the overall financing portfolio, the share of consumer financing increased from 84.6 to 92.0 percent, while the share of services financing decreased from 10.9 to 5.2 percent.

Table 3.3.1.**Structure of NBFCOs Financing Portfolio**

Category	2023		2024	
	<i>millions of KGS</i>	<i>Share, percent</i>	<i>millions of KGS</i>	<i>Share, percent</i>
Consumer loans	1,060.5	84.6	1,455.7	92.0
Services	136.0	10.9	82.4	5.2
Agriculture	28.9	2.3	27.2	1.7
Industry	10.5	0.8	5.9	0.4
Trade and commercial operations	8.0	0.6	4.1	0.3
Other	4.4	0.4	4.1	0.3
Construction and mortgage	5.4	0.4	1.6	0.1
Total financing	1,253.8	100.0	1,581.0	100.0

CHAPTER 4. PAYMENT SYSTEM

In 2024, work was continued to ensure the efficiency, security and reliability of the payment system by monitoring uninterrupted flow of payments, development of the new digital payment technologies, and improvement of the regulatory framework.

Provision of banking equipment is the result of the National Bank's activities to expand population's access to the banking and payment services, including in the regions of the country. The total number of banking equipment installed in the territory of the country amounted to 2,529 ATMs, 36,330 POS-terminals, 3,192 payment terminals of the banks and 16,635 payment terminals of the payment organizations. 460 POS-terminals have been installed in the branches of "Kyrgyz Pochtasy" OJSC to provide the residents of 1,521 settlements in the regions of the country with the opportunity to withdraw funds from the bank payment cards and pay for some services. More than 62.8 thousand unified QR-codes installed at merchants, as well as in the state and municipal institutions, contributed to the increase in payments, including taxes and penalties paid to the budget of the country in non-cash form.

The Kyrgyz Republic is a leader among the EAEU countries in ensuring intersystem integration of various payment systems to provide services for making payments and transfers using QR-codes. Thus, in the reporting year, 64.8 million payments and transfers in the amount of KGS 85.2 billion were made using QR-codes, the indicators increased by 20.9 and 26.2 times, respectively compared to the previous year.

The National Bank, being the secretariat of the Interagency Commission for Increasing the Share of Non-cash Payments and Settlements in the Kyrgyz Republic (Interagency Commission), coordinated and monitored implementation of the action plan of the State Program on Increasing the Share of Non-cash Payments and Settlements in the Kyrgyz Republic for 2023–2027 (State Program on Increasing Non-cash Payments and Settlements).

Temporary ban imposed on fees charged by the commercial banks and the payment organizations for money transfer services in the national currency within the Kyrgyz Republic, rendered through mobile applications and Internet banking, was among measures to popularize non-cash payments and stimulate transition to digital banking services.

In order to increase the quality and availability of digital payment services for the population, work was continued to improve the service and expand the range of services provided through the mobile applications "Elcard Mobile" and "Elcard Trade", the contactless payment system "Elcard Pay", as well as distribution of QR-codes, including in the regions of the country, to accept payments for goods and services.

The National Bank approved the Concept of Open Banking Development in the Kyrgyz Republic to increase the innovative potential in the banking sector, as well as to implement secure exchange of information between the participants of the banking sector. Use of the uniform application programming interface standards will allow the participants of the banking sector to significantly simplify integration of their information systems.

In addition, in order to ensure uninterrupted flow of payments using cards of the international payment systems, in 2024, measures were taken to comply with the requirements of the legislation in terms of collecting, processing and storage of the financial information on domestic payments in the territory of the country, including measures to establish processing centers in the Kyrgyz Republic.

4.1. Payment System Overview

4.1.1. Payment Infrastructure

In the Kyrgyz Republic the payment system components are as follows:

- Large payments system of the National Bank – the Real Time Gross Settlement System (RTGS);

- Retail payments systems: the Bulk Clearing System of small retail and regular payments (BCS), the system of payments with the use of payment cards, money transfer systems, e-money payment systems, and the systems of operators of non-bank payment systems.

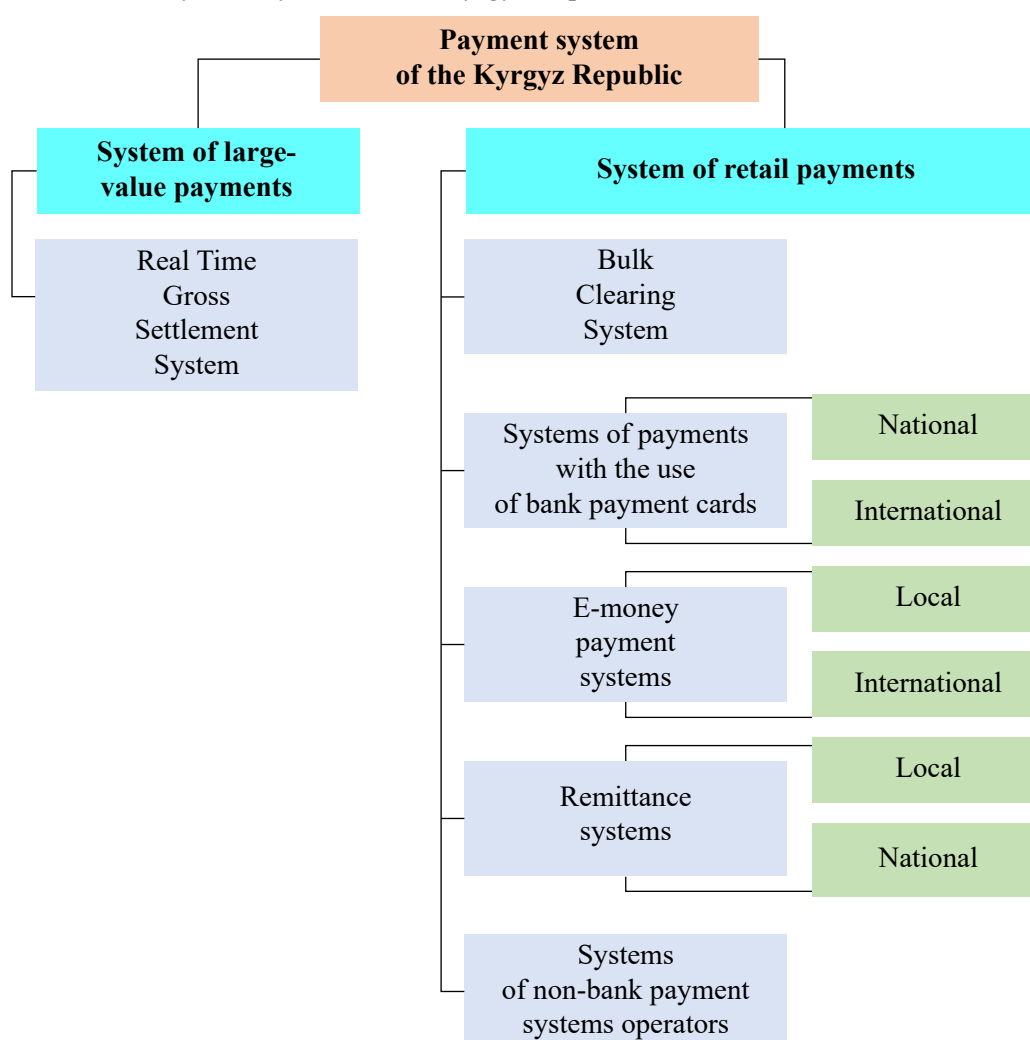
Payment system structure

In the Kyrgyz Republic non-cash payments were made via the RTGS, BCS, the system of payments with the use of bank payment cards, e-money payment systems, the money transfer systems, and non-bank payment systems operators.

Non-cash payments

Figure 4.1.1.1.

Structure of Payment Systems of the Kyrgyz Republic



The National Bank, the commercial banks, the Eurasian Development Bank, the Central Treasury of the Ministry of Finance of the Kyrgyz Republic, the Deposit Protection Agency of the Kyrgyz Republic, the Social Fund of the Kyrgyz Republic, the State Accumulative Pension Fund, “Central Depository” CJSC and “Interbank

Interbank payment systems

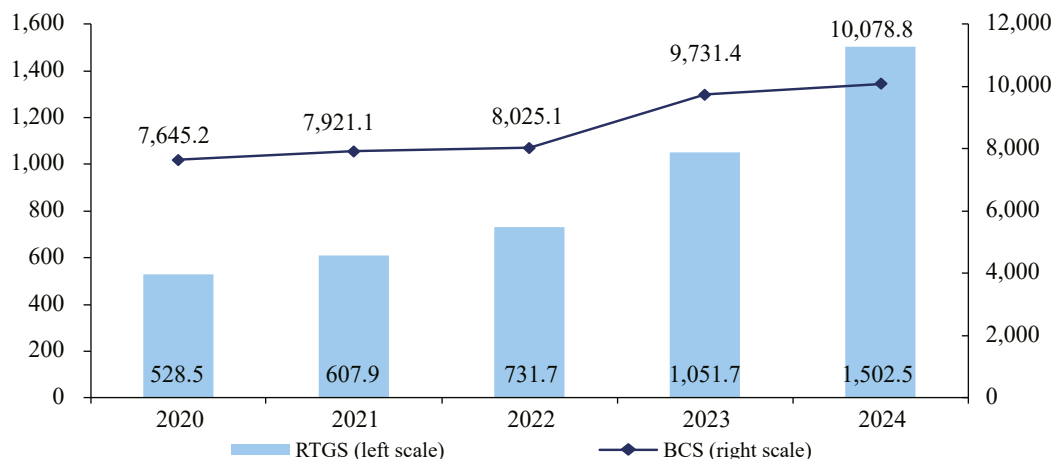
Processing Center” CJSC were the participants in the interbank payment systems (RTGS, BCS).

In the reporting period, 11.6 million payments were made via the interbank payment systems in the amount of KGS 32.4 trillion. The number and volume of payments increased by 7.4 and 131.5 percent, respectively, compared to 2023.

The number of payments via the RTGS and BCS increased by 42.9 and 3.6 percent, respectively compared to 2023.

Chart 4.1.1.1.

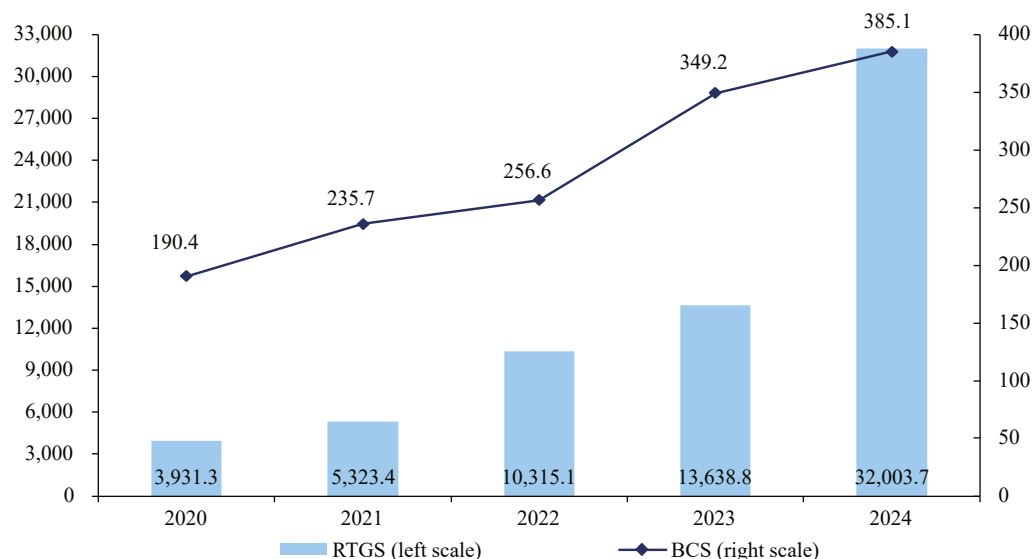
Volume of Payments via Interbank Payment Systems (RTGS and BCS)
(thousands of payments)



Meanwhile, the volume of payments via the RTGS increased by more than two times compared to 2023 and the same via the BCS – by 10.3 percent.

Chart 4.1.1.2.

Volume of Payments via Interbank Payment Systems (RTGS and BCS)
(billions of KGS)

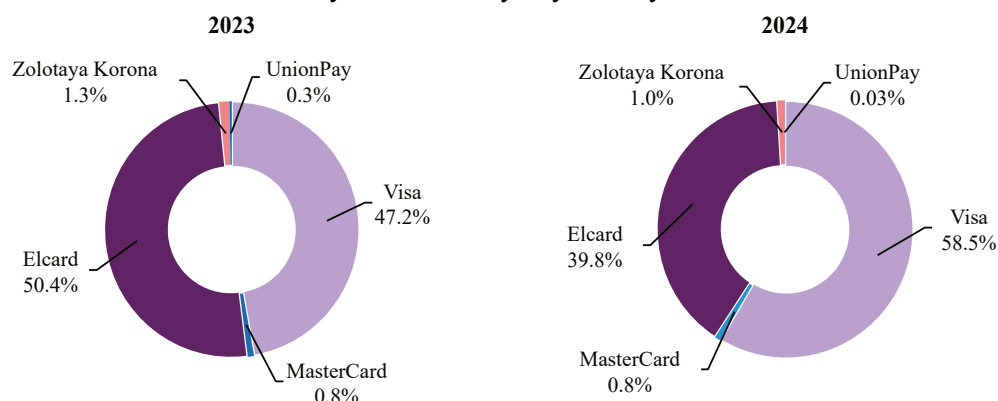


National payment system “Elcard”

The total number of issued bank payment cards amounted to 9.2 million, having increasing by 33.3 percent over the year, among them the number of cards of the national payment system “Elcard” amounted to 3.7 million. The issue of the bank payment cards “Elcard” increased by 5.2 percent compared to 2023.

Chart 4.1.1.3.

Structure of Issued Bank Payment Cards by Payment Systems



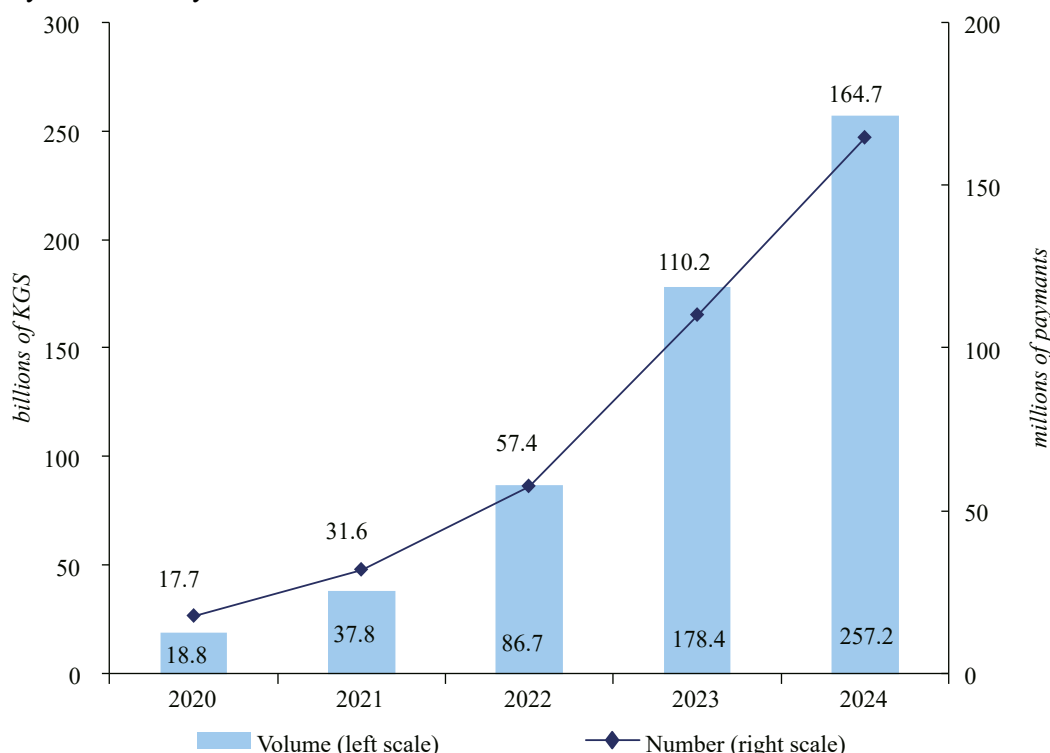
In the reporting year, more than 252.0 million operations in the amount of KGS 1,099.1 billion were conducted with the use of bank payment cards. The number of operations increased by 23.4 percent, and the volume of operations increased by 33.0 percent compared to 2023.

Operations with the use of bank payment cards

At the end of 2024, the number of the merchants' operations with the use of bank payment cards increased by 49.5 percent compared to 2023, and the volume of operations increased by 44.2 percent.

Chart 4.1.1.4.

Dynamics of Payments at Merchants



As of the end of 2024, the bank payment cards were accepted for servicing in 2,529 ATMs and 36,330 POS-terminals (among them 33,691 POS-terminals were installed at merchants and 2,639 POS-terminals were installed in the branches and savings offices of the commercial banks throughout the territory of the Kyrgyz Republic).

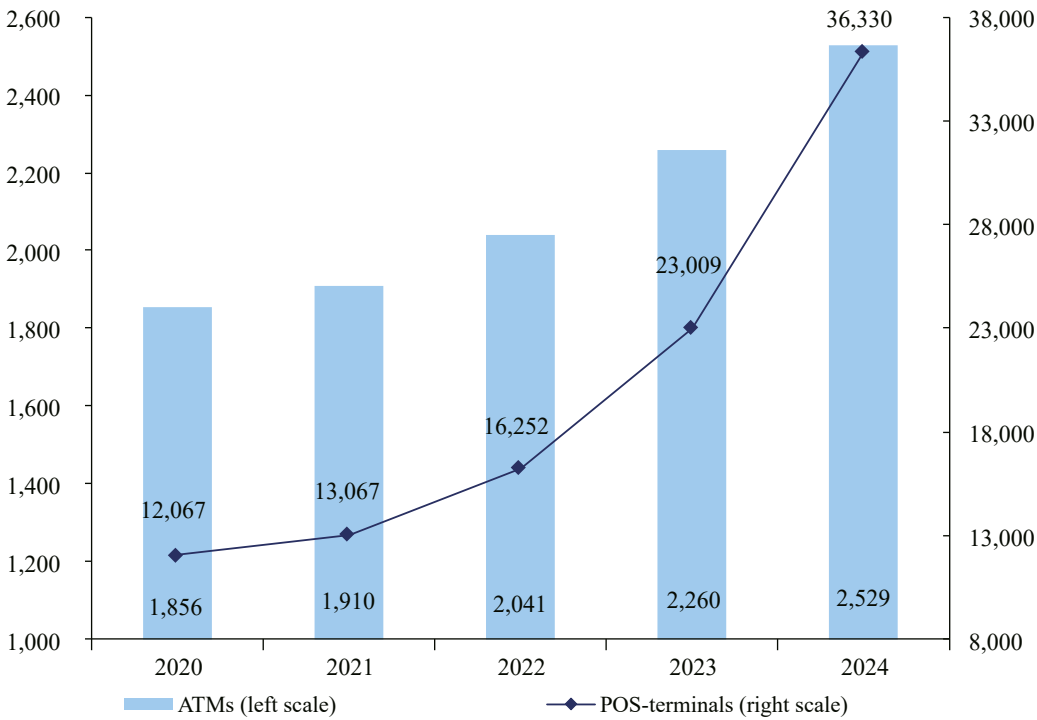
Payment card acceptance and servicing infrastructure

- By the payment systems the following cards were accepted for servicing:

- the cards of the national payment system “Elcard” – in 2,529 ATMs and 36,330 POS-terminals;
- the cards of the international payment system “Zolotaya Korona” – in 400 ATMs and 13,183 POS-terminals;
- the cards of the international payment systems Visa and MasterCard – in 2,510 ATMs and 36,092 POS-terminals;
- the cards of the international payment system UnionPay – in 1,738 ATMs and 23,364 POS-terminals.

Chart 4.1.1.5.

Dynamics of Number of ATMs and POS-terminals (end-of-period)
(pieces)



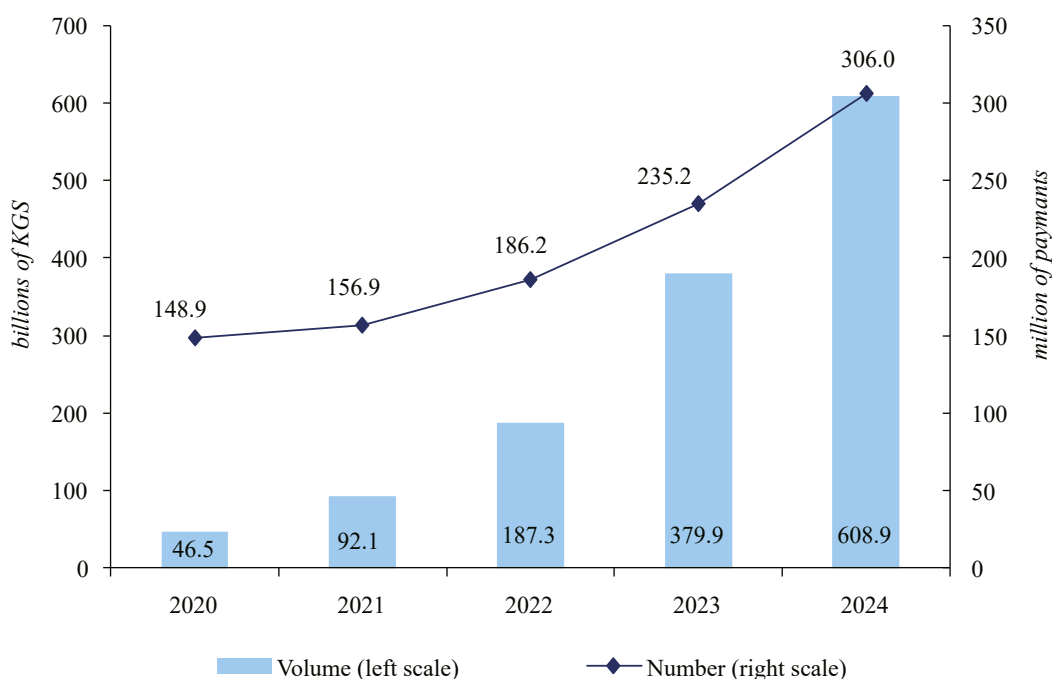
At the end of 2024, 49 payment organizations and 48 payment system operators conducted activities in the Kyrgyz Republic.

In 2024, the volume of payments made through the payment organizations of the Kyrgyz Republic increased by 60.3 percent compared to 2023 and amounted to KGS 608.9 billion, the number of operations increased by 70.8 million or 30.1 percent, up to 306.0 million operations.

Payments made in favor of third parties via the payment organizations

Chart 4.1.1.6.

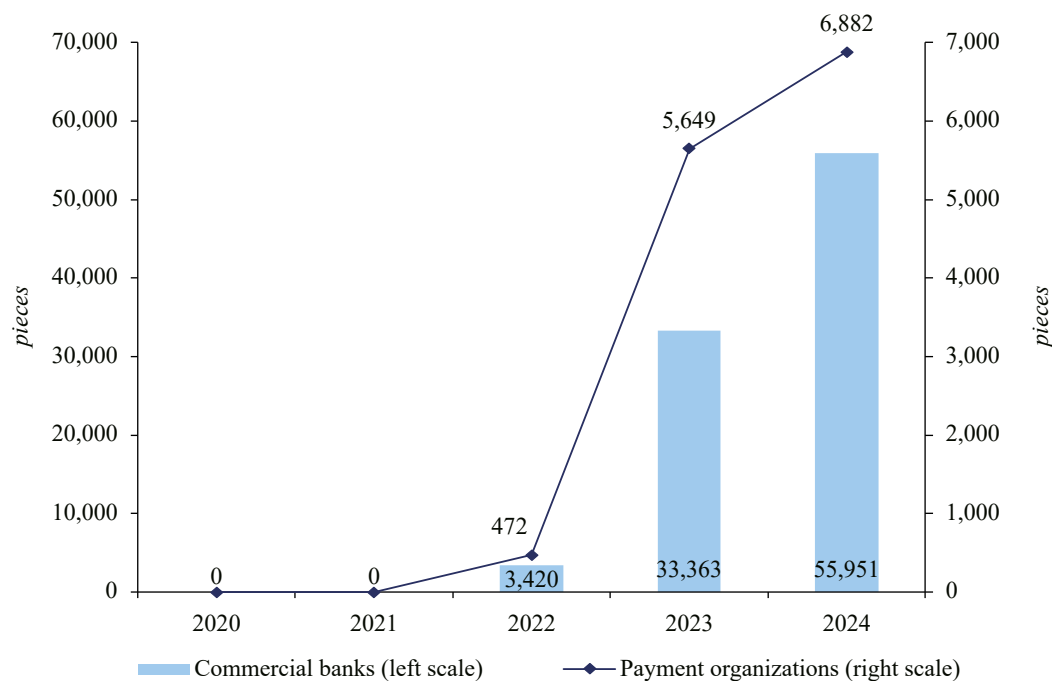
Number and Volume of Payments Made by the Payment Organizations



At the end of 2024, 62.8 thousand unified QR-codes were installed at merchants throughout the country, among them 55.9 thousand QR-codes were installed by the commercial banks and 6.9 thousand QR-codes were installed by the payment organizations.

Chart 4.1.1.7.

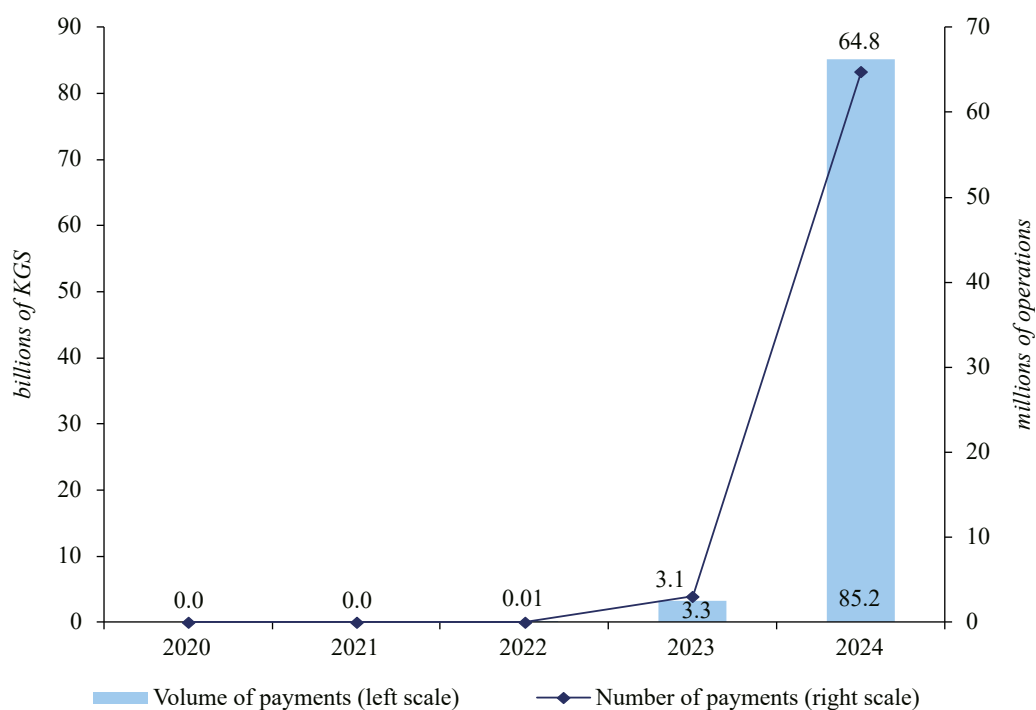
Number of QR-codes Installed at Merchants



64.8 million payments and transfers in the amount of KGS 85.2 billion were made in the reporting period.

Chart 4.1.1.8.

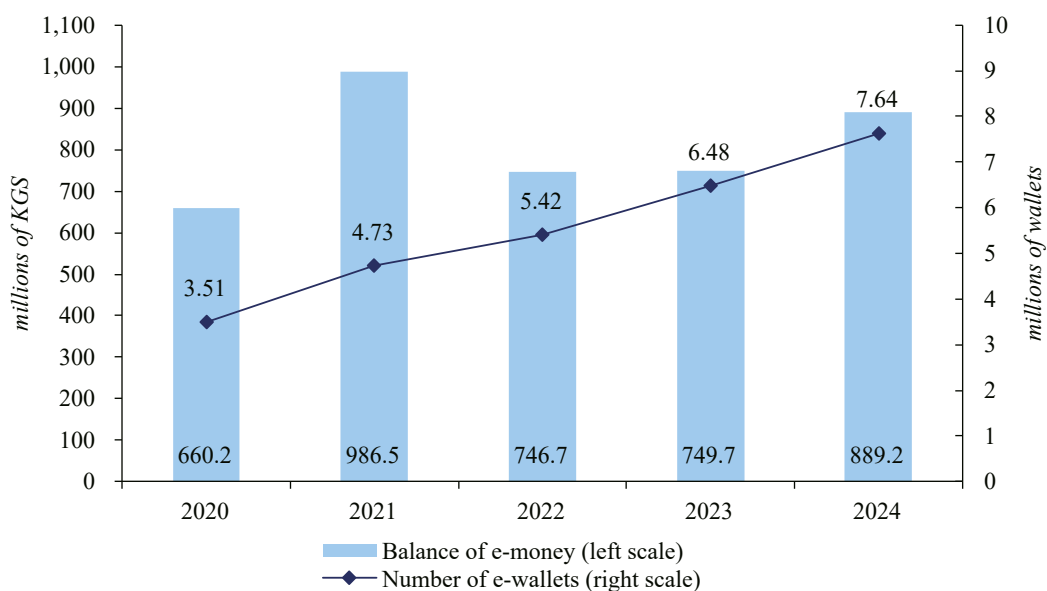
Dynamics of Payments and Transfers through QR-codes

*E-money*

The positive dynamics of e-wallets indicators shows that e-money in the Kyrgyz Republic remained one of the popular methods of transfer and payment.

Chart 4.1.1.9.

Dynamics of E-money Indicators (end-of-period)



The number of e-wallets increased by 17.8 percent compared to 2023 and amounted to 7.6 million.

At the end of 2024, the total balance of e-money increased by 18.6 percent compared to 2023 and amounted to KGS 889.2 million.

Table 4.1.1.1.**Operations with E-money**

Types of transactions with e-money	2023	2024	Growth rate, percent
Distribution of e-money by e-wallets replenishment			
Number, <i>millions</i>	11.9	21.7	82.0
Volume, <i>millions of KGS</i>	34,313.0	52,676.7	53.5
Payment for goods and services			
Number, <i>millions</i>	20.8	43.3	108.3
Volume, <i>millions of KGS</i>	29,439.6	41,772.4	41.9
Transfers			
Number, <i>millions</i>	10.2	21.1	107.2
Volume, <i>millions of KGS</i>	25,719.5	36,228.1	40.9
E-money redemption			
Number, <i>millions</i>	3.6	4.1	15.0
Volume, <i>millions of KGS</i>	16,394.7	24,043.5	46.7
Total			
Number, <i>millions</i>	46.5	90.2	94.1
Volume, <i>millions of KGS</i>	105,866.8	154,720.7	46.1

The total number and volume of e-money operations increased by 94.1 and 46.1 percent, respectively compared to 2023.

4.1.2. Measures on Increasing the Share of Non-cash Payments

In the reporting year, meetings of the Interagency Commission comprising the National Bank, ministries, agencies, local self-government authorities, commercial banks, payment system operators, and representatives of business communities were conducted on a regular basis.

The decisions of the Interagency Commission were made to implement measures of the State Program on increasing non-cash payments and settlements focused on development of the national payment system, distribution of QR-codes in the regions of the country to accept payments for goods and services, increasing accessibility of payment services for certain categories of population and accepting payments for state and municipal services in non-cash form.

In the reporting year, as a result of implementation of the action plan within the framework of the State Program on increasing non-cash payments and settlements, the following results have been obtained:

- pensions were paid to 645.1 thousand people through the accounts in the commercial banks (81.0 percent of the total number of pensioners), in 2023, 598.6 thousand people received pensions through the accounts in the commercial banks (78.0 percent of the total number of pensioners);

- social benefits were paid to 285.1 thousand people through the accounts in commercial banks (99.2 percent of the total number of recipients), in 2023, social benefits were paid to 331.8 thousand people (98.9 percent of the total number of recipients);

- POS-terminals were installed in 173 out of 256 state healthcare organizations to pay for medical services, meanwhile in 2023, POS-terminals were installed in 170 out of 255 state healthcare organizations;

- 481 cards of the “budget holder” were used in the state-funded organizations to conduct 1,968 operations in the total amount of KGS 4,757.3 million, meanwhile,

*Implementation
of the State Program
on Increasing the
Share of Non-
cash Payments
and Settlements*

in 2023, 558 cards of the “budget holder” were used to conduct 13,586 operations in the total amount of KGS 326.6 million;

- POS-terminals were installed in 424 out of 786 post offices of “Kyrgyz Pochtasy” OJSC to pay pensions, social benefits and wages to the cardholders, as well as to make payments for utilities, pay taxes and make other payments, in 2023, POS-terminals were installed in 370 out of 827 post offices of “Kyrgyz Pochtasy” OJSC;

- more than 62.8 thousand unified QR codes were installed at merchants for wide coverage of payment acceptance by the market participants throughout the country, in 2023, 38.9 thousand unified QR-codes were installed;

- payments for state and municipal services were accepted in non-cash form in 306 out of 514 state and municipal institutions providing paid services.

In order to expand the use of non-cash settlements in conducting operations with real estate, the Cabinet of Ministers’ Resolution “On Additional Measures to Increase Non-cash Payments and Settlements in the Kyrgyz Republic” No. 247 was adopted on May 15, 2024. This Resolution stipulated reduced rates of state duty for non-cash settlements on operations with real estate, land plots subject to state registration without mandatory notarial certification.

4.1.3. Payment System Oversight

*Payment systems
importance and
accessibility*

In 2024, in order to ensure efficiency, safety, and reliability of the payment system, the National Bank continued to conduct activities on oversight of the payment system of the Kyrgyz Republic in accordance with the international practice through monitoring, evaluation, and taking measures to improve the payment system. The payment systems being of high importance for the sustainability of the financial system of the country were identified within the framework of oversight.

In the reporting year, the RTGS and the BCS remained systemically important payment systems, and the RTGS, the BCS, and the bank payment cards “Elcard” settlements system remained the national payment systems.

Systemically important payment systems operated under normal conditions, and according to the monitoring results, the system accessibility ratio¹ remained high and was 99.96 percent.

The availability ratio of the national system of settlements with bank payment cards “Elcard” was 99.8 percent, being higher than a planned accessibility ratio in the national systems of 95.0 percent. The level of financial risks remained minimal.

Smooth operation of the retail payment systems such as the bank systems of settlements with the bank payment cards, money transfer systems, and e-money settlements, which process a large number of small payments of the population, is also an important factor of public confidence in the financial system. In 2024, generally, the retail payment systems operated in a stable manner in the Kyrgyz Republic.

4.2. Development of Digital Payment Technologies

In the reporting year, the National Bank continued taking measures within the framework of the National Development Program of the Kyrgyz Republic until 2026 and the medium-term strategic documents of the National Bank to expand access of the population to payment services through introduction of the new digital payment technologies and instruments.

In accordance with the Concept of Open Banking Development in the Kyrgyz Republic, activities were conducted in cooperation with the commercial banks and the payment organizations on development of unified standards for application

¹ Accessibility ratio is an ability of the system users to have access to the services and information. System downtime, due to technical failures and preventive maintenance, reduces system accessibility.

program interface for more rapid exchange of information about the clients with their consent.

Work was continued to develop a single payment space with the use of two-dimensional barcode symbols (QR-code) and ensure wider coverage of merchants to accept payments for goods and services with the use of QR-code.

Work was conducted on standardization and integration of QR-codes in public transport to provide opportunity to pay for travel services via mobile applications of the commercial banks and/or the payment organizations.

A number of on-site monitoring of the merchants for availability of installed QR-codes to accept payment for goods and services in non-cash form was conducted throughout the country together with the Antimonopoly Regulation Service under the Ministry of Economy and Commerce of the Kyrgyz Republic and the State Tax Service under the Ministry of Finance of the Kyrgyz Republic to provide large-scale distribution of QR-codes. Discrepancies identified according to the results of this monitoring were eliminated.

The National Bank conducted training sessions throughout the country for various categories of population – pensioners, students, and pupils in order to popularize payment for goods and services in non-cash form via QR-codes.

In the reporting period, work was continued on providing products/services of the national payment system “Elcard”, being “Interbank Processing Center” CJSC an operator thereof.

Development of two-dimensional barcode symbols (QR-code)

Functioning of the national payment system

Table 4.2.1.

Products/Services of the National Payment System “Elcard”

Name		2023	2024
Elcard Mobile			
	Number, <i>millions of payments</i>	13.3	15.3
	Volume, <i>billions of KGS</i>	29.5	31.3
Elcard Trade			
	Number, <i>thousands of payments</i>	8.9	5.0
	Volume, <i>millions of KGS</i>	4.6	3.1
Elcard Pay			
	Number, <i>thousands of payments</i>	52.1	37.1
	Volume, <i>millions of KGS</i>	37.3	22.9
Total			
	Number, <i>millions of payments</i>	74.3	57.4
	Volume, <i>billions of KGS</i>	71.4	57.3

In order to test the legal regulation of public relations in the sphere of providing banking and payment services related to introduction of innovative services/technologies, the National Bank is entitled to establish pilot regulation for a certain period on a separate or the entire territory of the Kyrgyz Republic within the framework of a special regulatory regime.

Thus, during the reporting period, within the framework of a special regulatory regime, one non-banking financial-credit organization and three legal entities operating as a payment organization/payment system operator continued testing banking operations and services, such as the issue (emission) of e-money, payment cards for access to e-wallets and pre-issued credit cards of the national payment system “Elcard” to provide loans in non-cash form. Measures are taken to introduce appropriate amendments to the legislation of the Kyrgyz Republic due to testing the above banking operations being recognized successful within the framework of a special regulatory regime.

Special regulatory regime

4.3. Digital Som

The Digital Som project is a strategic initiative of the National Bank to introduce the national currency in digital form, which is focused on developing digital financial infrastructure and increasing the access of financial services.

In 2024, work was implemented on the project to test the prototype of the Digital Som on technological implementation and development of the legislative framework for determining the legal status of the Digital Som as a legal tender in the territory of the Kyrgyz Republic.

*Technological
testing of the Digital
Som prototype*

Functional and technical requirements for the Digital Som platform were developed as part of the technological implementation of the project to test the Digital Som prototype. In January 2024, the National Bank announced a request for information from interested parties¹ in order to test the feasibility of the concept and study the technical solutions of the central bank digital currency (CBDC) providers.

Based on the materials provided by the CBDC providers, online meetings were organized with each provider, including presentations, demonstration of the platforms and discussion of testing capabilities, the functionality of the solutions, their compliance with the requirements, as well as the experience of the providers in cooperation with central banks of other countries were studied. Technological proposals and solutions of the CBDC providers were evaluated according to the developed comprehensive criteria for compliance with technical requirements.

In order to study the opinion of the population, the financial and banking sectors, as well as to expand the testing scenarios for the Digital Som prototype, the National Bank organized an open initiative to collect proposals and ideas for introduction of the Digital Som. Conducted technological research activities formed the basis for preparatory work and finalization of the technical specifications for testing the Digital Som prototype. In November 2024, a tender was announced for purchase of the services to test the Digital Som prototype in the service provider's cloud environment.

*Activities to
determine the
legal status of the
Digital Som*

The National Bank took measures to create a legal framework for the Digital Som as a legal tender in the territory of the Kyrgyz Republic in parallel with the technological development of the Digital Som.

The National Bank developed draft laws on introduction of amendments in the Constitutional Law of the Kyrgyz Republic "On the National Bank of the Kyrgyz Republic" and some legislative acts of the Kyrgyz Republic on the legal status of the national digital currency – the Digital Som. The draft laws were reviewed and agreed upon with the Cabinet of Ministers of the Kyrgyz Republic, and also approved in the first reading at the meetings of the relevant committees of the Jogorku Kenesh.

¹ Request for Interest (RFI) is a procedure for collecting information from potential suppliers about the possibilities of providing technological solutions.

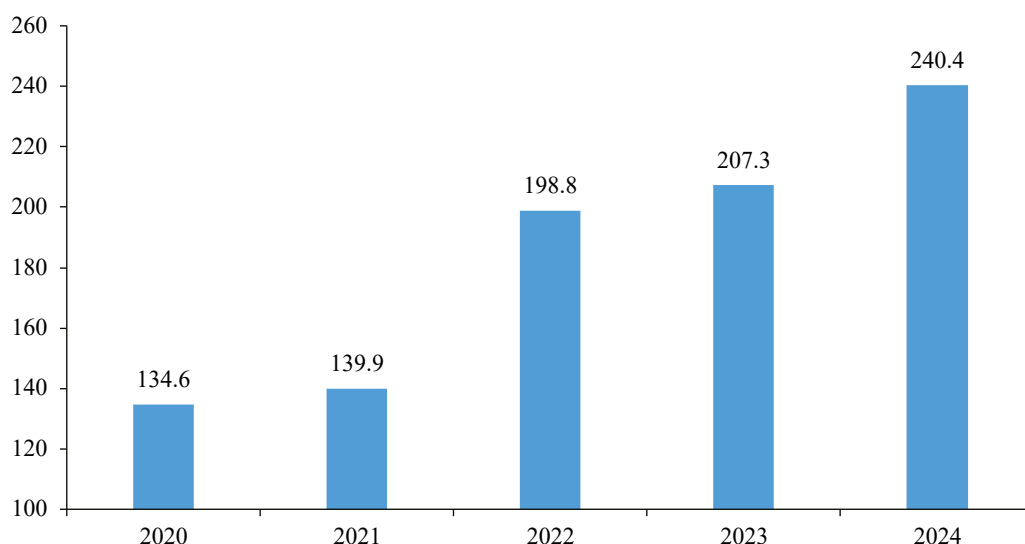
CHAPTER 5. CASH CIRCULATION

5.1. Organization of Cash Circulation

In 2024, the National Bank continued to work on timely and uninterrupted provision of the needs of the economy and the population in banknotes and coins of the national currency, maintaining their optimal reserves in the required denominations, as well as withdrawal and destruction of unfit banknotes. The demand for cash remains high as in previous years. In 2024, the volume of cash in circulation increased by 16.0 percent and amounted to KGS 240.4 billion, the share of banknotes accounted for 99.1 percent and the share of circulation coins – 0.9 percent.

Chart 5.1.1.

Dynamics of Cash in Circulation
(billions of KGS)



The National Bank regulates the structure of cash in circulation based on the analysis of the denomination structure of cash in circulation.

At the end of the reporting year, there were 488.0 million sheets of banknotes and 655.6 million pieces of coins in cash circulation.

Cash structure per denomination

Chart 5.1.2.

Share of Banknotes in Total Cash in Circulation
(sheets)

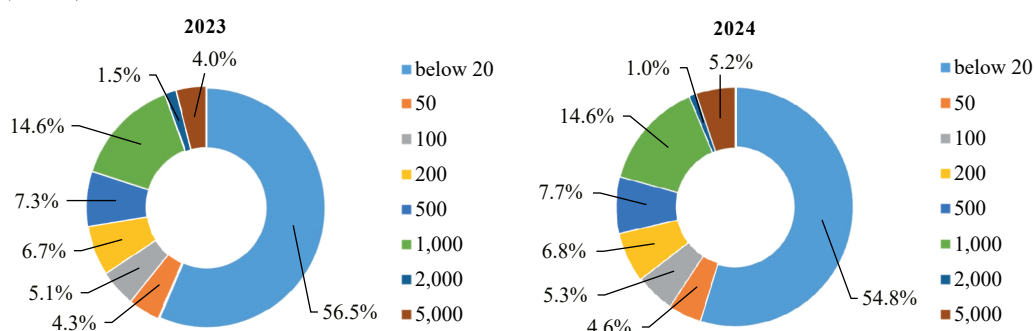
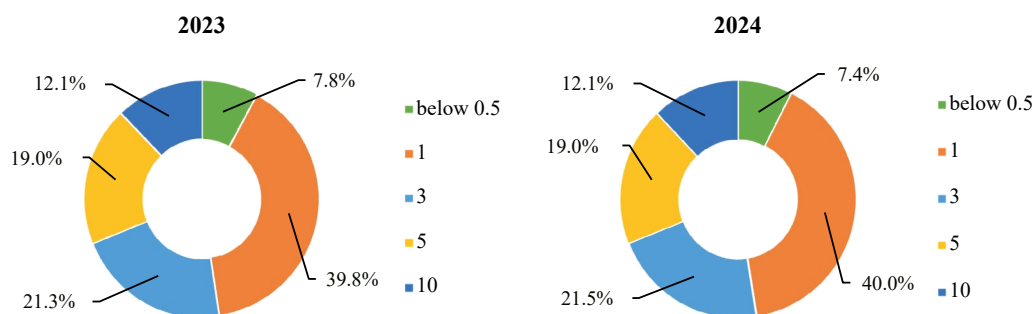


Chart 5.1.3.

Share of Coins in Total Cash in Circulation
(pieces)



In the reporting year, receipt of cash in cash departments of the commercial banks increased by 15.3 percent compared to the previous year and totaled KGS 5,288.8 billion. Payment of cash from the cash departments of the commercial banks increased by 16.1 percent and amounted to KGS 5,339.7 billion.

Table 5.1.1.

Movement of Cash via Cash Departments of Commercial Banks by Regions

	Receipt, billions of KGS		Disbursement, billions of KGS		Recoverability, percent	
	2023	2024	2023	2024	2023	2024
Total	4,585.5	5,288.8	4,598.9	5,339.7	99.7	99.0
Bishkek city	2,482.1	2,960.8	2,453.9	2,955.1	101.1	100.2
Osh city	504.7	585.1	509.2	601.9	99.1	97.2
Batken oblast	205.9	224.1	205.7	223.8	100.1	100.1
Jalal-Abad oblast	410.8	456.7	430.2	479.4	95.5	95.3
Issyk-Kul oblast	211.9	228.7	219.3	235.8	96.6	97.0
Naryn oblast	96.7	110.5	101.6	114.6	95.2	96.4
Osh oblast	165.7	172.0	165.6	171.8	100.1	100.1
Talas oblast	96.8	105.2	103.6	111.5	93.4	94.3
Chui oblast	410.9	445.7	409.8	445.8	100.3	100.0

Issuance of new series of banknotes

Implementation of measures to prevent cash circulation of counterfeit banknotes, including improvement of design and security features of banknotes is among the main objectives of the National Bank for effective management of cash circulation.

In the reporting year, the National Bank continued planned updating of the national currency banknotes, which was initiated in May 2023, by introducing banknotes of the new, fifth series in denominations of 200, 500 and 1,000 Som of 2023. Banknotes of the fifth series in denominations of 20, 50 and 100 Som were put into circulation on February 15, 2024, and the banknote in denomination of 5,000 Som – on May 10, 2024.

The fifth series of the national currency banknotes has modified design and a new three-level set of security features that meet the requirements of modern cash circulation: the appearance of the banknotes was improved, special marks for people with impaired vision and security features were embedded into the banknotes for efficient processing of the banknotes in counting and sorting equipment, as well as for use of the banknotes in ATMs and terminals.

Figure 5.1.1.

Banknotes of the Fifth Series of 2023



The National Bank, in prompt interaction with the law enforcement agencies, continued to work on preventing the occurrence and spread of counterfeiting to ensure the reliability and security of cash circulation.

Combat against counterfeiting

Thanks to the timely actions of the National Bank to update the security features of banknotes and the effective organization of the informational and educational campaign, the level of counterfeiting in the Kyrgyz Republic is classified as low, which amounts to 0.01 counterfeit banknotes per one million genuine banknotes.

In 2024, the number of detected counterfeit banknotes totaled 5 pieces to the amount of KGS 18,000¹, in 2023, 22 pieces were detected to the total amount of KGS 37,500.

Law enforcement agencies initiated criminal cases and conducted criminal-intelligence operations for each fact of counterfeiting.

The public and the representatives of the banking system were informed about the procedure for exchange of unfit and damaged banknotes and coins of the national currency, the security features of banknotes, and the employees of the cash departments from the financial-credit organizations were trained to determine the security features of payment instruments within the framework of the annual informational and educational campaign “Som is the face of Kyrgyzstan”.

In 2024, in order to optimize the technological procedure for processing national currency banknotes, a high-speed counting and sorting system was put into industrial operation, which reduces time input and ensures high reliability of banknote processing.

In the reporting year, the National Bank launched the mobile application “Kyrgyz Som”, which interactively demonstrates how to check the security features of banknotes of the new, fifth series when viewing them against the light, when changing the angle of inclination and when using a magnifying glass.

Mobile application

The graphic symbol of the national currency – the Som sign, used to standardize the designation of the national currency of the Kyrgyz Republic in production, placement and distribution of advertising in the markets, as well as informational, reference materials and for other purposes, is incorporated into the Unicode standard (International Organization for Standardization), as well as into the Microsoft Windows operating system.

¹ According to the summarized data of the National Bank, the Ministry of Internal Affairs, the State Committee for National Security and the General Prosecutor’s Office of the Kyrgyz Republic.

Figure 5.1.2.

Graphic Symbol of the National Currency – Som.



5.2. Collection Coins

In 2024, the National Bank continued issuing collection coins reflecting the history and culture of Kyrgyzstan. Four collection coins were put into circulation:

- the gold collection coin “Aikol Manas” in order to popularize oral folklore and preserve the cultural heritage of the Kyrgyz people;
- the silver collection coin “100 Years of Kara-Kyrgyz Autonomous Region” of the series “Historical Events” dedicated to the 100th anniversary of the formation of Kara-Kyrgyz Autonomous Region;
- the silver collection coin “At Chabysh” of the series “World Nomad Games” dedicated to the V World Nomad Games;
- the silver collection coin “10 Years of the Eurasian Economic Union” of the series “Historical Events”, dedicated to the 10th anniversary of signing the Treaty on the Eurasian Economic Union.

Figure 5.2.1.

Gold Collection Coin “Aikol Manas”

**Figure 5.2.2.**

Silver Collection Coin “100 Years of Kara-Kyrgyz Autonomous Region”



Figure 5.2.3.

Silver Collection Coin “At Chabysh”

**Figure 5.2.4.**

Silver Collection Coin “10 years of the Eurasian Economic Union”



Collection coins issued by the National Bank reflect the beauty, originality and unique character of Kyrgyzstan and are distinguished by high level of artistic design and quality of minting, therefore they are in steady demand and recognition in the country and abroad. The collection coin “Household Item: Tai-Tuyak” of the series “Historical Events” issued in 2023 in honor of the 30th anniversary of introduction of the national currency and dedicated to the ancient history of money, took third place at the XVIII International Coin Competition “Coin Constellation – 2024” in the nomination “Silver Coin of the Year”.

Figure 5.2.5.

Diploma of the XVIII International Coin Competition “Coin Constellation – 2024”



5.3. Refined Gold Measuring Bars

The National Bank issues refined gold measuring bars weighing 1 g, 2 g, 5 g, 10 g, 31.1035 g (or one troy ounce) and 100 g, with the content of chemically pure base metal of 99.99 percent of the bar ligature weight, being a banking product that allows diversifying risks when accumulating savings, and are in high demand.

The mechanism for repurchase of these gold measuring bars used by the National Bank also ensures their high liquidity.

Figure 5.3.1.

Refined Gold Measuring Bars Issued by the National Bank



The National Bank continues to replenish the reserves of refined gold measuring bars from domestic raw materials by purchasing refined gold from the local gold producing companies for the national currency.

In 2024, 63.8 kg of refined gold measuring bars were sold in the domestic market to the amount of KGS 463.7 million, an increase by 77.7 percent compared to the previous year. In the reporting period, the volume of re-purchased refined gold measuring bars increased by 28.7 percent compared to 2023 and amounted to 37.2 kg to the amount of KGS 268.1 million.

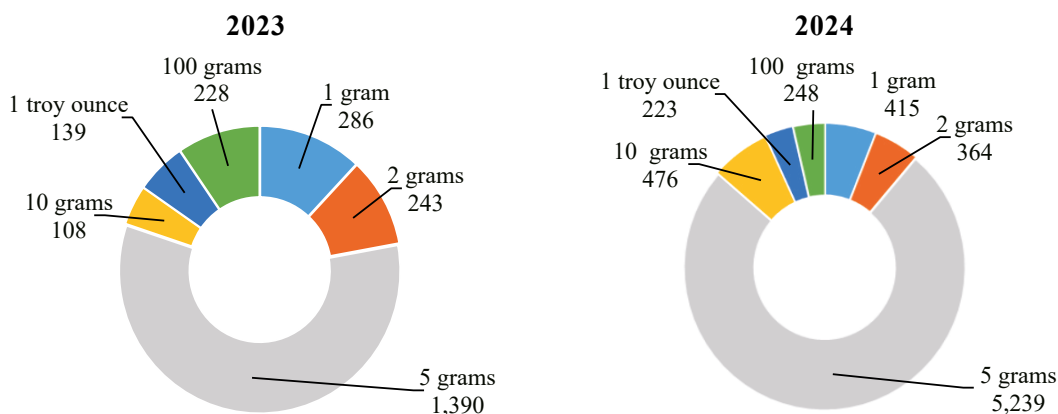
Table 5.3.1.

Information about Sold and Re-purchased Refined Gold Measuring Bars
(thousands of KGS)

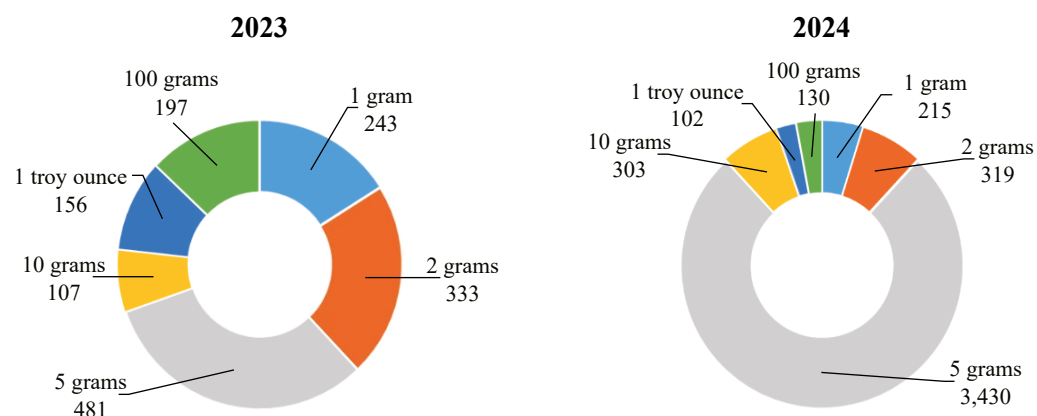
Weight	Sale		Re-purchase	
	2023	2024	2023	2024
1 gram	1,978.5	3,440.8	1,659.9	1,755.3
2 grams	3,054.8	5,599.4	4,137.3	4,789.7
5 grams	41,564.4	193,681.9	14,165.9	129,200.8
10 grams	6,184.3	35,403.7	6,175.8	22,360.8
1 troy ounce	24,683.0	49,571.2	27,640.7	21,483.0
100 grams	128,996.1	176,015.7	109,481.0	88,506.6
Total	206,461.1	463,712.7	163,260.6	268,096.2

Chart 5.3.1.

Number of Sold Refined Gold Measuring Bars
(pieces)

**Chart 5.3.2.**

Number of Re-purchased Refined Gold Measuring Bars
(pieces)



5.4. Refined Standard Gold Bars

The National Bank continued to sell the refined standard gold bars manufactured by “Kyrgyzaltyn” OJSC weighing from 10,900 to 13,400 g with the content of chemically pure base metal not less than 99.95 percent of the bar ligature weight in the domestic market of the Kyrgyz Republic in order to develop the precious metals market, as well as to provide the jewelry industry with raw materials and expand operations with precious metals.

In 2024, the National Bank sold refined gold bars with the total weight of 63.5 kg to the amount of KGS 441.6 million (in 2023 – 24.4 kg).

In the reporting period, purchase of refined standard gold bars manufactured by “Kyrgyzaltyn” OJSC and gold measuring bars issued by the National Bank was also available on the trading platform of “Kyrgyz Stock Exchange” CJSC.

CHAPTER 6. REGULATION OF SUPERVISED ORGANISATIONS

The National Bank implemented measures aimed at maintaining stability in the banking and payment systems of the country and creating conditions for development of the banking, payment, and microfinance services within the framework of implementing the tasks focused on ensuring sustainability of the banking and payment systems, as well as other legal entities licensed and regulated by the National Bank.

The National Bank conducted activities to ensure compliance of the supervised organizations with the legislation of the Kyrgyz Republic and the regulatory legal acts of the National Bank.

Regular measures were taken to control compliance with the requirements to increase of the authorized capital of the commercial banks and non-banking financial-credit organizations. In the reporting year, all commercial banks complied with the requirements established for the minimum amount of the authorized capital.

Improvement of the National Bank's regulatory legal acts was focused on enhancing the stability of the banking and payment systems, minimizing banking risks, further development of banking services digitalization, development of services in accordance with the principles of Islamic finance, expansion of the activities conducted by the payment service operators and the payment organizations, as well as harmonization with the international standards and amendments to the legislation of the Kyrgyz Republic.

6.1. Licensing and Authorization Activity

According to the Constitutional Law “On the National Bank of the Kyrgyz Republic”, the National Bank is an authorized body to license the banks, non-banking financial-credit organizations and other legal entities supervised by the National Bank (issue of permits), including under special regulatory regimes.

6.1.1. Licensing of the Commercial Banks

During 2024, the commercial banks were provided with the following additional permits:

- to conduct additional banking operations and transactions in accordance with the principles of Islamic banking and finance through the Islamic window in the national and/or foreign currency under “Ijara and Ijara Muntahiya Bittamlik” agreements – two banks;
- to conduct operations with precious metals in the form of refined standard and measuring bars of other issuers in cash and non-cash forms only with refined standard and measuring bars issued by “Kyrgyzaltyn” OJSC – one bank;
- to conduct operations with refined measuring bars issued by the National Bank – one bank;
- to issue e-money – one bank;
- to conduct operations with precious metals in the form of refined standard and measuring bars of other issuers in cash and non-cash forms – one bank.

In 2024, the commercial banks opened three branches, 25 savings offices and 29 field cash offices in the republic, while 19 branches, 30 savings offices and 37 field cash offices were closed.

*Branches, savings
offices and field
cash offices*

Table 6.1.1.1.

Information on branches and separate subdivisions of commercial banks (end-of-period)

	Number of Branches		Number of Savings Offices		Number of Field Cash Offices	
	2023	2024	2023	2024	2023	2024
Bishkek city	81	78	263	261	33	35
Batken oblast	24	24	66	64	6	6
Jalal-Abad oblast	46	44	154	155	19	18
Issyk-Kul oblast	38	37	62	61	19	19
Naryn oblast	20	19	26	27	5	4
Osh oblast	58	53	184	183	33	29
Talas oblast	19	18	26	24	8	6
Chui oblast	34	31	81	82	28	26
Total	320	304	862	857	151	143

6.1.2. Licensing of Non-Banking Financial-Credit Organizations

The activities of specialized financial-credit organizations (SFCOs), microfinance companies (MFCs), credit unions (CUs), exchange bureaus, credit bureaus and housing and savings credit companies (HSCCs) are conducted on the basis of a license issued by the National Bank.

The microcredit companies (MCCs), microcredit agencies (MCAs) and guarantee funds operate on the basis of a certificate of accounting registration (certificate).

At the end of 2024, the system of non-banking financial-credit organizations and other legal entities subject to licensing and regulation by the National Bank included one SFCO, 78 CUs, 108 microfinance organizations (including 9 MFCs, 64 MCCs, and 35 MCAs), 765 exchange bureaus, three credit bureaus, and one guarantee fund.

In the reporting year, the National Bank issued:

- one license to the MFC, one license to the credit bureau, 335 licenses to the exchange bureaus, including 142 exchange bureaus with expired previous license;
- one certificate to MCC and three certificates to MCA.

One license of the MFC, two licenses of the CUs and 170 licenses of the exchange bureaus, including 131 licenses due to validity expiration, 14 certificates of the MCCs and two certificates of the MCAs were cancelled due to termination of activities.

Table 6.1.2.1.

Number of NBFCOs (end-of-period)

Title	2020	2021	2022	2023	2024
SFCO	1	1	1	1	1
Microfinance organization (MFC, MCC and MCA)	134	133	130	121	108
Credit unions	92	88	84	81	78
Exchange bureaus	387	379	467	609	765
Credit bureaus	2	2	2	2	3
Guarantee fund	1	1	1	1	1
Housing and savings loan companies	–	1	1	–	–
Total	617	605	686	815	956

6.1.3. Licensing and Registration of Payment Systems Operators and Payment Organizations

In 2024, the National Bank issued 21 licenses to conduct activities of a payment system operator and 21 licenses to conduct activities of a payment organization.

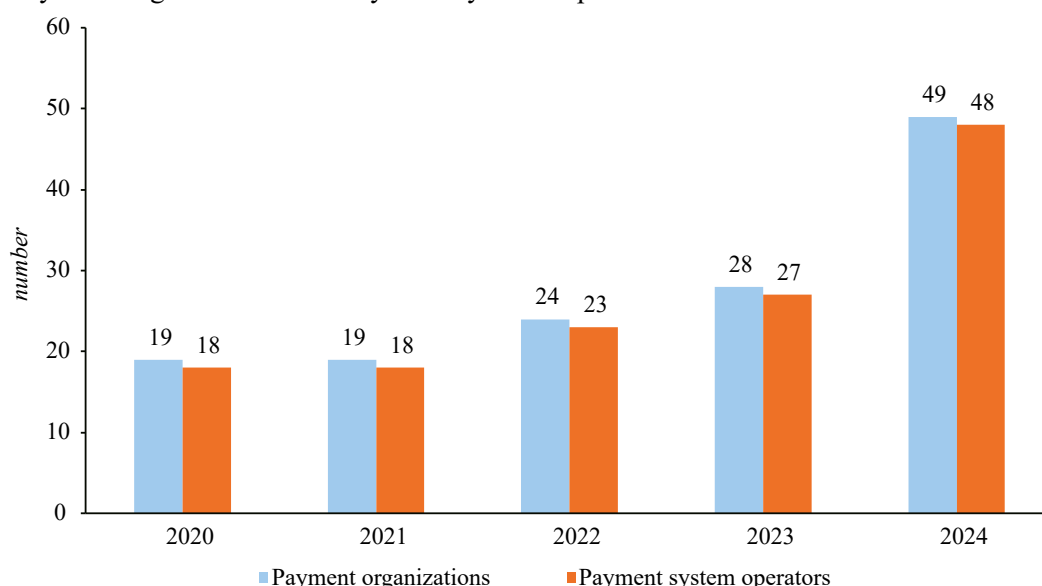
As at the end of the reporting year, the registers of the payment systems operators and the payment organizations included 49 payment organizations and 48 payment systems operators provided with the licenses to conduct activities on rendering services:

- for receiving and effecting payments and settlements for goods and services, which are not the result of their activity, in favor of third parties via the payment systems based on information technologies and electronic means, as well as methods of making payments;
- for receiving, processing and issuing financial information (processing, clearing) on payments and settlements made by the third parties to the participants of the payment system, this processing, clearing center.

Licensing and registration of payment systems operators and payment organizations

Chart 6.1.3.1.

Payment Organizations and Payment Systems Operators



In the reporting year, three operators of the international money transfer systems and one operator/issuer of the e-money international systems were registered in the National Bank. Registration of one operator/issuer of the e-money international system was cancelled due to revocation of the license issued by the authorized body of the country of origin of this e-money system.

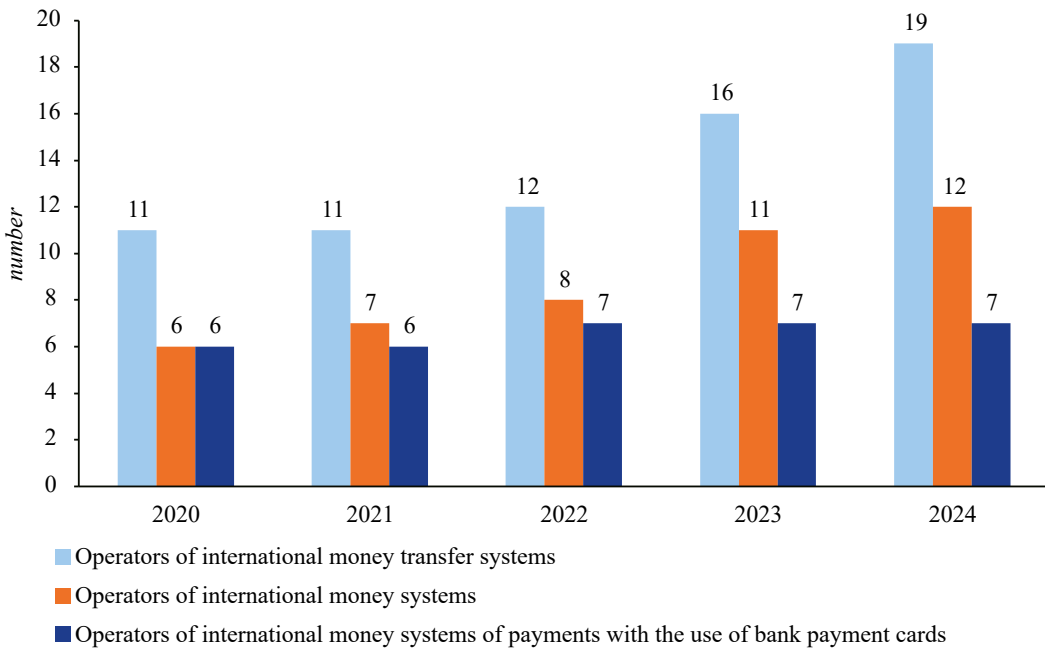
37 registered operators of money transfer systems, among them 19 international, 18 local (inter-branch), 12 operators/issuers of the e-money international systems, seven international settlement systems using bank payment cards and two interaction operators¹ implemented their activity at the end of 2024.

Registration of payment systems operators

¹ Interaction operator is a payment system operator that provides technical interaction with the payment system participants and generation of the clearing files for the final settlement on payments using QR-code, having a license issued by the National Bank of the Kyrgyz Republic to provide services for receiving, processing and issuing financial information (processing, clearing) on payments and settlements made by the third parties to the participants of the payment system, this processing, clearing center.

Chart 6.1.3.2.

Operators of International Payment Systems



6.2. Regulation and Supervision Methodology of Supervised Organizations Activity

In 2024, measures taken by the National Bank were primarily focused on strengthening the financial stability of the banking system, developing the microfinance market, expanding access to the digital banking services and non-cash payments, protecting the rights of the financial services consumers, as well as introducing international standards and best practices in the banking legislation of the Kyrgyz Republic.

6.2.1. Regulation Methodology of Commercial Banks Activity

In the reporting period, the National Bank continued to improve the regulatory legal acts on banking regulation on the basis of the international standards, effective risk management, capacity building, and increasing accessibility of banking services, including for the people with disabilities. Amendments to the regulatory legal acts were approved taking into account the need to create equal regulatory requirements for all banks, including banks conducting operations in accordance with the principles of Islamic finance.

Risk management

Innovation in the banks' activities control was the Regulation "On Internal Capital Adequacy Assessment Process for the Commercial Banks of the Kyrgyz Republic" (ICAAP) approved by the National Bank in order to improve the ability of the banks to maintain internal capital at the level sufficient to cover the risks inherent in their activities. The ICAAP is a part of Basel II¹ and contains the requirements for the commercial banks to have their own capital adequacy assessment process, as well as the structure of the ICAAP report and the procedure for submitting thereof.

In addition, according to the recommendations of the Basel Committee on Banking Supervision regarding capital requirements and standards for the expanded use of the rating agencies' external assessments within the framework of harmonization of the legislation

¹ Basel Committee on Banking Supervision: "International Convergence of Capital Measurement and Capital Standards: New Approaches", June 2004.

of the EAEU member states in the financial sphere, the regulatory legal acts provided for the criteria for use of the rating agencies' external assessments by the commercial banks, which may be recognized depending on the type of requirements or jurisdiction.

The requirement for the systemically important banks to maintain the total capital adequacy ratio (K2.1) at the level of at least 14 percent for the purpose of strengthening their sustainability came into force in the reporting year.

In order to strengthen the banks' information security and minimize operational risks, the requirements for external audit of the information systems were expanded to enable the banks to localize vulnerable areas in the information systems as well as to conduct thematic audit of individual business processes.

The requirements for the size of loan loss provision on foreign currency loans secured by the guarantees and provided on the basis of the decisions made by the Cabinet of Ministers of the Kyrgyz Republic were revised in order to encourage the commercial banks to finance strategic sectors of the country's economy.

A new version of the Regulation "On Minimum Requirements for the Code of Corporate Governance of the Commercial Banks of the Kyrgyz Republic" was approved within the framework of improving the requirements for the corporate governance system of the banks. The Regulation provides for the requirements for development of an internal code of corporate governance, dividend distribution policy, information policy, as well as the principles of Ecological and Social Management System, the rules of interaction among the management bodies, the Shariah Council and structural units in conducting banking activities in accordance with the principles of Islamic finance.

In order to protect the rights of borrowers and pledgers and to reduce the debt burden on loans, new requirements were introduced for the financial-credit organizations in terms of reducing the maximum amount of accrued penalties (fines, forfeits) on overdue loan debt from 20 down to 10 percent.

In order to exclude excessive underestimation of the collateral value, the requirement for the financial-credit organizations to assess the value of the collateral item in the form of immovable property not less than 50 percent of the appraised value was established.

The National Bank made a decision to strengthen the requirements for calculation of the bank's capital adequacy prudential ratio for the loans extended to the individuals and individual entrepreneurs in the national currency with the interest rate exceeding 27 percent. At the same time, the requirements were eased in respect of loans for trade and commercial operations, as well as in respect of consumer loans in the national currency issued at the interest rate not exceeding 18 percent.

The National Bank introduced a "cooling-off period" to enhance the security of remote banking services, protect the consumers' rights and reduce the risks of fraud in the course of loan processing. During the "cooling-off period", the banks are obliged to take control measures to obtain confirmation from the client for loan formalization.

Recommendations for the financial-credit organizations aimed at introducing the principles of responsible banking and socially responsible approaches to customer service were developed within the framework of implementation of the Strategy for Financial Inclusion for 2022-2026 approved by the order of the Cabinet of Ministers of the Kyrgyz Republic. The main emphasis is placed on improving accessibility of banking services for the people with disabilities, including adaptation of infrastructure, digital platforms and service procedures.

In order to create conditions for cooperation of the banks with state participation interest with the State Mortgage Company, amendments were approved in certain regulatory legal acts concerning extending the loans within the framework of implementation of the state programs approved by the Cabinet of Ministers of the Kyrgyz Republic.

Amendments to the Law of the Kyrgyz Republic "On Protection of Bank Deposits" in terms of inclusion of e-money in the definition of the term "deposit"

Effective corporate governance

Protection of consumers' rights

Bringing in compliance with the legislation

conditioned introduction of amendments and additions to certain regulatory legal acts concerning the requirements to the form for database generation on the bank's liabilities to the depositors.

Amendments introduced in the tax legislation stipulate that the commercial banks are entitled to independently upload the certificates of clients' tax registration from the tax authority online service. In addition, supplements were added in the list of documents that may be submitted by the individual entrepreneurs conducting activities on the basis of a patent or business tax in the special economic zones.

Banking services digitalization

The eligibility criteria for innovative banking products and services, as well as the requirements for the participants of the special regulatory regime within the framework of the Regulation "On Special Regulatory Regime" were revised. These changes are focused on improving the existing practice of testing innovative products and services.

Certain limits were increased for the operations with e-wallets and bank accounts of the individual entrepreneurs identified and verified remotely in order to support and make banking services more accessible to small- and medium-sized businesses.

Banks licensing

The National Bank approved amendments to the Regulation "On Licensing of Banks' Activities" in terms of expanding the list of activities that are recognized as work experience related to banking or financial activities with approval of the bank's shareholders and officials. These amendments also related to obtaining a permit of the National Bank for acquisition of threshold participation in the bank's capital by the state body authorized to exercise the powers of a shareholder on behalf of the Cabinet of Ministers of the Kyrgyz Republic.

The requirements for qualification of the bank officials were revised taking into account digitalization development in the banking system. In addition, the requirements for the banks in obtaining a permit to conduct banking operations with precious metals in the form of refined measuring bars issued by the National Bank were changed.

6.2.2. Regulation Methodology of Non-Banking Financial-Credit Organizations

In 2024, improvement of the regulatory legal framework governing the activities of non-banking organizations supervised by the National Bank was focused on further development of microcredit market, improvement of regulatory reporting, reducing the risks in the NBFCOs activity, as well as updating the requirements for licensing their activities.

Expanding access to the NBFCOs services

The threshold for the amount of loans issued without consent of the client's spouse was increased, the requirements for drafting the reports by non-banking financial-credit organizations on inspections of intended use of loans were simplified as part of expanding access to microloans, optimizing their issuance and reducing the NBFCOs' operating costs. At the same time, approaches to analyzing and assessing the solvency of borrower's and guarantor's solvency depending on the loan size and type, the client's activity and income were changed for the microfinance organizations.

Protection of borrowers' and pledgers' rights

The requirements were established to protect the rights of pledgers who are not the borrowers. According to these requirements, when more than one pledged property is provided to secure a loan and a third party (not a borrower) acts as a pledger, a non-banking financial-credit organization must give it a preferential right (in relation to the borrower) to replace or release the pledge in case of repayment of more than 50 percent of the loan principal amount.

Standards were adopted to reduce the maximum amount of accrued penalties (fines, forfeits) on a loan from 20 down to 10 percent of the loan amount in order to reduce the debt burden of the borrowers of non-banking financial-credit organizations.

A standard on investment in fixed assets was established for the microfinance companies in order to regulate operations with fixed assets.

The requirements for conducting exchange operations with foreign currency in cash and liability for their violation were strengthened for the entities supervised by the National Bank.

In 2024, amendments were introduced in certain regulatory legal acts in the area of NBFCOs licensing concerning the requirements for the length of service of the structural subdivision heads in the microfinance companies and “Financial Company of Credit Unions” OJSC.

The requirements for license issuing when a commercial bank is re-registered as a microfinance company have been amended to enable the microfinance company to obtain the license with or without the right to attract time deposits. Moreover, the requirements have been established for the authorized capital of the commercial banks when they are re-registered as the microfinance companies.

New versions of the rules governing activities of the guarantee funds and “Financial Company of Credit Unions” OJSC were approved.

To improve the regulatory framework regarding Islamic finance principles, amendments were introduced to the requirements for the preparation of NBFCOs financial statements and their publication in the mass media.

Given the existing demand in the microfinance service market, the limit on the amount of finance provided by a microcredit agency to one client or a group of related persons was increased. In addition, amendments to certain regulatory legal acts were approved to create equal regulatory requirements for the activities of microfinance organizations conducting operations in accordance with the principles of Islamic finance.

Licensing of NBFCOs

Regulatory rules

Principles of Islamic finance

6.2.3. Regulation Methodology of Payment Systems Operators and Payment Organizations Activity

In the reporting year, the National Bank took measures to improve the regulatory legal acts on expanding accessibility of banking and payment services as well as on protecting the consumers' rights.

Amendments were introduced in the legislation and certain regulatory legal acts of the National Bank based on the results of successful testing under the special regulatory regimes of banking services for acquiring payment cards and issuing pre-issued credit cards to extend loans in non-cash form.

The National Bank expanded the list of operations and increased the limits on operations conducted by the users via the agents' mobile applications.

In order to ensure regularity and guarantee of timely final mutual settlements on payments, amendments were introduced in the Regulation “On Minimum Requirements to the Settlement Bank” concerning interaction of the settlement bank with the payment system participants.

In order to promote development of the innovative payment methods, in particular in the remote regions of the country, an amendment was introduced in the Rules for making payments and transfers with the use of two-dimensional barcode symbols (QR-code), according to which the commercial banks were provided with the opportunity to act as an interaction operator¹ from the moment of obtaining a permit to conduct activities on receiving, processing and issuing financial information.

Expanding access to the banking and payment services

¹ Interaction operator is a payment system operator that provides technical interaction with the payment system participants and generation of the clearing files for the final settlement on payments using QR-code, having a license issued by the National Bank of the Kyrgyz Republic to provide services for receiving, processing and issuing financial information (processing, clearing) on payments and settlements made by the third parties to the participants of the payment system, this processing, clearing center.

Protection of consumers' rights

Holders of the cards issued by third-party issuers are given the opportunity to withdraw funds through ATMs in the amount of not less than 200 (two hundred) estimate indicators in the national currency or the equivalent of this amount in foreign currency for one operation.

Relevant amendments were introduced in the Regulation “On Bank Payment Cards in the Kyrgyz Republic” in order to bring it in line with the Law “On Payment System of the Kyrgyz Republic” in terms of domestic payments. According to these amendments, the processing centers should be located in the territory of the Kyrgyz Republic and ensure regular and uninterrupted functioning of the settlement systems using the bank payment cards of the international payment systems through their connection (integration) with the processing center of the national payment system operator.

In order to increase the accessibility of the digital banking services, the population was provided with the opportunity to make money transfers in the national currency in the territory of the Kyrgyz Republic without commission using mobile applications and Internet banking.

Relevant amendments were introduced in the State Classifier of Payment Turnover within the framework of bringing it in line with the Budget Classifier of the Kyrgyz Republic for systematization of information on payment turnover.

6.3. Regulation and Supervision

6.3.1. Supervision of the Commercial Banks

According to the Constitutional Law “On the National Bank of the Kyrgyz Republic” the National Bank regulates and supervises the banking system of the Kyrgyz Republic, including the activities of banks and banking groups.

In 2024, the National Bank supervised the commercial banks through the remote analysis and on-site inspections in compliance with the principles of risk-based oversight.

External (remote) supervision over the commercial banks' activities is conducted on a regular basis and includes monitoring, analyzing the dynamics of financial status on the basis of periodic reporting, monitoring of the changes in the risk profile taking into account the inspections' results, internal and external audit, as well as monitoring and assessment of changes in the banks' business plan.

Inspections are conducted directly in the commercial banks and cover assessment of corporate governance, risk management and internal control systems, analysis of information security, liquidity, profitability, capital adequacy, quality of assets and liabilities, and the degree of exposure to operational and market risks, as well as verification of compliance with the legislation of the Kyrgyz Republic, including control over the risks of terrorism financing and money laundering (CTF/AML).

In the reporting year, the National Bank conducted 146 inspections of the activities implemented by the commercial banks and their subdivisions (branches and savings offices). 253 instructions, 112 warnings (recommendations) were sent, and 12 fines in the total amount of KGS 25.2 million were imposed based on the results of inspections and external supervision. The prescriptions and warnings were focused on reducing credit, operational, foreign exchange, CTF/AML and information security risks, as well as on strengthening the banks' internal control system in terms of the commercial banks' compliance with prudential standards and cash discipline.

In 2024, the Supervisory Committee of the National Bank held 53 meetings where 124 issues on regulation of the commercial banks' activities were discussed, including taking supervisory response measures and implementing fit and proper testing of the commercial banks' officials.

*External supervision and inspections**Enforcement measures*

6.3.2. Supervision over Non-Banking Financial-Credit Organizations

In 2024, the National Bank conducted supervision of the NBFCOs through external (remote) oversight and on-site inspections, including by applying a risk-based approach to the activities of the microfinance organizations.

External supervision and inspections

The National Bank continued to regulate and supervise the NBFCOs activity in order to fulfil the objectives for ensuring sustainability and stability of NBFCOs, protecting the rights of financial services consumers, as well as taking preventive measures of supervisory response.

In 2024, the National Bank conducted inspections of the activities of 12 microfinance organizations, 27 credit unions and 160 exchange bureaus in order to assess the activity of the NBFCOs for compliance with the legislation of the Kyrgyz Republic and the regulatory legal acts of the National Bank, including the issues of protecting the rights of financial services consumers.

In the reporting year, based on the results of oversight over the activities of NBFCOs and other legal entities supervised by the National Bank, 349 instructions were sent to exchange bureaus, 166 instructions to microfinance organizations, 156 instructions to credit unions, and 11 instructions to a specialized financial-credit organization due to revealed violations of the legislation of the Kyrgyz Republic and the regulatory legal acts of the National Bank. In addition, the licenses of 84 exchange bureaus and one credit union were temporarily suspended, the registration certificate of one microfinance organization was revoked, and the licenses of seven exchange bureaus and one credit union were revoked.

Enforcement measures

The National Bank also applied sanctions in the form of imposing a fine in accordance with the Code of the Kyrgyz Republic on Offences against 35 exchange bureaus, 17 microfinance organizations and 6 credit unions for the total amount of KGS 3.2 million.

In the reporting year, the National Bank continued its work on detection and suppression of unlicensed activities in the sphere of foreign exchange operations in cash. 194 inspections were conducted within the framework of joint activities with the Ministry of Internal Affairs of the Kyrgyz Republic and the State Tax Service under the Ministry of Finance of the Kyrgyz Republic. Based on the results of these activities, the National Bank imposed fines on 192 individuals and 2 legal entities for the total amount of KGS 3.5 million according to the Code of the Kyrgyz Republic on Offences.

Measures against unlicensed activity

6.3.3. Payment Systems Operators and Payment Organizations Supervision

In 2024, the National Bank supervised the activities of the payment systems operators and the payment organizations (PSOs/POs) through off-site analysis and on-site inspections, taking into account the system's internal control assessment, implementation practice, correctness and reliability of the submitted reports and data to the National Bank. Particular attention was paid to the issues of compliance with the regulatory legal acts of the Kyrgyz Republic, ensuring smooth operation of the payment systems, the payment services consumers' rights protection, CTF/AML, security of the information systems also the hardware and software complexes.

Off-site supervision was conducted by analyzing periodic reporting and other information provided by the supervised entities and other sources in terms of timeliness, correctness and reliability of the reports and data submitted to the National Bank, as well as compliance with the legislation of the Kyrgyz Republic.

Off-site supervision over PSOs/POs

In 2024, the National Bank conducted 15 PSOs/POs on-site inspections, among them 4 inspections were conducted under the special regulatory regime (sand box). Inspections included the systems of risk management, internal control, functioning of the hardware and software complex assessment, as well as the issues of information security

On-site inspections of PSOs/POs

*Enforcement
measures applied
to the PSOs/POs*

and compliance of the PSOs/POs with the established requirements of the legislation of the Kyrgyz Republic, including the requirements of the CTF/AML.

The National Bank sent 38 instructions based on the results of off-site supervision and on-site inspections due to identified violations and shortcomings in the activities of PSOs/POs. Moreover, accordance to the Code of the Kyrgyz Republic on Offences 7 fines on KGS 385 thousand were imposed to the supervised entities. For violation of the legislation of the Kyrgyz Republic and the regulatory legal acts of the National Bank one PSO's license and one PO's license were revoked by the Payment System Committee of the National Bank.

*Payment System
Committee*

In reporting year, the Payment System Committee held 31 meetings, where 57 issues related to regulation and licensing of the PSOs/POs activities were considered, including issue/extending of licenses under the special regulatory regime, and approval of the National Bank's the regulatory legal acts drafts.

CHAPTER 7. PROTECTION OF CONSUMERS' RIGHTS AND IMPROVEMENT OF FINANCIAL LITERACY

In the reporting year, the National Bank continued to protect the rights of banking services consumers. Development and improvement of the consumer protection mechanisms become more important as new innovative banking products appear in the market. This work was implemented within the framework of considering the applications of banking services consumers and improvement of legislation in this sphere.

In 2024, financial inclusion and improving financial literacy of the population remains among the main areas of the National Bank's activity.

7.1. Protection of Consumers' Rights

Citizens' written applications were considered, consulting assistance was provided in the format of receiving the population, and on-site inspections were conducted within the framework of consumers' rights protection.

In 2024, the National Bank considered 1,126 applications (in 2023 – 927), among them 796 were reviewed on the activities of the commercial banks (in 2023 – 666), 204 – on the activities of non-banking financial-credit organizations (in 2023 – 184), 34 – on the payment system operators and the payment organizations (in 2023 – 4), and 92 – on other issues (in 2023 – 73).

Generally, consumers' applications concerned the issues of servicing bank accounts, deposits, money transfers, debt refinancing, verification of contractual terms and conditions for compliance with the legislation, procedures for sale of collateral, enforcement of court decisions, as well as the facts of fraudulent operations.

Clarifications were given to resolve raised issues, as well as 229 applications were fully satisfied upon consideration of 1,100 applications. 26 applications were not satisfied due to court judgements.

Enforcement measures were taken – 10 instructions were sent to the supervised organizations, due to revealed shortcomings and violations of certain requirements of the Kyrgyz Republic legislation. Enforcement measures were taken to strengthen the internal control systems in terms of ensuring timely and quality consideration of incoming consumer applications, bringing the internal regulatory documents on respecting consumers' rights in line with the banking legislation of the Kyrgyz Republic, and disclosing information in the process of loan processing and extending.

Consulting and legal assistance, with arrangement of personal appointments was provided to more than 1,200 citizens – the consumers of banking and payment services.

Innovative technologies provide significant opportunities for simplified and accelerated banking services. At the same time, the risks of citizens' money loss from various methods of fraud are increasing. Under these conditions, in the reporting year, a significant part of activities was devoted to improvement of the legislation to reduce the level and prevent fraudulent operations in the banking system of the Kyrgyz Republic.

In order to strengthen security measures and prevent citizens' exposure to fraud when applying for online loans, the National Bank adopted a resolution on introduction of a "cooling-off period", according to which funds for online loans are credited to the client's account after a certain period of time. In addition, according to the resolution of the National Bank, the banks are obliged to make control calls to confirm applications for amounts over KGS 100 thousand taking into account the clients' risk profile.

The interagency working group (IWG) comprising the representatives of the National Bank, the government agencies, the commercial banks and the mobile operators was

Consideration of applications of the financial services consumer

Measures to enhance consumers' rights protection

established by the order of the National Bank to develop effective comprehensive measures to minimize fraudulent actions in the financial system.

Measures to combat financial fraud were discussed within the framework of the IWG's operation. The National Bank developed a draft concept of a platform for exchange of information on fraudulent operations.

In 2024, regular measures were taken to expand the scope of retail non-cash payments. In order to further increase the share of non-cash payments and settlements in the Kyrgyz Republic and expand accessibility of digital banking services for the population, the Board of the National Bank adopted a resolution of the National Bank Board, according to which, until December 31, 2025, the commercial banks and the payment organizations of the Kyrgyz Republic are temporarily prohibited to charge commission fees from the individuals for provision of services on money transfers in the national currency within the Kyrgyz Republic conducted via mobile applications and the Internet.

7.2. Improvement of the Financial Literacy

Improvement of the population financial literacy remains among the priority areas of the National Bank's activities. Improving the level of population financial literacy will enable to responsibly manage personal finances, make savings and plan expenditures, assist in increasing the growth of domestic investment, strengthen credit discipline and reduce fraud. These factors, in turn, will have a positive impact on social stability and economy of the country as a whole.

In 2024, the National Bank conducted financial literacy activities within the framework of implementation of the Strategy for Financial Inclusion for 2022-2026, as well as other state programs and concepts.

Seminars and lectures on financial literacy were held in all regions of the country for various target groups, including young people, employees of the government agencies, low-income families, and others. The basics of financial literacy, including the topics of family budget management, savings, loans, investment, financial security, consumers' rights protection, and new financial technologies and products were explained to the participants in an accessible form during the seminars and lectures.

To improve the financial literacy of young people, the National Bank organized about 100 training events in all regions of the country, which were attended by more than 3 thousand people.

The National Bank held seminars on financial literacy activities for their employees within the framework of raising awareness and strengthening interaction with the state and legislative authorities of the Kyrgyz Republic.

Certain measures were taken to improve financial literacy of low-income families receiving state benefits. In Jalal-Abad oblast, seminars were held for 90 citizens participating in the state social assistance program of the Ministry of Labor, Social Security and Migration of the Kyrgyz Republic.

To improve financial education in the general education schools according to the international practice of teaching financial literacy, the National Bank, together with the Ministry of Education and Science of the Kyrgyz Republic, worked on development of a draft modified program and teaching and methodological manual for the purpose of introducing the subject "Human and Society" for the pupils of 10th grades of secondary schools into the educational standard.

In addition, in 2024, the National Bank took measures to improve the qualifications of the school teachers and the heads of financial literacy circles established on the basis of the regional centers of extracurricular education to further promote financial literacy among schoolchildren.

Seminars and lectures on financial literacy

Implementation of international practice in financial education

Improving the financial literacy of migrant workers and their families remained among the priority focuses. With the support of the office of the International Organization for Migration in Kyrgyzstan, seminars on financial literacy were held for the representatives of non-governmental organizations involved in the projects to assist migrants and their families. In order to implement measures to improve financial literacy within the framework of the regional project “Program to Promote Regulated Labor Migration in Central Asia”, the third meeting of the Regional Coordination Mechanism was attended and work was implemented to create a training module on financial literacy.

*Improvement
of the migrants
financial literacy*

During the past ten years, the National Bank traditionally conducted the annual information and education campaigns “Global Money Week” and “World Savings Day” to engage young people and shape savings behavior of the population.

Annual events

During these campaigns, with the support of the partner organizations, about 480 different information and education events were held in 2024: financial literacy lessons in schools, guest lectures and trainings at universities, financial literacy Olympics, excursions, open days in the commercial banks, contests of children’s drawings and videos, interactive games, and others. Direct coverage of the population totaled over 19,000 people, indirect coverage – about 1.2 million people.

In addition, in honor of the 100th anniversary of the World Savings Day, a financial fair was organized at the Kyrgyz National University named after J. Balasagyn, which was attended by more than one thousand people: university professors and students, secondary schoolchildren, residents and guests of Bishkek. Participants of the fair were provided with information on financial literacy, terms of the banking products and services provided by the commercial banks, the insurance companies, the pension funds and other financial organizations. Active participants were awarded with special prizes and souvenirs.

*Internet resources
and social networks*

The National Bank actively used Internet resources and social networks, including the information and educational portal www.finsabat.kg and Finsabat social media pages to promote financial literacy. Visual products – more than 100 short videos, as well as podcasts, articles, and other materials were prepared to ensure accessibility of information. Information materials were devoted to the topics of financial planning, savings, loans, investing, financial security, consumers’ rights protection, new financial technologies and products, and others. More than 420 materials were posted in the National Bank’s resources on financial literacy, which were viewed by more than 536 thousand Internet users during the year.

CHAPTER 8. INTERNATIONAL COOPERATION

Cooperation with international financial organizations

In 2024, the National Bank was actively engaged in strengthening international cooperation with the international financial organizations, the central (national) banks, as well as within the framework of integration associations. The main emphasis was placed on participation in the international events, exchange of experience and discussion of the key issues in the financial sector.

The National Bank, as the office of the Governor of the Kyrgyz Republic in the International Monetary Fund, as well as in accordance with the Regulations on Interaction of the Government Bodies of the Kyrgyz Republic for Cooperation with the IMF¹, performs the functions of the coordinator within the framework of cooperation of the Kyrgyz Republic with the IMF.

During 2024, interaction with the IMF was conducted on economic policy issues within the framework of the country's membership in the IMF and on separate areas of the National Bank's activities, including technical cooperation.

In January 2024, consultations under Article IV of the IMF Agreement were successfully completed after review and approval by the IMF Executive Board of the IMF Country Staff Report on the Kyrgyz Republic containing assessment of the macroeconomic policy in the country and the IMF recommendations to the authorities of the Kyrgyz Republic. In September of the reporting year, during the visit of IMF representatives to the Kyrgyz Republic, preliminary discussions were held on the economic situation in the country and conducted policy within the framework of preparatory work for the next consultations under Article IV.

During the official visit of the IMF Deputy Managing Director Mr. Bo Li to the Kyrgyz Republic, the National Bank organized an economic forum with involvement of the representatives of government agencies, international organizations, development funds and the banking sector. The economic forum became a unique platform for discussing the topical issues, such as regional cooperation, development of green economy, strategies for adapting to climate change and reducing its negative consequences, as well as attracting investments. The visit of the IMF Deputy Managing Director strengthened the dialog between the authorities of the country and the IMF, the development partners, donors, and investors.

The National Bank, within the framework of cooperation with the IMF, provided technical assistance to the Bank of the Lao People's Democratic Republic on strengthening the monetary policy framework and specific features of monetary operations. The National Bank presented its experience in developing and improving monetary policy instruments and shared practical recommendations on their application.

In the reporting year, the National Bank with the support of the World Bank (WB) and OGREsearch consulting company successfully completed development of the dynamic stochastic general equilibrium model (DSGE-model)² for further application of its results in monetary policy decision-making. The developed DSGE-model is used by the National Bank for analyzing and modeling of various scenarios of economic development of the Kyrgyz Republic, as well as allows to better respond to internal and external shocks when conducting monetary policy.

The National Bank conducted active work with the WB consultants on the issues of developing the digital financial infrastructure and improving the regulatory legal framework for the payment system taking into account the current trends and rapid development of the digital payment technologies. The regulatory legal documents for capital adequacy assessment and the guidelines for supervising the behavior of the financial-

¹ Resolution of the Government of the Kyrgyz Republic and the National Bank of the Kyrgyz Republic of the Kyrgyz Republic No. 115/07/1-1 dated February 27, 2018.

² DSGE-модель (Dynamic Stochastic General Equilibrium) is a dynamic stochastic general equilibrium model used in macroeconomics to analyze economic processes and forecasting.

credit organizations in the market for observance of the banking services consumers' rights were developed as a result of interaction with the WB consultants.

The World Bank assisted the National Bank in implementing the project “Enhancing financial stability, promoting innovative financial products, and expanding access to financial services” focused, inter alia, at improving the instruments of regulation and supervision over the financial-credit organizations.

Cooperation with the European Bank for Reconstruction and Development (EBRD) is implemented in several directions. In 2024, the National Bank has reached an agreement with the EBRD on initiation of a joint project to conduct the Money Market Diagnostic Framework (MMDF) of the Kyrgyz Republic. As a result of this project, it is expected to implement measures for development of new financial instruments and activation of the interbank money market participants, which will create conditions for strengthening the national capital market and stimulating the market mechanisms of lending.

In 2024, the Memorandum of Cooperation in the field of governing and regulation of climate corporate management, climate risk management and transition planning in the financial sector was signed with the EBRD, within the framework thereof a series of master classes were held for the employees of the National Bank, the commercial banks, and non-banking financial-credit organizations. The Memorandum on Financing Women Entrepreneurs in Kyrgyzstan was also signed with the EBRD, aimed at increasing access to finance for women entrepreneurs and creating a financial ecosystem.

In the reporting year, activities were completed on implementation of the Islamic Development Bank (IDB) technical assistance focused on building the specialists' capacity in the field of the principles of Islamic finance, improving the regulatory framework, and raising public awareness about the principles of Islamic finance.

The seminars were organized for the specialists of the National Bank and the financial-credit organizations, including members of the Sharia Councils, in the areas of “Islamic Banking”, “Sharia Management” and “Supervision of the Islamic Financial-Credit Organizations” with participation of the National Institute of Banking and Finance (NIBAF) – the training center of the Central Bank of Pakistan. Work with involvement of the international consultants to improve the regulatory framework for development of the principles of Islamic finance was completed.

Two books were translated – from Arabic into Russian language and from English into Kyrgyz language, and a brochure on the principles of Islamic finance was published with support of the IDB. The purpose of this literature is to form a correct understanding among the population of the essence of the principles of Islamic finance.

In March 2024, a forum on the “Role of Financial Literacy in Development of the Principles of Islamic Finance” was organized to define the role of financial literacy and public awareness in development of the principles of Islamic finance.

In the reporting year, the representatives of the National Bank, as part of their membership in the Islamic Financial Services Board (IFSB), worked in the editorial commission to check the translation into Russian of two IFSB standards on Islamic insurance and the capital market.

The National Bank actively promoted development of cooperation between the Kyrgyz Republic and the integration associations.

At the 11th Summit of the Organization of Turkic States (OTS) held in Bishkek, the heads of national (central) banks of the participating countries signed the Memorandum on the establishment of the Council of National (Central) Banks of the OTS member states. The purpose of the memorandum is to strengthen effective cooperation between the national (central) banks by conducting joint consultations and research in the field of monetary policy, financial stability, development of the payment systems, the financial technologies and other areas of mutual interest.

The National Bank continued to work as part of the Advisory Council on Foreign Exchange Policy of the Central (National) Banks of the EAEU Member States, as well

*Cooperation
with integration
associations*

as the advisory committees on macroeconomic policy, statistics and financial markets under the Eurasian Economic Commission. In addition, the National Bank participated in the activities of the working group on coordination of the national payment systems development.

The issues of monetary policy, the mechanism for distributing customs duties, harmonization of legislation in the sphere of the financial market and the current situation in the EAEU countries were discussed in the course of work. Implementation of the Concept for Creation of the EAEU Common Financial Market was continued, as well as the plans and programs focused on developing economic integration and statistics within the EAEU, and methodological work on digital currencies of the central banks.

On the platform of the Eurasian Council of Central (National) Banks (ECB) the state of balance of payments, dynamics of international reserves, financial stability of the banking sector and foreign exchange markets, implementation of national strategies of financial inclusion, as well as professional training of the staff – members of the ECB – were discussed.

Within the framework of interaction with the Shanghai Cooperation Organization (SCO), the National Bank participated in the expert meetings on implementation of the Road map for gradual increase in the share of the national currencies in mutual settlements among the SCO member states.

In 2024, the National Bank expanded international cooperation as part of the project to test the Digital Som prototype. The representatives of the National Bank participated in the spring Web 3.0 summit in Hong Kong, where the National Bank's experience in the field of digital currencies and innovative financial technologies was presented.

For the purpose of sharing experience in implementation of the central banks' digital currencies, meetings were held with the National Bank of Georgia and "National Payment Corporation of the National Bank of the Republic of Kazakhstan" Joint-Stock Company, as well as cooperation was established with the Laboratory for Economic Analysis and Design of the Massachusetts Institute of Technology.

The representatives of the National Bank participated in the regional meeting of the national (central) banks of the countries of Central Asia and Azerbaijan, where the following issues were discussed: the latest trends in the payment industry, introduction of OpenAPI and Open Banking, development of the payment system in the Kyrgyz Republic and digital currencies of the central banks. Following the results of the meeting, agreements were reached on development and exchange of experience in the field of payment systems.

The Memorandum of Understanding was signed between the National Bank and the Central Bank of Mongolia to strengthen bilateral relations and exchange experience in the banking sector. In addition, the Memorandum of Understanding was signed with the Financial Regulatory Commission of Mongolia to establish relations and improve the efficiency of information exchange and co-operation in the field of corporate governance, risk management and internal control.

The National Bank signed the Memorandum of Mutual Cooperation with the Central Bank of the Republic of Azerbaijan to provide mutual support, cooperation, exchange of experience and information in the field of monetary policy, financial sector, payment systems, financial technologies and financial literacy.

To expand cooperation between the National Bank and the Reserve Bank of India, an agreement was concluded between the National Bank and the Reserve Bank of India focused on cooperation in the field of banking, exchange of information and integration of the national payment systems.

The agreements were concluded between the National Bank and the Central Bank of the Republic of Uzbekistan on banking supervision and cooperation in the field of anti-money laundering and counter-terrorism financing.

*Cooperation
with the national
(central) banks*

The National Bank signed the Memorandum between the Kyrgyz Republic and the Russian Federation on cooperation and exchange of experience on improving financial literacy of the population.

The National Bank signed the Memorandum of Understanding with the Financial Department under the President of the Republic of Türkiye focused on cooperation in the field of financial technologies and creation of a strategy for development of the financial technologies ecosystem in Kyrgyzstan, as well as organization of reconnaissance visits and professional exchange programs.

The representatives of the National Bank participated in the Global Forum on Islamic Economics and Finance organized by Bank Negara Malaysia. The forum addressed the issues such as reforms in sustainable development of the global Islamic economy; integration of modern economic thinking with the principles of Islamic economy; financial inclusion and the relationship between economic growth, inclusiveness and climate actions.

In the reporting year, the National Bank participated in the work of intergovernmental commissions on cooperation of the Kyrgyz Republic with foreign countries in the trade and economic, scientific and technical, cultural and humanitarian spheres. Within the framework of the intergovernmental commissions, the National Bank investigated the issues of establishing and expanding correspondent relations of the commercial banks of Kyrgyzstan with Austria, Azerbaijan, Great Britain, India, China, and South Korea. The issue of co-operation for development of the Islamic banking in the Kyrgyz Republic was also studied with Kuwait, Malaysia, the UAE and Pakistan.

In 2024, the National Bank's activities were focused on maintaining a constructive dialogue with the partners and fulfilling international obligations.

CHAPTER 9. INSTITUTIONAL DEVELOPMENT OF THE NATIONAL BANK OF THE KYRGYZ REPUBLIC

In the reporting year, the work focused on institutional development of the National Bank was continued, within the framework of which the organizational structure of the National Bank was optimized, business processes were improved, and the necessary conditions to raise the employees' professional level were created.

Efficient fulfillment of the National Bank's functions and objectives in the main areas of activity was ensured by the work of committees, commissions, and structural units of the National Bank.

Stable functioning of the National Bank was supported by the corporate management system including risk management and internal control. Internal audits based on the risk-oriented approach were conducted, and interaction with the external auditor of the National Bank was carried out.

Regular work was implemented on improving the regulatory legal acts in the sphere of monetary policy, regulating the activities conducted by the banks, microfinance organizations, payment organizations, and other legal entities supervised by the National Bank.

The National Bank conducted regular communication policy aimed at enhancing the level of confidence in the National Bank's activities by means of informing the public, the government agencies and organizations, as well as maintaining feedback.

9.1. Organizational Development

The main objectives and functions of the National Bank are defined according to the Constitutional Law "On the National Bank of the Kyrgyz Republic" and distributed among the structural units of the National Bank, which together represent its organizational structure. At the end of the reporting year, the organizational structure of the National Bank was represented by 33 units of the central office, five regional departments and the Batken Representative Office of the National Bank.

The National Bank takes regular measures to improve the organizational structure taking into account strategic priorities and the international practice in the central banks' activities.

Within the framework of improving the efficiency of the National Bank's organizational structure, the following departments were reorganized in 2024:

- Economic Department – by reorganizing it into the Monetary Policy Department in order to bring it in line with the legally established powers of the National Bank and more clearly reflect the functions of the National Bank's monetary policy;
- Payment Systems Department – by dividing into the Payment Systems Supervision Department and the Payment Systems Methodology and Licensing Department to separate the areas of responsibility related to the issue of licenses to the payment system entities, development of methodology and further supervision over the payment system;
- Communications and International Cooperation Department – by dividing it into an independent International Cooperation Division and the Public Relations Division.

Establishment of an independent International Cooperation Division made it possible to optimize the process of international cooperation coordination and strengthen the work on promotion of the initiatives and projects related to the National Bank's activities.

The activities of the Public Relations Division are focused on promoting a unified communication policy, financial literacy initiatives, interaction with the mass media, and ensuring functioning of the public information service.

Taking into account the international practice, the Compliance Division was established in the structure of the National Bank, its functions include compliance risk management in the National Bank's activities.

As of the end of 2024, the payroll number of employees of the National Bank amounted to 718 people, of which 633 persons were in the central office and 85 persons – in regional departments and the Batken Representative Office.

Payroll number of employees of the National Bank

Table 9.1.1.

Number of National Bank's Employees (end-of-period, people)

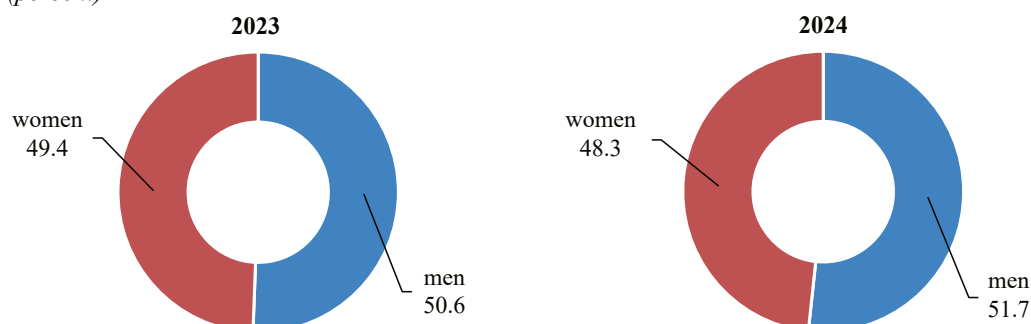
	2023	2024
Total	721	718
Central office	637	633
Regional departments and the Batken Representative Office	84	85

The National Bank pays attention to maintaining gender balance of the employees. At the end of 2024, the number of women amounted to 347 people, men – 371 people: the number of women in the central office amounted to 316 people, men – 317 people; the number of women in the regional departments and the Batken Representative Office amounted to 31 people, men – 54 people.

The number of women percentagewise was 48.3 percent and men – 51.7 percent.

Chart 9.1.1.

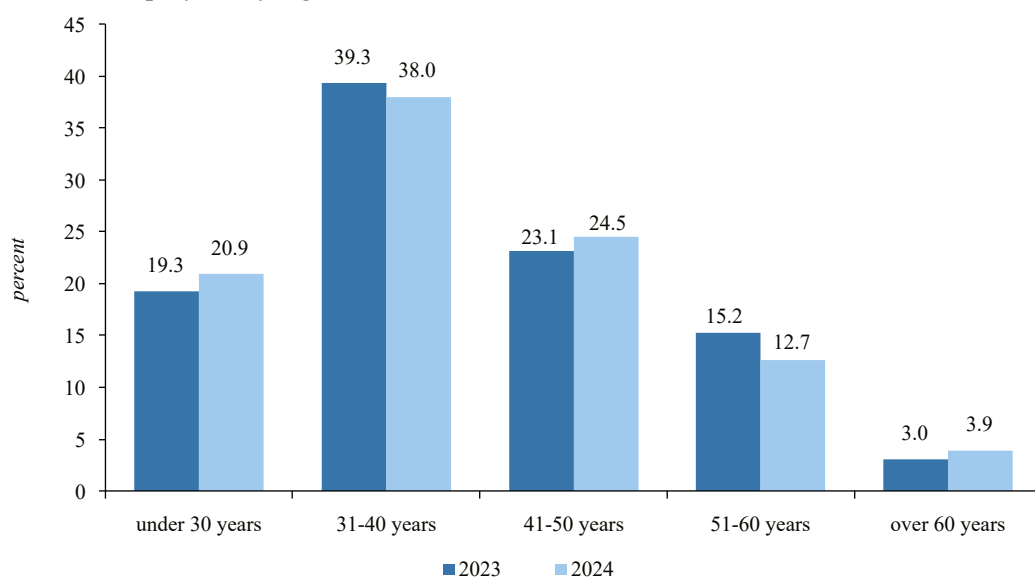
Ratio of Employees by Gender
(percent)



In the age category, the main share of the employees was at the age of 31-40 years.

Chart 9.1.2.

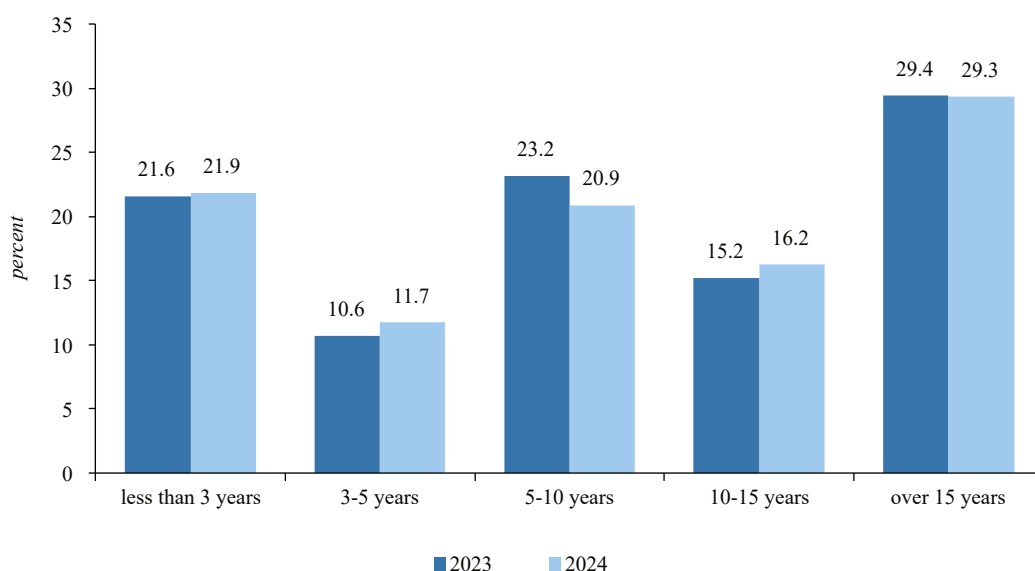
Ratio of Employees by Age



At the end of the reporting period, 30 percent of the employees had more than 15 years of service.

Chart 9.1.3.

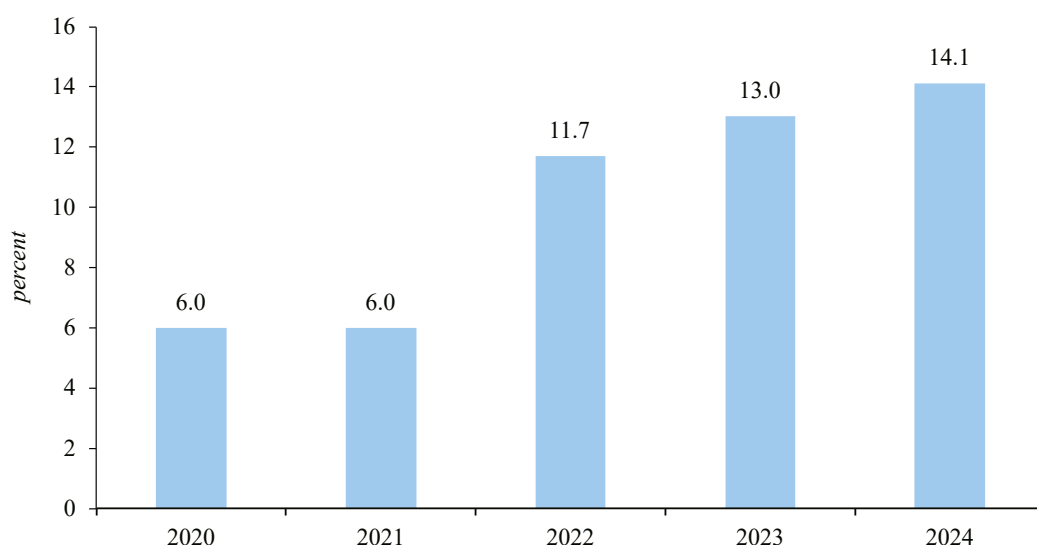
Ratio of Employees by Record of Work



The National Bank experienced an increase in the staff turnover during the last three years under the conditions of a competitive labor remuneration market. In the reporting year, staff turnover amounted to 14.1 percent.

Chart 9.1.4.

Staff Turnover



The National Bank pays great attention to attracting qualified specialists. The system of a competitive selection of employees is applied to ensure an open, equal, and fair approach to employment. This system enables to assess the professional competence and personal qualities of the candidates. Announcements of competitions for vacancies positions are published in the media, in the social media platforms, and on the official website of the National Bank. In 2024, 70 competitions were held, among them 11 – in the regional departments, which resulted in recruitment of 39 candidates – winners of the competitions to the National Bank.

Competitive selection

With a view to replenishing the National Bank's personnel reserve, the program "Young professionals" is implemented on an annual basis. This program provides the university graduates, the final-year students, and the candidates whose age does not exceed 27 years with the opportunity to serve internship in the central bank of the country.

"Young professionals" Program

Training activities are organized on a regular basis in order to strengthen the human resources potential and improve the qualification of the National Bank's employees. In 2024, trainings were conducted for the employees, as well as in the remote mode, in the training organizations of the Kyrgyz Republic and foreign countries, including the central (national) banks.

Personnel vocational training

Monetary policy, digital currency, risk assessment and basics of environmental, social and governance (ESG)¹ principles, Islamic banking, and cyber security were the key areas of training in the reporting year. The employees were also provided with the opportunity to gain and confirm their knowledge with the international certificates of FRM (Financial Risk Manager), CIA (Certified Internal Auditor), CAP (Certified Accounting Practitioner), CIPA (Certified International Professional Accountant), CERM (Certified Expert in Risk Management). Every year, under the scholarship programs of the World Bank, KOICA, JICA, JDS, JISPA, the employees of the National Bank complete master's programs within the framework of long-term training. In the reporting year, 11 employees continued their education in various countries (Germany, Korea, the USA, and Japan).

¹ ESG (Environmental, Social, Governance) principles are the operating principles based on environmental protection, creation of favorable social conditions, fair treatment of the employees and good corporate governance.

9.2. Decision-making System in the National Bank

The decision-making system of the National Bank is represented by the Management Board of the National Bank, the committees and the commissions.

The Management Board is the supreme governing body that determines the main directions of the National Bank's activities. Powers of the Board are defined by the Constitutional Law of the Kyrgyz Republic "On the National Bank of the Kyrgyz Republic". The Board of the National Bank is entitled to establish collegial bodies (committees and commissions), determine their powers and responsibilities, as well as delegate part of its powers to the committees and commissions, except for those defined as its exclusive competence by the legislation of the Kyrgyz Republic. The committees and commissions of the National Bank are headed by members of the Board.

The structural units of the National Bank execute the decisions of the Board, committees, and commissions and implement operational activities of the bank.

Activity of the Board

The Board defines the monetary policy; the policy in the area of supervision over the activities of the commercial banks, the NBFCOs and other legal entities supervised by the National Bank, the payment system operators and the payment organizations; the main directions of development in the banking sector, the NBFCOs sector, and the payment system; establishes the procedure for issue of new samples and denominations of currency signs and the procedure for redeeming the banknotes and coins; adopts the regulatory legal acts; approves the annual report and takes decisions on other issues related to the activities of the National Bank.

In 2024, the Management Board activity was conducted on the basis of the approved annual and quarterly action plans. The Management Board held 86 meetings with 323 considered issues and 190 adopted resolutions, including:

- 19 issues on monetary policy and international reserves management were considered and 19 resolutions were adopted;
- 116 issues on the activities of the commercial banks, the NBFCOs, and other organizations licensed and regulated by the National Bank were considered and 79 resolutions were adopted, including 41 issues on regulatory legal governing of their activities;
- 38 issues on functioning and regulation of the payment system were considered and 15 resolutions were adopted;
- 77 resolutions were adopted on other issues, including organizational activities of the National Bank.

Activity of committees and commissions

The committees and commissions conducted their regular activities for the purpose of efficient fulfillment of the National Bank's functions and objectives. 11 committees and 13 commissions functioned at the end of 2024. Information on the activities of the committees and commissions is provided in Appendix 2 to this report.

9.3. Risk Management System and Internal Control

The National Bank's risk management system is an element of the corporate governance system. The National Bank's risk management process is cyclical and consists of the following basic stages: risk assessment (risk identification, analysis and measurement), risk response, performance monitoring and control, and risk management reporting.

Internal control in the National Bank, being an element of the corporate management system, is organized according to the Constitutional Law of the Kyrgyz Republic "On the National Bank of the Kyrgyz Republic" and takes into account the best practices in the field of internal control.

The risk management system and internal control in the National Bank are based on three lines of protection according to the international standards of internal audit,

COSO ERM¹, ISO 31000 and are focused on supporting stable operation of the National Bank to fulfill its goals, objectives and functions.

The first line of protection ensures risk identification and control measures in the process of the National Bank's operational activity.

The second line of protection provides for methodological and control functions of the National Bank on risk management, including control over compliance with the established limits and restrictions to minimize financial risks and ensure safety of gold and foreign exchange reserves, implementation of measures to reduce the impact of operational risks on the National Bank's activity, including self-assessment of operational risks.

The third line of protection is an independent and objective assessment of the National Bank's risk management and internal control system. The functions of the third line of protection are implemented by the Internal Audit Division, which is independent of the activities conducted by the audited entities and reports to the Management Board of the National Bank and the Audit Committee.

In 2024, the Internal Audit Division conducted audits in the main areas of the National Bank's activity and business processes, including the issues of effective placement of international reserves, licensing of the commercial banks, and implementation of risk-based external oversight of the NBSFCOs' activities.

The Audit Committee assists the Board of the National Bank in ensuring adequate functioning of the internal control system and improving the efficiency of the risk management system, as well as controls the procedures of accounting and preparation of the National Bank's financial statements, provides recommendations to the Board of the National Bank in regulation of interaction with the external auditor and gives assessment to the external auditor's work.

In the reporting period, the Audit Committee held a number of meetings where the following issues were considered: consolidated and separate financial statements of the National Bank; review of the internal control system; monitoring of implementation of the internal and external auditors' recommendations; materials on the activity of the Internal Audit Division; and amendments to the Accounting Policy of the National Bank.

The external audit of the consolidated and separate financial statements of the National Bank for 2024 was conducted by the audit organization "Baker Tilly Bishkek" LLC approved by the Resolution of the Jogorku Kenesh of the Kyrgyz Republic. Based on the audit results, the independent auditor's report was received, according to which the financial statements present fairly in all material respects the financial position of the National Bank as at December 31, 2024.

Introduction of sustainable development principles and assessment of the impact of climate risks (ESG) on the National Bank's activity is a promising area in development of the risk management system. The issue of defining the National Bank's strategy in implementation of the ESG principles is considered and international practice is studied.

9.4. Improvement of Legislation

According to the Constitutional Law of the Kyrgyz Republic "On the National Bank of the Kyrgyz Republic" and the Law of the Kyrgyz Republic "On Regulatory Legal Acts of the Kyrgyz Republic" the National Bank is entitled to adopt regulatory legal acts.

¹ The Committee of Sponsoring Organizations of the Treadway Commission (COSO) is a voluntary private organization established to develop recommendations for corporate management on organizational governance, internal control, and risk management in the companies.

Financial and operational risk management

Internal Audit Division

Audit Committee

External audit

Long-term objectives

Development of the regulatory legal acts

The National Bank works on improvement of the regulatory legal acts in the sphere of monetary policy, regulation of the activities implemented by the banks, the microfinance organizations, the payment organizations, and other legal entities supervised by the National Bank. In the reporting year, the National Bank adopted 65 resolutions regulating legal relations in the above-mentioned areas.

At the same time, amendments were introduced in the following laws at the initiative of the National Bank:

- upon successful completion of a special regulatory regime to test a limited list of banking operations by one microcredit company, amendments were introduced in the Law of the Kyrgyz Republic “On Microfinance Organizations in the Kyrgyz Republic” stipulating the possibility for the microfinance and the microcredit companies to render services on issuing credit cards of the national payment system for extending loans in non-cash form and acquiring payment cards;

- in order to create conditions for development of non-cash payments, to ensure uninterrupted payments made using the cards of the international payment systems and to ensure the availability of highly-demanded innovative technologies and services, amendments were introduced in the Law of the Kyrgyz Republic “On Payment System of the Kyrgyz Republic”, which stipulate location of the processing centers in the Kyrgyz Republic;

- in order to stimulate attraction of investments in the fuel and energy sector within the framework of investment projects with involvement of the Cabinet of Ministers of the Kyrgyz Republic, amendments were introduced in the Constitutional Law of the Kyrgyz Republic “On the National Bank of the Kyrgyz Republic” to provide the possibility of determining prices (tariffs) in foreign currency.

In 2024, the National Bank also initiated amendments in the following laws:

- the draft laws of the Kyrgyz Republic “On Amendments to the Constitutional Law of the Kyrgyz Republic “On the National Bank of the Kyrgyz Republic” and “On Amendments to Some Legislative Acts of the Kyrgyz Republic on the Legal Status of the National Digital Currency – Digital Som” have been developed in order to launch a prototype of the national currency in digital form “Digital Som” and to create a legal basis for this and define the Digital Som as a legal tender. The draft laws were submitted to the Jogorku Kenesh of the Kyrgyz Republic for consideration;

- within the framework of development of non-cash payments and settlements, upon successful completion of a special regulatory regime to test issue of e-money by one payment organization, amendments were prepared for the Law of the Kyrgyz Republic “On the Payment System of the Kyrgyz Republic” to enable the payment organizations to issue e-money along with the banks. The draft law was submitted to the Jogorku Kenesh of the Kyrgyz Republic for consideration.

In accordance with Article 38 of the Constitutional Law of the Kyrgyz Republic “On the National Bank of the Kyrgyz Republic” the National Bank consults the President of the Kyrgyz Republic, the Jogorku Kenesh of the Kyrgyz Republic and the Cabinet of Ministers of the Kyrgyz Republic.

Within the framework of interaction with the government agencies, the National Bank provided opinions on the draft laws and other regulatory legal acts affecting the issues of financial, banking, and payment systems, fiscal policy, and other issues related to the National Bank’s activity. More than 650 letters were sent to the public authorities during the reporting year.

In 2024, the National Bank participated in the consideration and promotion of 64 draft laws initiated by the deputies of the Jogorku Kenesh of the Kyrgyz Republic, the ministries, the departments of the Kyrgyz Republic and focused on improving the legislation in the budget, tax, investment and other areas within the competence of the National Bank.

*Performance
of financial
adviser’s duty*

Moreover, the National Bank took part in consideration of 56 draft acts of the President of the Kyrgyz Republic and the Cabinet of Ministers of the Kyrgyz Republic aimed at improving the regulatory legal framework in the social, economic, budget, tax and other spheres.

9.5. Communication Policy

The National Bank's communication policy is implemented through the efficient system of internal and external communication based on the principles of transparency, reliability, accessibility and promptness of provided information, as well as regular feedback.

The key elements of conducted communication policy include informing the public about the main areas of the National Bank's activities, explaining the reasons for the decisions taken and the essence thereof, warning the consumers of banking services about possible risks, and others. In 2024, various communication channels and formats were used to increase the audience coverage: the official website of the National Bank, the official pages in social networks, messengers (WhatsApp, Telegram), television, online publications, print media, and radio stations.

Informing the public

Traditionally, interaction with the mass media was an important part of work. In 2024, the National Bank prepared more than 170 publications on its activity, which were placed on various information platforms. The rubric "The National Bank Reports" with infographics on exchange rates and the cost of gold measuring bars, as well as a series of TV shows on financial literacy "Finsabat" were broadcasted on the republican and regional TV channels on a daily basis.

Interaction with the mass media

During the reporting period, the National Bank received 236 requests from the journalists and answers were sent for each request. The results of media space monitoring showed that 11,897 publications about the National Bank's activities were published in the mass media.

Regular press conferences and briefings remained an integral form of communication with the public. More than 100 public statements of the National Bank's representatives were organized in media in the reporting year. The statements were devoted to the topical issues of the National Bank's monetary policy, the situation in the foreign exchange market, digitalization of banking services, issue of banknotes and collection coins, and protection of consumers' rights.

The official website of the National Bank www.nbkr.kg remained among the main channels of communication to provide the public with an opportunity to promptly receive information on the decisions made and policy conducted by the National Bank, current inflation rate, exchange rates, periodic publications, reports, regularly updated statistical data, etc.

Given that social media are becoming the most effective channels for disseminating information, the National Bank remained active user in the social networks and messengers. Own video content, infographics, infomaps, and other visual products were posted on the National Bank's official pages in the social networks. Pages in the social networks were also the platforms for providing prompt feedback to the public and conducting explanatory work. In particular, 24 live broadcasts on topical issues with the representatives of the National Bank were held, in the course of which the users of social networks asked the speakers questions of interest, and the media representatives used the information to prepare materials.

Communication with the public in the remote regions was provided through the regional departments and the Batken Representative Office of the National Bank. 45 informational and analytical materials related to the National Bank activities were published in the regional mass media.

Public Information Service

The public information service activity conducted in the central office, the regional departments and the Batken Representative Office of the National Bank remained one of the key instruments of providing feedback to the population. The work of public information services was focused on providing consultations and information on the issues related to the competence of the National Bank, arrangement of the meetings with the management and specialists of the National Bank for the citizens. Thus, during the year, the public information services received about 9,000 applications through the feedback channels (written and oral applications, official WhatsApp channel).

In 2024, special attention was paid to measures to prevent financial fraud. The National Bank conducted comprehensive information and preventive work in close cooperation with the law enforcement and other government agencies, the commercial banks, and the mobile operators.

The National Bank regularly notified the population of new fraudulent schemes involving the use of digital technologies, as well as disseminated detailed recommendations on how not to become a victim of ill-intentioned persons. In particular, information messages, articles, banners were prepared and posted on the websites of Internet publications, information cards, speeches of the National Bank representatives were organized in the media and social networks, and a joint press conference was held with the Ministry of Internal Affairs of the Kyrgyz Republic and the Association of Legal Entities “Union of Banks of Kyrgyzstan”.

In addition, the National Bank produced video clips warning about the fraudsters, which were shown in public transport in Bishkek. SMS messages on the threat of fraud were sent out on the initiative of the National Bank, with assistance of the mobile operators.

Moreover, information was provided to the public through interaction with the deputies of the Jogorku Kenesh. During the reporting year, 73 letters were sent to the legislative body on the issues related to the National Bank’s activities. Seminars were held for the deputies of the Jogorku Kenesh to provide information on the key areas of the National Bank’s work, including implementation of the Digital Som project.

The numismatic museum of the National Bank with the exposition presenting materials on the history of monetary circulation development continued to receive visitors in 2024. Excursions were organized for schoolchildren and students, foreign citizens, representatives of government agencies, mass media, residents and guests of Bishkek and Osh cities.

During the year, 127 excursions were conducted, the total number of visitors amounted to 2,367 people.

During the excursions, the visitors were presented the designs and samples of banknotes and coins issued in different periods and reflecting the stages of the national currency development and formation.

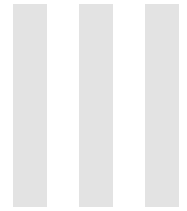
The museum presents expositions of currency units of ancient times found in the territory of Kyrgyzstan, as well as the banknotes and the coins of the current period. In addition, the visitors were presented the collections of commemorative gold, silver and copper-nickel coins made using different manufacturing technologies, gold measuring bars, as well as other numismatic products issued by the National Bank and being awarded prizes at the international competitions.

At the same time, mobile exhibitions of numismatic values were organized and held in the Talas City Museum of Fine Arts, in the buildings of the Issyk-Kul and Jalal-Abad regional offices of the National Bank, as well as within the framework of the III People’s Kurultai of the Kyrgyz Republic. More than 2,000 people visited the exhibitions.

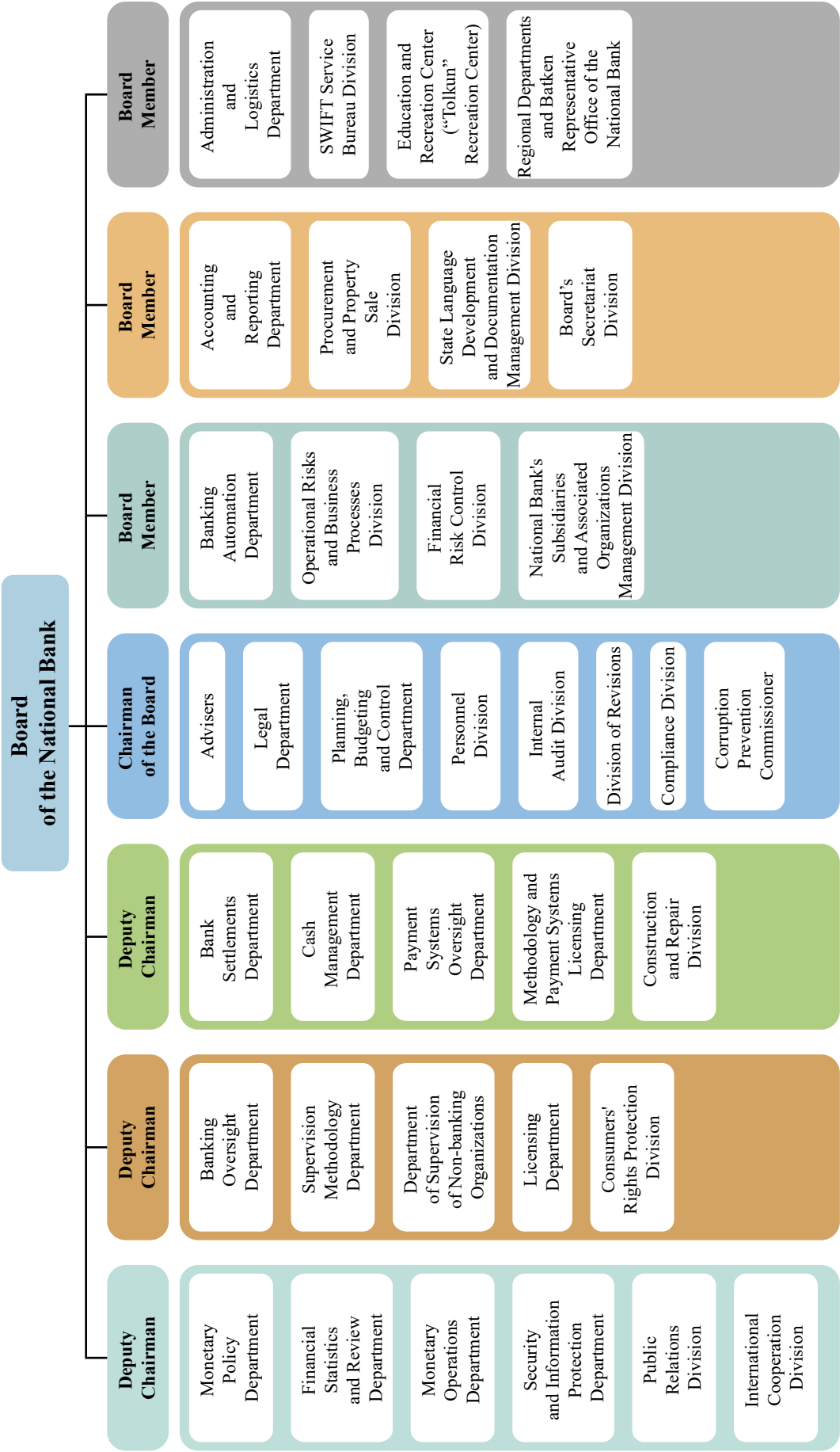
Interaction with the Jogorku Kenesh

Numismatic museum

ATTACHMENTS



Organizational Chart of the National Bank of the Kyrgyz Republic in 2024



Appendix 2
to the Report of the National Bank
of the Kyrgyz Republic for 2024

Main Committees and Commissions
Committees of the National Bank of the Kyrgyz Republic

№	Name	Committees' activity
1.	<i>Monetary Regulation Committee</i>	develops tactical decisions in conducting the monetary policy of the National Bank. The main objectives of the Committee include evaluation and monitoring of the current situation in the monetary sphere, development of recommendations on operations in the open and foreign exchange markets, liquidity regulation in the banking system, and consideration of recommendations on application of the monetary policy instruments. In 2024, 54 meetings of the Committee were held and 132 issues were considered.
2.	<i>Investment Committee</i>	considers and makes tactical decisions on management of the international reserves within the framework of the National Bank's investment policy. The main objectives are to monitor and assess implementation of the National Bank's investment policy, as well as to analyze the effectiveness of investment taking into account the situation in the international financial markets. In 2024, 33 meetings of the Committee were held and 80 issues were considered.
3.	<i>Supervision Committee</i>	decides on licensing, regulation, and supervision of the commercial banks, NBFCOs, and other organizations licensed and regulated by the National Bank. In the reporting period, 53 meetings of the Committee were held and 155 issues were considered.
4.	<i>Payment System Committee</i>	submits recommendations (opinions) on the development trends of the payment system of the Kyrgyz Republic and the innovative payment technologies to ensure efficiency, reliability and security of the payment system, as well as makes decisions on licensing, including under the special regulatory regime, regulation and supervision over the payment system operators and payment organizations. In 2024, 31 meetings of the Committee were held and 57 issues were considered.
5.	<i>Audit Committee</i>	assists the Board of the National Bank in ensuring an adequate internal control system, control over the accounting procedures and preparation of financial statements of the National Bank, as well as supervises the internal audit division. The Committee reviews the materials on the activities of the internal audit division, the National Bank's financial statements, monitoring of the implementation of the internal and external audit recommendations, and the internal control system overview. In the reporting year, 25 meetings of the Committee were held and 43 issues were considered.

6.	<i>Risk Committee</i>	<p>makes decisions on minimization of operational risks in the National Bank's activities by coordinating operations of the structural units in the area of identification, evaluation and constraints of risks inherent in activities of the National Bank.</p> <p>In 2024, 6 meetings of the Committee were held and 17 issues were considered.</p>
7.	<i>Coordination Committee on Information Technologies</i>	<p>determines the main directions of IT development in the National Bank and ensures control over fulfillment of activities for their implementation; coordinates IT projects under implementation, determines technical solutions to the projects and their priority.</p> <p>In the reporting period, 10 meetings of the Committee were held and 36 issues were considered.</p>
8.	<i>Committee for National Bank Subsidiaries and Associated Organizations Management</i>	<p>makes decisions on management of the subsidiaries and associated organizations of the National Bank within the framework of the envisaged powers and develops recommendations to the National Bank Board on involvement of the National Bank in the legal entities' activities as an owner.</p> <p>During the reporting year, 14 meetings of the Committee were held and 28 issues were considered.</p>
9.	<i>Committee on Budgeting and Planning of the National Bank's Activity</i>	<p>makes decisions on budgeting and planning of the National Bank's activity.</p> <p>In 2024, 20 meetings of the Committee were held; reports on execution of the National Bank's budgets, as well as draft budgets and plans for the coming year were considered.</p>
10.	<i>Construction Committee</i>	<p>coordinates and controls the works on construction at the National Bank's facilities; determines rationality and priority of construction.</p> <p>In 2024, 10 meetings of the Committee were held and 27 issues were considered.</p>
11.	<i>Information Security Committee of the National Bank</i>	<p>defines the main directions of information security development in the National Bank, exercises control over implementation of measures aimed at their realization; determines and coordinates activities focused on ensuring information security of the banking system in the Kyrgyz Republic.</p> <p>The Committee meetings are held as and when necessary.</p>

Commissions of the National Bank of the Kyrgyz Republic

№	Name	Commissions' activity
1.	<i>Ethics and Prevention of Corruption Commission</i>	<p>ensures the activity of the National Bank in accordance with the laws on conflict of interests, as well as on preventing and combating corruption through implementation and monitoring of activities against corruption.</p> <p>In 2024, 4 meetings of the Commission were held and 4 issues were considered.</p>

2.	<i>Methodological Commission</i>	approves banking terms and their interpretation; considers draft documents related to introduction of new areas of activity with a view to their methodological elaboration. In 2024, 2 meetings of the Commission were held and 2 issues were considered.
3.	<i>Commission for Organizational Development of the National Bank</i>	examines the issues and prepares proposals on organizational development of the National Bank. In the reporting year, 5 meetings of the Commission were held, 12 issues were considered.
4.	<i>Labor Disputes Commission</i>	considers individual labor disputes in the National Bank in accordance with the Labor Code of the Kyrgyz Republic. During 2024, there were no individual labor disputes in the National Bank, therefore, no meetings of the Commission were held.
5.	<i>Disciplinary Commission</i>	considers the circumstances related to committing a misconduct and submits proposals on taking/non-taking of disciplinary actions to the employees of the National Bank. In 2024, no meetings of the Disciplinary Commission were held.
6.	<i>Commission for Assessment of the Refundable Value of Investments in the National Bank Subsidiaries</i>	determines the calculation methodology for the refundable value of investments in the subsidiaries and assesses the refundable value of the National Bank's investments in the subsidiaries. In the reporting year, one meeting of the Commission was held and 1 issue was considered.
7.	<i>Commission for Current Repair of Buildings and Facilities of the National Bank</i>	inspects the buildings and facilities of the National Bank to reveal the need for current repair or total renovation thereof. In 2024, the Commission conducted 4 inspections of premises at the request of structural units.
8.	<i>Commission for Awards</i>	conducts the unified policy of the National Bank on awarding the employees of the National Bank and the representatives of third-party organizations with the National Bank's prizes. In 2024, 8 meetings of the Commission were held and 16 issues were considered.
9.	<i>Commission for Legal Investigation of Offences</i>	ensures the activity of the National Bank in accordance with the Code of Offences when disputable issues arise on revealed offences and imposed fines. In 2024, 3 meetings were held, 3 issues were considered.
10.	<i>Central Expert Commission</i>	organizes and conducts methodological and practical work on expert examination of the documents, documents selection and preparation for transfer to the National Archive Fund of the Kyrgyz Republic for state storage. In the reporting period, 2 meetings were held, 2 issues were considered.

11.	<i>Commission for Financial Assets and Liabilities Classification</i>	determines classification of the National Bank's financial assets and liabilities in accordance with the International Financial Reporting Standards. In 2024, 4 meetings were held, 4 issues were considered.
12.	<i>Commission for Write-offs and Assessment</i>	determines useful life of the fixed assets and intangible assets, defines unsuitability of the fixed assets, intangible assets and inventories, and draws up the necessary documentation for their write-off. In 2024, 10 meetings were held and 20 issues were considered.
13.	<i>Commission for Purchase of Refined Non-monetary Gold/Silver in the Domestic Market of the Kyrgyz Republic</i>	considers proposals for purchase of the refined non-monetary gold to ensure timely replenishment of stock of the refined gold measuring bars and the National Bank's stock of gold. In the reporting year, 14 meetings were held and 15 issues were considered.

Appendix 3
to the Report of the National Bank
of the Kyrgyz Republic for 2024

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Table 1.
Macroeconomic Indicators

	unit of measurement	2020	2021	2022	2023	2024*
Real sector						
Nominal GDP ¹	millions of KGS	639,688.6	782,854.3	1,020,744.6	1,333,730.0	1,523,235.8
Real GDP growth rate ¹	percent	-7.1	5.5	9.0	9.0	9.0
Rate of growth of industrial output ¹	percent	-6.5	6.5	11.9	4.8	5.6
Rate of growth of gross agricultural output ¹	percent	0.9	-4.5	7.3	0.6	6.3
Rate of growth of wholesale and retail trade; repair of motor vehicles and motorcycles ¹	percent	-14.9	15.3	11.1	16.2	16.3
GDP Deflator (in % to the previous period)	percent	5.3	16.0	19.7	19.9	4.7
Growth of CPI (in % December to December)		9.7	11.2	14.7	7.3	6.3
- food products		17.6	13.3	15.8	3.4	5.4
- alcoholic beverages and tobacco		6.7	11.4	24.4	11.3	11.4
- non-food products		2.4	9.7	12.7	12.2	5.1
- services		3.0	7.1	9.1	9.1	8.1
Growth of PPI (in % to the corresponding period of the previous year)		21.3	11.5	5.1	9.3	13.5
Unemployment level	percent	3.0	2.9	2.8	2.5	1.8
Average nominal wage	KGS	18,493.0	20,249.0	26,620.0	33,258.0	37,361.0
Estimated subsistence level	KGS	5,358.5	6,268.3	7,178.3	7,681.5	7,963.7
Financial sector						
NBKR policy rate (end of period)	percent	5.00	8.00	13.00	13.00	9.00
Yield of NBKR notes (average for the period)	percent	4.1	5.7	12.0	11.9	7.1
Yield of ST-Bills (average for the period)	percent	5.9	7.2	8.3	8.5	12.2
Yield of ST-Bonds (average for the period)	percent	11.0	11.1	15.0	15.6	15.6
Interbank Domestic Market						
Credits in National Currency:						
- volume (for the period)	millions of KGS	-	-	-	-	-
- interest rate (average for the period)	percent	-	-	-	-	-
Credits in Foreign Currency:						
- volume (for the period)	millions of KGS	1,168.2	57.2	-	-	-
- interest rate (average for the period)	percent	2.5	7.0	-	-	-
Repo Operations						
- volume (for the period)	millions of KGS	28,895.0	33,958.2	14,932.2	25,424.0	11,058.2
- interest rate (average for the period)	percent	3.8	5.7	12.1	11.5	7.5
Foreign Exchange Market						
Non-cash Transactions at Interbank Foreign Exchange Auctions	millions of USD	808.8	1,508.3	1,915.7	1,563.6	2,358.9
Deposit and Credit Market						
Credits in National Currency:						
- volume (for the period)	millions of KGS	93,066.9	125,860.3	157,336.7	229,470.2	323,288.0
- interest rate (average for the period)	percent	17.0	16.6	18.7	19.1	19.8
- interest rate (end of period)	percent	16.1	16.2	17.1	18.0	18.1
Credits in Foreign Currency:						
- volume (for the period)	millions of KGS	23,192.7	32,303.4	31,509.1	46,309.1	62,662.3
- interest rate (average for the period)	percent	8.7	7.8	8.2	8.6	8.9
- interest rate (end of period)	percent	9.3	8.9	8.6	8.5	8.6
Deposits in National Currency:						
- volume (for the period)	millions of KGS	450,397.1	629,748.0	1,024,437.2	1,964,114.4	3,848,059.1
- interest rate (average for the period)	percent	1.4	1.3	1.4	1.3	1.7
- interest rate (end of period)	percent	5.7	5.6	5.6	5.5	5.3
Deposits in Foreign Currency:						
- volume (for the period)	millions of KGS	195,700.1	279,250.1	489,233.0	957,260.3	1,065,224.5
- interest rate (average for the period)	percent	0.3	0.3	0.2	0.2	0.2
- interest rate (end of period)	percent	1.2	0.9	0.6	0.7	1.0
State Budget						
Revenue	millions of KGS	152,051.1	209,827.0	300,622.3	391,903.5	463,799.3
including the share of tax revenue	percent	70.3	72.1	76.2	75.1	75.2
Expenditure	millions of KGS	147,408.7	165,337.4	224,597.9	287,064.7	319,880.0
Net purchase of non-financial assets	millions of KGS	24,376.4	46,253.3	86,425.1	92,153.8	107,062.2
Deficit (-) / Surplus (+)	millions of KGS	-19,734.0	-1,763.6	-10,400.7	12,685.1	36,857.2
in percent of GDP	percent of GDP	-3.1	-0.2	-1.0	1.0	2.4
External Economic Sector						
Export of goods and services	percent of GDP	29.6	35.6	29.7	36.4	46.9
Import of goods and services	percent of GDP	49.2	64.1	87.2	95.4	84.5
Current account balance ² (including transfers)	percent of GDP	4.5	-8.0	-42.1	-45.0	-25.2
Gross international reserves	months of the future import of goods and services	5.7	3.4	2.7	2.6	4.3

* preliminary data.

Source: NBKR, NSC KR, CT MF KR, commercial banks of KR.

¹Indicators given by Gross Value Added.

²Positive balance – “+”; Negative balance – “-”.

Table 2.**GDP Composition***(percent)*

	2020	2021	2022	2023	2024*
Total	100.0	100.0	100.0	100.0	100.0
Agriculture, forestry and fishing	12.2	12.4	11.0	9.5	8.6
Mining	1.1	2.7	1.8	2.0	1.9
Manufacturing (Manufacturing)	13.2	11.8	13.6	12.6	12.6
Providing (supply) electricity, gas, steam and air conditioning	3.1	1.6	1.5	1.5	1.7
Water supply, waste treatment and cleaning getting recycled	0.3	0.3	0.2	0.2	0.2
Construction	9.4	7.3	7.1	7.3	8.3
Wholesale and retail trade; repair of motor vehicles and motorcycles	14.5	15.6	15.1	16.6	17.6
Transport activities and storage of goods	2.9	3.6	3.0	3.0	3.1
Hotels and restaurants	1.0	1.2	1.5	1.9	2.1
Information and communication	2.6	2.7	2.3	2.5	2.4
Financial intermediation and insurance	4.3	3.8	6.1	5.3	5.7
Operations with the real estate	6.8	6.3	5.5	5.2	5.0
Professional, scientific and technical activities	1.1	1.2	1.1	1.2	1.3
Administrative and support service activities	0.3	0.3	0.4	0.5	0.5
Public administration and defense, compulsory social security	6.7	6.3	5.4	5.4	5.2
Education	6.4	5.7	6.3	5.8	5.1
Health and social services for the population	2.6	2.6	2.5	2.3	2.6
Arts, entertainment and recreation	0.4	0.4	0.5	0.5	0.5
Other service activities	1.3	1.3	1.2	1.1	1.0
Activities of private households with employees; production by private households of a variety of goods and services for own consumption	0.0	0.0	0.0	0.0	0.0
Net (less subsidies) taxes on products	10.2	12.8	13.8	15.6	14.5

* preliminary data.

Source: NSC KR.

Table 3.**Composition of Capital Investment by Sources of Financing***(percent)*

	2020	2021	2022	2023	2024*
Total	100.0	100.0	100.0	100.0	100.0
Domestic investment	76.3	80.2	73.2	83.9	84.5
including those financed through:					
Republican budget	2.4	3.6	6.0	13.9	21.4
local budget	1.1	1.4	2.0	3.2	3.8
funds of enterprises and organizations	36.9	37.5	32.0	33.7	25.9
bank loans	1.3	1.2	0.4	1.9	6.5
public funds, including charitable aid to residents of the Kyrgyz Republic	34.6	36.4	32.8	31.1	26.9
Foreign investment	23.7	19.8	26.8	16.1	15.5
including those financed through:					
foreign loan	14.2	13.1	14.3	7.9	7.6
foreign direct investments	5.7	2.3	6.9	2.1	3.8
foreign grants and humanitarian aid	3.7	4.5	5.6	6.1	4.1

* preliminary data.

Source: NSC KR.

Table 4.Consumer Price Index by regions of the Republic
(percent)

	2020	2021	2022	2023	2024
Kyrgyz Republic	109.7	111.2	114.7	107.3	106.3
Bishkek city	110.4	111.0	115.3	106.0	106.9
Osh city	106.9	110.0	115.7	112.5	107.3
Batken oblast	108.4	113.7	113.9	108.2	106.6
Jalal-Abad oblast	109.9	114.9	116.0	107.8	104.6
Issyk-Kul oblast	108.4	110.9	111.8	107.3	107.7
Naryn oblast	109.4	113.0	118.4	112.7	105.1
Osh oblast	107.7	110.7	108.7	108.0	104.5
Talas oblast	111.8	111.4	112.8	109.0	104.0
Chui oblast	111.4	109.5	113.3	104.1	102.8

Source: NSC KR.

Table 5.

External Economic Indicators

	unit of measurement	2020	2021	2022	2023	2024*
Balance of payments indicators						
Total balance	millions of USD	122.7	-564.0	441.0	-6.4	-234.0
	percent of GDP ²	1.5	-6.1	3.6	0.0	-1.3
Current account balance ¹	millions of USD	374.3	-737.7	-5,142.7	-6,820.5	-4,422.0
	percent of GDP ²	4.5	-8.0	-42.1	-45.0	-25.2
Export of goods (FOB)	millions of USD	2,007.2	2,770.1	2,253.3	3,379.5	4,922.3
	percent of GDP ²	24.4	30.0	18.4	22.3	28.0
Import of goods (FOB)	millions of USD	3,446.8	5,188.1	9,172.1	11,665.1	11,414.9
	percent of GDP ²	41.9	56.1	75.0	77.0	65.0
Gross international reserves	months of next year's import of goods and services	5.7	3.4	2.7	2.6	4.3
Public external debt						
Public external debt ³	millions of USD	4,217.4	4,298.3	4,482.9	4,652.7	4,534.6
	percent of GDP ⁴	54.5	46.5	37.6	31.1	25.9
	percent of export of goods and services	173.2	130.6	123.6	84.3	55.0
Public external debt servicing (actual) ⁵	millions of USD	205.3	192.2	260.9	357.9	395.2
	percent of GDP ²	2.5	2.1	2.1	2.4	2.3
	percent of export of goods and services	8.4	5.8	7.2	6.5	4.8

* preliminary data.

Source: NBKR, NSC KR, MF KR.

¹ Positive balance - "+", negative balance - "-".² In the calculation of indicators USD equivalent of GDP calculated at the average rate for the year was used.³ Including IMF loans and SDR transferred as part of SDR allocation.⁴ According to NBKR estimates; in the calculation of indicators USD equivalent of GDP calculated at the rate to the end of the year was used.⁵ Including servicing of IMF loans (as well as from the IMF CCRT grant in the amount of USD 12,5 million in 2021 and USD 0,4 million in 2022) and payment of interest on allocated SDR transferred to the Ministry of Finance of the Kyrgyz Republic. Doesn't include recovered allocated SDR.

Table 6.

Policy rate of the National Bank of the Kyrgyz Republic (end of period)

(percent)

	2020	2021	2022	2023	2024
January	4.25	5.00	8.00	13.00	13.00
February	5.00	5.50	8.50	13.00	13.00
March	5.00	5.50	14.00	13.00	13.00
April	5.00	6.50	14.00	13.00	11.00
May	5.00	6.50	14.00	13.00	9.00
June	5.00	6.50	14.00	13.00	9.00
July	5.00	7.50	14.00	13.00	9.00
August	5.00	7.50	14.00	13.00	9.00
September	5.00	7.50	14.00	13.00	9.00
October	5.00	7.50	14.00	13.00	9.00
November	5.00	8.00	13.00	13.00	9.00
December	5.00	8.00	13.00	13.00	9.00

Source: NBKR.

Table 7.

Monetary Base and Monetary Aggregates (end of period)

	unit of measurement	2020	2021	2022	2023	2024*
Monetary base	millions of KGS	147,337.5	156,908.3	227,381.5	249,946.0	293,646.5
Currency in circulation	millions of KGS	134,629.2	139,922.2	198,810.1	207,251.0	240,424.7
Currency outside banks (M0)	millions of KGS	124,171.9	124,837.8	176,430.2	178,764.7	205,865.9
Monetary aggregate (M1)	millions of KGS	174,213.9	201,580.9	274,291.3	302,357.4	395,637.5
Money supply (M2)	millions of KGS	219,103.6	253,188.3	335,509.5	373,629.4	489,407.3
Money supply (M2X)	millions of KGS	285,248.2	339,778.3	443,722.3	510,269.1	673,109.4
M1 Multiplier		1.18	1.28	1.21	1.21	1.35
M2 Multiplier		1.49	1.61	1.48	1.49	1.67
M2X Multiplier		1.94	2.17	1.95	2.04	2.29
Velocity M1		3.67	3.88	3.72	4.41	3.85
Velocity M2		2.92	3.09	3.04	3.57	3.11
Velocity M2X		2.24	2.30	2.30	2.61	2.26
Currency outside banks/total deposits		0.77	0.58	0.66	0.54	0.44
Deposits/Monetary Aggregate (M2X)		0.56	0.63	0.60	0.65	0.69

* preliminary data.

Source: NBKR, NSC KR, Commercial banks of KR.

Currency in circulation = notes and coins issued by NBKR less held as vault cash in NBKR.

Currency outside banks (M0) = currency in circulation less vault cash balances of banks.

Monetary aggregate (M1) = M0 + settlement (current) accounts and demand deposits of residents in national currency.

Money supply (M2) = M1 + time deposits of residents in national currency

Money supply M2X) = M2 + settlement (current) accounts and deposits of residents in foreign currency.

Multiplier = ratio of monetary aggregate to the monetary base.

Velocity = ratio of nominal GDP to the volume of monetary aggregate.

Table 8.

Analytic Balance Sheet of the National Bank of the Kyrgyz Republic (end of period)
(millions of KGS)

	2020	2021	2022	2023	2024
Net foreign assets	222,109.5	222,085.7	223,687.0	277,567.6	429,571.9
Net international reserves	216,676.9	232,796.2	223,317.3	258,985.6	406,014.7
Gold	84,129.8	50,159.1	81,833.8	127,413.6	278,261.2
Foreign currency (assets)	132,549.2	182,640.1	141,484.5	131,576.3	127,773.4
Foreign currency (liabilities)	-2.0	-3.0	-1.0	-4.3	-20.0
Other external assets	15,427.4	19,548.3	16,540.8	28,786.5	36,461.8
SDR allocation	-9,994.9	-30,258.8	-16,171.1	-10,204.5	-12,904.6
Long-term external liabilities	0.0	0.0	0.0	0.0	0.0
Net domestic assets	-74,772.0	-65,177.4	3,694.5	-27,621.6	-135,925.3
<i>Net domestic credit</i>	-33,505.7	-53,514.3	-86,686.0	-101,876.3	-97,098.5
Net claims on General Government	-13,727.3	-19,720.1	-26,245.2	-32,075.8	-21,401.5
Net claims on Government	-13,727.3	-19,720.1	-26,245.2	-32,075.8	-21,401.5
Government securities	3,021.3	3,010.6	5,104.0	10,415.9	20,727.5
Government deposits	-16,748.5	-22,730.7	-31,349.2	-42,491.7	-42,129.0
Budget accounts	-4,587.1	-19,039.2	-27,942.1	-36,068.7	-38,491.5
Other Government accounts	-1,974.4	-2,217.4	-2,328.3	-6,110.4	-3,282.2
Government deposits in foreign currency	-10,187.0	-1,474.1	-1,078.9	-312.6	-355.2
Government Credit	0.0	0.0	0.0	0.0	0.0
Net claims on special funds	0.0	0.0	0.0	0.0	0.0
Net claims on other depository corporations	-18,627.9	-30,846.2	-57,445.4	-68,192.7	-73,122.1
Credits	6,483.7	4,289.7	0.0	0.0	0.0
Securities, excluding shares	-12,990.7	-18,494.3	-34,350.6	-54,281.5	-1,107.4
including: notes issued by the NBKR	-12,990.7	-18,494.3	-34,350.6	-54,281.5	-1,107.4
securities under repo agreements	0.0	0.0	0.0	0.0	0.0
Deposits	-12,120.9	-16,641.6	-23,094.8	-13,911.2	-72,014.7
including: deposits in foreign currency	-3,080.2	-2,993.5	-1,994.2	-2,494.4	-3,845.4
Financial derivatives	0.0	0.0	0.0	0.0	0.0
Net claims on other financial institutions	-1,150.5	-2,948.0	-2,995.3	-1,607.8	-2,574.9
<i>Capital account</i>	-66,959.9	-61,250.1	-57,047.2	-72,423.2	-124,912.3
<i>Other items</i>	25,693.5	49,587.0	147,427.6	146,677.9	86,085.4
Monetary base	147,337.5	156,908.3	227,381.5	249,946.0	293,646.5
Currency in circulation	134,629.2	139,922.2	198,810.1	207,251.0	240,424.7
Reserves of other depository corporations in national currency	12,708.4	16,986.0	28,571.3	42,695.0	53,221.8
<i>Note:</i>					
Monetary base-broad definition	159,458.5	173,549.9	250,476.3	263,857.2	365,661.2
Currency in circulation	134,629.2	139,922.2	198,810.1	207,251.0	240,424.7
Reserves of other depository corporations	14,172.5	18,785.0	30,565.5	45,189.4	57,067.2
Reserves of other depository corporations in national currency	12,708.4	16,986.0	28,571.3	42,695.0	53,221.8
Reserves of other depository corporations in foreign currency	1,464.1	1,799.0	1,994.2	2,494.4	3,845.4
Deposits of other depository corporations in NBKR	10,656.8	14,842.6	21,100.6	11,416.8	68,169.3

Source: NBKR.

Note: Methodology of the analytical balance sheet preparation complies with the concept and principles of the IMF Monetary and Financial Statistics Manual 2000.

The data of the daily balance sheet as of the end of the year without amendments introduced in the audited financial statements were used in indicators calculation.

Table 9.**Monetary Policy Instruments**

	unit of measurement	2020	2021	2022	2023	2024
NBKR Credits						
“intraday” loan	<i>millions of KGS</i>	281.9	401.2	-	-	-
“overnight” credits	<i>millions of KGS</i>	3,533.7	20,821.7	16,727.0	844.5	-
7-day credits	<i>millions of KGS</i>	-	-	-	-	-
credit auctions*	<i>millions of KGS</i>	3,490.0	-	-	-	-
maintaining liquidity	<i>millions of KGS</i>	-	-	-	-	-
credits provided to mitigate the negative impact of the COVID-19 pandemic	<i>millions of KGS</i>	400.2	-	-	-	-
credits to international organizations created within the framework of the EAEU	<i>millions of KGS</i>	200.0	-	-	-	-
“Overnight” Deposits	<i>billions of KGS</i>	1,175.6	1,591.2	3,539.0	4,402.1	13,317.8
NBKR Policy Rate (end of period)	<i>percent</i>	5.00	8.00	13.00	13.00	9.00
NBKR Notes						
maturity:						
7 days						
volume of sales	<i>millions of KGS</i>	99,873.9	88,225.2	151,087.9	248,829.6	490,818.7
average yield	<i>percent</i>	3.9	5.3	11.7	11.3	7.1
14 days						
volume of sales	<i>millions of KGS</i>	91,228.3	90,989.2	172,458.0	236,103.1	-
average yield	<i>percent</i>	4.2	5.8	12.0	11.7	-
28 days						
volume of sales	<i>millions of KGS</i>	78,450.4	97,375.6	125,125.1	318,286.8	254,954.0
average yield	<i>percent</i>	4.4	6.0	12.3	12.2	8.2
91 days						
volume of sales	<i>millions of KGS</i>	7,151.8	3,606.5	8,845.8	43,737.6	18,724.4
average yield	<i>percent</i>	4.6	5.5	13.6	13.8	13.2
182 days						
volume of sales	<i>millions of KGS</i>	-	-	-	7,145.1	9,438.2
average yield	<i>percent</i>	-	-	-	14.8	14.1
Open Market Transactions						
Direct repo transactions	<i>millions of KGS</i>	-	-	-	-	-
Reverse repo transactions	<i>millions of KGS</i>	-	-	-	-	-
Purchase-to-maturity (at par value)	<i>millions of KGS</i>	3,649.8	-	2,947.3	6,528.2	12,710.7
NBKR Foreign Exchange Interventions						
Purchase	<i>millions of USD</i>	-	-	190.7	-	369.9
Sale	<i>millions of USD</i>	518.5	737.0	486.5	655.7	675.7
Reserve Requirements						
Reserve requirement ratio (end of period)						
in national currency	<i>percent</i>	4.0	4.0	4.0	4.0	4.0
in foreign currencies of the EAEU countries and the PRC	<i>percent</i>	4.0	4.0	4.0	4.0	4.0
in foreign currencies except for the EAEU countries and the PRC	<i>percent</i>	14.0	14.0	14.0	15.0	15.0
Required reserves (annual average)	<i>millions of KGS</i>	11,500.5	14,193.5	19,040.7	29,029.4	38,329.7
Excess reserves (annual average)	<i>millions of KGS</i>	193.4	-182.4	148.3	-343.5	-333.0

Source: NBKR.

* Volume of credits actually provided during specified period.

Table 10.**State Treasury Bills and Bonds Market**

	unit of measurement	2020	2021	2022	2023	2024
State Treasury Bills (ST-Bills)						
maturity:						
3 months						
volume of sales	millions of KGS	200.0	-	-	-	-
average yield	percent	5.1	-	-	-	-
6 months						
volume of sales	millions of KGS	25.0	-	-	-	-
average yield	percent	6.0	-	-	-	-
12 months						
volume of sales	millions of KGS	815.7	973.2	213.8	11.7	1,000.0
average yield	percent	5.9	7.2	8.3	8.5	12.2
State Treasury Bonds (ST-Bonds)						
maturity:						
2 years						
volume of sales	millions of KGS	834.8	2,386.6	1,639.6	412.5	-
average yield	percent	7.5	8.2	13.6	15.2	-
3 years						
volume of sales	millions of KGS	471.4	3,356.8	1,792.8	6,487.7	21,683.1
average yield	percent	9.0	11.2	14.4	16.4	15.1
5 years						
volume of sales	millions of KGS	3,960.3	3,112.0	3,446.4	5,107.4	6,873.5
average yield	percent	10.9	11.5	15.3	16.1	15.8
7 years						
volume of sales	millions of KGS	6,738.5	2,282.4	6,993.1	13,017.6	6,619.8
average yield	percent	11.5	11.6	15.0	16.2	15.8
10 years						
volume of sales	millions of KGS	4,219.1	3,694.8	8,444.2	15,614.2	6,478.8
average yield	percent	11.8	11.5	15.4	15.3	15.7
15 years						
volume of sales	millions of KGS	-	2,528.4	315.3	6,767.7	-
average yield	percent	-	14.0	13.0	13.0	-
20 years						
volume of sales	millions of KGS	-	4,956.1	-	5,827.1	-
average yield	percent	-	14.6	-	13.0	-
State Treasury Bonds-Bills (ST-Bonds-Bills)						
maturity:						
10 years						
volume of sales	millions of USD	-	-	52.0	-	-
average yield	percent	-	-	1.0	-	-

Source: NBKR

Note: T-Bills, T-Bonds and T-Bonds-V on the NBKR's platform. Note: Sales volume includes the volume of additional placement of ST-Bills and ST-Bonds.

Table 11.

Interest Rates on Deposits of Commercial Banks in National Currency (for the period)

(percent)

	2020	2021	2022	2023	2024
Deposits of Legal Entities	2.4	2.3	3.3	3.1	2.9
demand deposits	0.7	0.4	1.4	1.4	0.9
time deposits:	8.3	10.9	12.6	11.9	11.5
<i>of which:</i>					
up to 1 month	3.4	3.2	6.4	3.5	3.2
1-3 months	4.0	3.6	5.6	7.4	5.2
3-6 months	6.2	6.5	9.0	8.7	7.9
6-12 months	10.2	11.9	14.0	13.0	12.7
over 1 year	7.9	10.8	12.8	12.4	13.3
Deposits of Individuals	1.2	1.1	1.2	1.2	1.6
demand deposits	0.4	0.4	0.5	0.7	1.4
time deposits:	9.3	9.9	11.5	11.5	10.8
<i>of which:</i>					
up to 1 month	6.1	5.8	6.1	5.8	1.5
1-3 months	5.0	4.7	5.6	6.9	6.2
3-6 months	6.5	6.6	8.2	8.8	9.1
6-12 months	9.6	10.4	12.4	12.1	12.6
over 1 year	10.8	11.4	12.8	13.4	13.7
Deposits on Non-residents	1.5	2.0	1.0	0.9	1.1
demand deposits	0.0	0.2	0.1	0.5	0.7
time deposits:	9.6	10.7	12.0	11.7	11.4
<i>of which:</i>					
up to 1 month	5.3	6.4	7.7	6.2	1.4
1-3 months	5.0	5.5	6.9	7.9	7.5
3-6 months	7.0	7.0	8.1	9.7	10.1
6-12 months	10.1	11.0	12.5	12.5	13.0
over 1 year	10.9	11.7	13.3	13.5	14.0
Average Weighted Rate	1.4	1.3	1.4	1.3	1.7

Source: Commercial banks of KR.

Table 12.

Interest Rates on Deposits of Commercial Banks in Foreign Currency (for the period)

(percent)

	2020	2021	2022	2023	2024
Deposits of Legal Entities	0.3	0.4	0.4	0.5	0.7
demand deposits	0.1	0.2	0.3	0.4	0.3
time deposits:	3.2	2.4	1.9	2.4	3.0
<i>of which:</i>					
up to 1 month	2.2	0.9	0.5	0.9	4.1
1-3 months	2.6	2.1	2.0	2.5	2.1
3-6 months	1.5	2.9	3.9	3.6	2.0
6-12 months	3.3	3.0	2.0	2.8	3.3
over 1 year	3.1	3.5	2.4	2.4	2.6
Deposits of Individuals	0.4	0.2	0.2	0.2	0.2
demand deposits	0.0	0.0	0.0	0.0	0.0
time deposits:	2.8	2.5	2.7	2.9	3.2
<i>of which:</i>					
up to 1 month	1.9	2.1	2.5	2.4	2.4
1-3 months	2.2	2.0	2.8	2.8	3.3
3-6 months	2.2	1.7	2.5	2.7	2.9
6-12 months	2.9	2.5	2.7	3.0	3.5
over 1 year	3.4	2.9	2.8	3.2	3.4
Deposits on Non-residents	0.3	0.3	0.1	0.1	0.1
demand deposits	0.0	0.0	0.0	0.0	0.0
time deposits:	2.7	2.5	1.9	1.2	1.9
<i>of which:</i>					
up to 1 month	1.2	2.3	1.2	0.3	0.2
1-3 months	2.5	2.6	2.1	1.9	2.0
3-6 months	2.2	1.8	2.1	1.9	2.2
6-12 months	2.7	2.6	2.5	1.6	2.6
over 1 year	3.3	2.9	2.8	2.8	3.0
Average Weighted Rate	0.3	0.3	0.2	0.2	0.2

Source: Commercial banks of KR.

Table 13.

Interest Rates of Loans of Commercial Banks in National Currency (for the period)
(percent)

	2020	2021	2022	2023	2024
Average Weighted Rate	17.0	16.6	18.7	19.1	19.8
Industry	12.8	15.0	15.1	16.3	16.6
Agriculture	17.1	19.1	18.8	19.5	17.7
Transportation	17.4	20.0	20.3	19.4	21.5
Communication	21.2	19.7	12.7	11.3	13.3
Trade	14.8	11.3	18.2	16.9	17.5
Procurement and processing	10.5	8.2	13.2	19.4	19.3
Construction	17.1	20.3	22.4	21.3	20.2
Mortgage	13.9	14.4	12.2	16.5	17.7
Consumer loans	22.5	21.3	20.6	21.8	22.8
Social services	14.8	15.7	18.5	15.7	17.1
Other	16.6	18.3	19.4	18.2	18.2
<i>of which:</i>					
up to 1 month	14.9	8.5	16.4	17.9	19.8
Industry	22.1	12.9	4.7	16.3	26.6
Agriculture	24.5	1.7	6.1	14.7	23.6
Transportation	0.0	1.2	0.0	6.8	24.7
Communication	26.0	20.8	-	-	-
Trade	13.7	3.8	18.0	17.0	17.4
Procurement and processing	-	-	-	25.0	-
Construction	0.0	0.0	0.0	0.0	-
Mortgage	10.8	13.1	20.4	4.3	-
Consumer loans	17.0	14.4	14.0	23.0	27.5
Social services	0.0	-	-	0.0	19.0
Other	17.3	4.6	0.2	11.8	6.7
1-3 months	16.5	19.6	20.2	17.0	18.4
Industry	24.6	16.7	25.8	27.5	27.1
Agriculture	25.6	21.1	25.4	26.8	26.0
Transportation	30.7	29.0	31.0	18.6	26.7
Communication	-	-	-	-	-
Trade	13.1	16.2	20.1	12.5	19.0
Procurement and processing	-	-	29.0	25.0	-
Construction	22.9	24.4	27.5	26.6	25.7
Mortgage	24.3	7.8	20.0	20.7	14.0
Consumer loans	27.9	23.9	21.4	20.3	18.3
Social services	26.7	8.3	24.0	16.0	16.1
Other	23.2	26.8	27.3	26.9	26.2
3-6 months	24.4	19.4	19.0	18.6	19.2
Industry	24.7	21.4	23.2	24.0	26.8
Agriculture	26.4	26.7	27.3	26.8	25.7
Transportation	28.1	28.1	27.9	22.6	27.0
Communication	31.0	-	18.8	16.0	-
Trade	16.4	12.5	19.4	17.9	17.9
Procurement and processing	-	26.7	28.1	27.5	28.4
Construction	25.8	28.6	27.2	26.2	25.3
Mortgage	21.8	17.1	11.5	22.8	23.5
Consumer loans	27.1	25.0	20.4	19.5	19.9
Social services	26.5	27.3	27.1	20.4	22.2
Other	23.6	23.3	22.3	27.7	23.2

Table 13. (continued)

Interest Rates of Loans of Commercial Banks in National Currency (for the period)
(percent)

	2020	2021	2022	2023	2024
6-12 months	22.4	24.2	23.9	21.4	21.3
Industry	16.2	21.0	24.3	23.0	24.1
Agriculture	19.9	21.8	23.5	23.8	23.4
Transportation	26.4	25.6	23.7	23.5	23.8
Communication	30.3	20.4	29.3	27.0	23.0
Trade	19.1	18.8	21.4	20.8	20.8
Procurement and processing	22.8	28.6	25.9	26.4	26.6
Construction	25.7	26.8	26.1	26.6	25.2
Mortgage	23.9	19.3	19.3	17.5	20.3
Consumer loans	26.6	26.6	24.8	21.5	22.4
Social services	22.2	23.9	22.4	23.4	22.9
Other	24.4	25.1	25.0	21.0	17.9
1-3 years	18.2	19.9	20.3	20.6	20.8
Industry	14.2	15.8	17.5	19.4	19.3
Agriculture	17.4	19.7	19.8	20.7	19.3
Transportation	18.9	20.8	20.9	20.1	21.4
Communication	13.6	16.2	8.6	9.6	7.8
Trade	16.1	17.3	17.8	16.8	16.9
Procurement and processing	9.6	8.0	12.7	20.3	19.1
Construction	20.3	23.0	24.0	23.4	21.8
Mortgage	18.2	18.2	18.7	19.1	19.4
Consumer loans	24.6	24.9	23.7	22.9	23.0
Social services	15.7	16.3	16.8	14.6	15.7
Other	17.1	18.8	20.5	20.8	19.9
over 3 years	14.6	16.1	16.4	17.9	18.2
Industry	11.9	13.9	13.2	14.4	14.7
Agriculture	14.8	16.7	15.4	15.8	14.1
Transportation	16.3	19.2	19.8	19.5	21.6
Communication	19.0	-	19.2	19.0	21.5
Trade	15.1	16.5	18.9	17.3	18.2
Procurement and processing	10.1	7.5	13.9	19.6	19.3
Construction	15.4	18.4	21.3	20.2	19.5
Mortgage	13.5	14.1	11.8	16.4	17.6
Consumer loans	19.4	20.4	21.2	21.6	21.2
Social services	14.2	16.0	19.4	18.0	17.6
Other	14.7	15.7	19.1	19.5	17.7

Source: Commercial banks of KR.

Table 14.

Interest Rates on Loans of Commercial Banks in Foreign Currency (for the period)
(percent)

	2020	2021	2022	2023	2024
Average Weighted Rate	8.7	7.8	8.2	8.6	8.9
Industry	8.6	8.6	7.7	8.7	8.5
Agriculture	11.0	10.6	8.4	11.6	8.8
Transportation	11.6	11.1	8.6	7.7	8.1
Communication	12.5	9.0	6.0	9.5	-
Trade	8.6	7.6	8.5	8.9	8.8
Procurement and processing	10.9	9.5	6.5	8.1	9.1
Construction	8.5	8.3	8.3	8.3	8.9
Mortgage	11.0	10.6	9.6	9.8	9.4
Consumer loans	7.7	4.1	3.9	8.2	11.1
Social services	10.1	9.2	8.4	8.0	8.1
Other	8.6	9.1	8.3	8.8	10.8
<i>of which:</i>					
up to 1 month	6.0	0.9	6.5	8.2	8.3
Industry	11.3	4.9	4.0	-	-
Agriculture	8.0	-	8.0	-	-
Transportation	-	-	-	-	-
Communication	-	-	-	-	-
Trade	6.2	0.9	10.1	8.4	8.3
Procurement and processing	-	-	-	-	-
Construction	-	-	-	-	-
Mortgage	-	-	-	-	-
Consumer loans	0.5	0.7	1.3	9.3	13.5
Social services	-	-	-	23.0	23.0
Other	15.2	0.0	0.7	0.0	-
1-3 months	8.6	6.7	9.9	8.6	16.5
Industry	-	-	8.0	-	-
Agriculture	-	-	-	19.0	-
Transportation	-	-	-	-	-
Communication	-	-	-	-	-
Trade	8.5	7.6	10.6	9.6	16.3
Procurement and processing	-	-	-	-	-
Construction	-	11.0	7.5	11.0	-
Mortgage	-	-	-	-	-
Consumer loans	13.3	0.0	-	-	7.5
Social services	13.0	7.0	-	0.0	-
Other	15.8	5.0	-	-	15.0
3-6 months	8.3	7.4	10.3	10.0	15.3
Industry	11.0	2.5	-	-	-
Agriculture	-	-	10.0	18.1	23.0
Transportation	-	-	-	-	-
Communication	-	-	-	8.0	-
Trade	9.7	11.7	10.3	10.0	15.3
Procurement and processing	-	-	-	-	-
Construction	-	-	7.5	-	-
Mortgage	13.0	6.0	9.5	-	-
Consumer loans	10.5	11.8	-	9.8	-
Social services	-	7.0	-	-	-
Other	11.3	2.1	-	3.3	10.0

Table 14. (continued)

Interest Rates on Loans of Commercial Banks in Foreign Currency (for the period)
(percent)

	2020	2021	2022	2023	2024
6-12 months	9.5	8.8	8.0	8.5	9.3
Industry	12.3	10.6	9.5	8.3	8.0
Agriculture	21.5	14.2	-	20.7	22.9
Transportation	11.8	12.7	0.0	3.6	1.1
Communication	-	-	-	-	-
Trade	9.6	9.4	7.9	8.8	10.4
Procurement and processing	10.0	-	-	-	-
Construction	10.3	19.7	10.0	13.0	9.2
Mortgage	-	1.0	-	-	-
Consumer loans	26.9	21.7	29.8	31.0	30.9
Social services	7.0	-	14.0	-	-
Other	7.7	4.8	3.3	10.3	0.0
1-3 years	9.4	9.3	8.7	9.2	9.3
Industry	8.9	8.8	8.4	8.9	8.6
Agriculture	14.0	11.2	8.3	12.8	9.3
Transportation	12.8	13.1	11.6	6.7	6.9
Communication	15.0	9.0	-	10.0	-
Trade	9.5	9.5	8.9	9.1	8.9
Procurement and processing	11.3	9.6	6.5	7.5	9.4
Construction	10.1	9.5	9.0	9.7	8.7
Mortgage	13.7	10.8	10.0	10.2	14.8
Consumer loans	12.5	12.7	14.8	6.6	4.5
Social services	11.0	10.0	9.4	8.5	8.4
Other	6.7	8.6	8.7	9.1	11.9
over 3 years	9.1	9.0	8.2	8.8	8.8
Industry	8.7	8.7	7.3	8.7	8.7
Agriculture	9.6	10.1	8.1	10.9	8.5
Transportation	12.6	10.4	8.3	10.0	10.8
Communication	9.0	-	6.0	9.3	-
Trade	9.5	9.2	8.5	9.1	8.9
Procurement and processing	-	9.0	5.0	9.2	8.9
Construction	8.2	8.0	8.3	8.2	8.9
Mortgage	11.0	11.0	9.8	9.8	9.4
Consumer loans	12.5	13.1	10.9	11.3	11.4
Social services	9.7	8.7	8.1	8.6	8.1
Other	8.9	9.4	8.5	8.2	8.9

Source: Commercial banks of KR.

Table 15.

Interest Rates on Loans of Non-banking Financial and Credit Organizations (end of period)

(percent)

	2020	2021	2022	2023	2024
Microfinance organizations	29.8	29.1	30.0	32.0	30.3
<i>of which, allocated to:</i>					
Industry	28.1	28.3	28.7	30.7	29.4
Agriculture	29.9	29.7	31.4	33.3	31.9
Transportation	28.2	27.6	28.0	27.6	27.4
Communication	31.0	-	-	37.7	33.0
Trade and commerce	29.9	27.4	27.7	27.8	27.3
Procurement and processing	16.5	14.4	27.2	23.4	27.2
Construction and mortgage	29.3	28.3	28.7	29.1	27.3
Services	30.1	29.4	31.2	32.3	30.0
Consumer loans	31.7	30.7	30.9	34.2	32.0
Loans to financial and credit organizations	16.2	16.2	18.2	20.0	19.2
Other	29.4	29.7	32.5	32.3	30.4
Credit Unions	26.4	25.3	25.1	24.9	25.0
<i>of which, allocated to:</i>					
Industry	26.1	25.7	25.2	26.6	26.2
Agriculture	26.9	26.1	24.9	25.5	24.8
Transport and communication	26.8	25.4	25.4	24.5	25.6
Trade and commerce	27.1	26.4	26.5	26.6	25.2
Procurement and processing	29.6	26.1	25.3	16.3	-
Construction and mortgage	21.9	19.7	20.0	20.3	20.5
Services	27.6	29.3	24.9	29.4	28.1
Other	28.7	27.8	27.2	25.9	26.8
SFCO	15.0	14.8	14.8	15.0	15.2

Source: Non-banking Financial and Credit Organizations of KR.

Table 16.**Annual Average Interest Rate of Interbank Credits***(percent)*

	2020	2021	2022	2023	2024
Interbank Repo Operations	3.8	5.7	12.1	11.5	7.5
up to 1 day	3.3	5.4	11.7	11.3	9.3
2 - 7 days	3.7	5.7	12.2	11.4	7.6
8 - 14 days	4.2	6.3	12.7	12.3	7.5
15 - 30 days	4.4	5.7	8.5	13.0	-
31 - 60 days	4.6	-	10.0	-	-
61 - 90 days	-	-	-	-	-
91 - 180 days	-	-	-	-	-
181 - 360 days	-	-	-	-	-
over 360 days	-	-	-	-	-
Interbank Credits in National Currency	-	-	-	-	-
up to 1 day	-	-	-	-	-
2 - 7 days	-	-	-	-	-
8 - 14 days	-	-	-	-	-
15 - 30 days	-	-	-	-	-
31 - 60 days	-	-	-	-	-
61 - 90 days	-	-	-	-	-
91 - 180 days	-	-	-	-	-
181 - 360 days	-	-	-	-	-
over 360 days	-	-	-	-	-
Interbank Credits in Foreign Currency	2.5	7.0	-	-	-
up to 1 day	2.5	-	-	-	-
2 - 7 days	2.5	7.0	-	-	-
8 - 14 days	-	-	-	-	-
15 - 30 days	-	-	-	-	-
31 - 60 days	-	-	-	-	-
61 - 90 days	-	-	-	-	-
91 - 180 days	-	-	-	-	-
181 - 360 days	-	-	-	-	-
over 360 days	-	-	-	-	-

*Source: Commercial banks of KR.**Note: interest rates are specified without taking account the transactions with non-residents.*

Table 17.**Balance of Payments of the Kyrgyz Republic¹***(millions of USD)*

	2020	2021	2022	2023	2024*
Current Account	374.3	-737.7	-5,142.7	-6,820.5	-4,422.0
Goods and services	-1,615.4	-2,636.0	-7,027.2	-8,936.9	-6,602.9
Trade balance	-1,439.6	-2,418.1	-6,918.7	-8,285.6	-6,492.6
Export (FOB) ²	2,007.2	2,770.1	2,253.3	3,379.5	4,922.3
Export by balance of payments methodology	1,020.2	1,357.0	2,240.3	2,095.1	2,416.2
including Re-export	67.7	113.8	154.7	150.7	170.8
Non-monetary gold	987.0	1,413.0	13.1	1,284.3	2,506.1
Import (in FOB prices)	3,446.8	5,188.1	9,172.1	11,665.1	11,414.9
Balance of services	-175.9	-218.0	-108.5	-651.2	-110.2
Export	428.2	521.8	1,374.8	2,137.0	3,317.6
Import	604.1	739.8	1,483.3	2,788.3	3,427.9
Balance of primary income ²	-256.4	-622.3	-270.4	-194.1	-591.4
Compensation of employees (net)	-11.1	-6.2	-9.2	-6.9	-7.3
Investment income	-245.4	-616.0	-261.2	-187.2	-584.1
Income receivable	20.6	9.8	29.4	85.5	123.9
Income payable	266.0	625.8	290.5	272.7	708.1
Secondary income	2,246.1	2,520.6	2,154.9	2,310.5	2,772.3
Receivable	2,744.7	3,104.8	3,382.4	2,894.9	3,246.8
Payable	498.6	584.2	1,227.5	584.4	474.5
Capital account balance	79.8	133.9	180.8	220.6	154.8
Receivable	93.5	155.2	196.2	231.5	156.5
Payable	13.8	21.3	15.4	10.9	1.7
Financial account	473.1	-666.8	-522.5	-157.8	-1,010.1
Direct investment ²	582.4	-560.7	-509.5	-151.3	-573.4
Portfolio investment	-15.1	-0.4	-0.4	-0.3	-0.4
Financial derivatives (net)	0.3	0.3	0.7	9.6	-0.6
Other investments	-94.5	-106.0	-13.4	-15.8	-435.7
Net acquisition of financial assets	79.9	340.6	885.4	425.6	945.0
Cash and deposits	116.5	274.8	596.1	269.9	600.7
Loans and borrowings	-0.3	-1.5	0.7	0.5	-1.8
Trade credit and advances	-35.6	93.6	290.7	110.1	309.2
Other receivables	-0.7	-26.3	-2.1	45.2	37.0
Net incurrence of liabilities	174.5	446.6	898.7	441.4	1,380.8
Cash and deposits	-0.5	37.3	429.1	63.7	247.7
Loans and borrowings	129.6	233.3	187.0	241.7	743.6
Trade credit and advances	45.3	-65.4	282.6	136.0	389.4
Other receivables	0.0	0.0	0.0	0.0	0.0
Special drawing rights	0.0	241.5	0.0	0.0	0.0
Errors and omissions	-103.7	500.9	3,998.4	6,448.5	3,491.2
Total Balance	122.7	-564.0	441.0	-6.4	-234.0
Reserves and Related Items	-122.7	564.0	-441.0	6.4	234.0

* preliminary data.

Source: NBKR, NSC KR, MF KR and other organizations.

¹ Since 2023, the balance of payments of the Kyrgyz Republic has been compiled in accordance with the methodology of the sixth edition of the IMF Balance of Payments and International Investment Position Manual (BPM6).² Including the NBKR estimates according to the methodology of the Balance of Payments.

Table 18.**Structure of External Public and Government Guaranteed Debt of the Kyrgyz Republic by Creditors***(millions of USD)*

	2020	2021	2022	2023	2024*
External public and government guaranteed debt (1+2+3+4):	4,217.4	4,298.3	4,482.9	4,652.7	4,534.6
1. Multilateral debt:	1,963.3	2,043.9	2,139.5	2,330.7	2,330.3
World Bank	677.4	652.4	636.2	720.3	749.4
Asian Development Bank	605.4	668.5	705.1	723.3	764.5
European Investment Bank	36.5	56.6	54.2	78.5	76.8
International Monetary Fund	376.4	340.4	302.2	233.3	133.5
Islamic Development Bank	118.3	156.8	166.5	172.9	190.1
European Bank for Reconstruction and Development	50.3	44.4	48.3	63.3	57.6
Asian Infrastructure Investment Bank	-	3.1	10.2	26.0	46.2
International Fund for Agricultural Development	28.6	28.3	28.4	30.2	29.3
Nordic Development Fund	4.1	3.5	3.1	3.0	2.6
OPEC	4.5	4.1	3.7	3.2	4.7
Eurasian Development Bank	43.6	68.7	165.7	260.2	260.2
European Union	18.2	17.0	15.9	16.5	15.6
2. Bilateral debt:	2,254.1	2,254.4	2,191.9	2,093.6	2,019.3
China	1,766.0	1,797.8	1,782.2	1,708.2	1,654.3
Japan	242.0	217.2	179.5	159.5	135.9
Germany	88.8	78.8	70.8	69.6	62.1
The Republic of Korea	14.9	13.3	11.8	11.0	9.2
Kuwait Fund	8.0	8.1	8.1	7.3	11.9
Türkiye	89.5	82.1	74.7	66.5	58.2
France	4.9	4.5	4.0	4.0	3.5
Denmark	2.6	2.5	2.3	2.0	1.6
Saudi Development Fund	28.9	42.0	49.7	57.8	75.6
UAE	8.5	8.2	8.8	7.8	6.8
3. Government guaranteed external debt	-	-	-	-	-
4. Other liabilities of the government sector¹	-	-	151.5	228.4	185.0

* preliminary data.

Source: MF KR.

¹ Includes SDR liabilities received from the IMF under allocation.

Table 19.

Information on Authorized (Joint-stock) Capital of Commercial Banks (end of period)
(millions of KGS)

	Bank	2020			2021			2022			2023			2024		
		a	b	c	a	b	c	a	b	c	a	b	c	a	b	c
Total		31,367.1	31,217.1	9,371.5	37,210.0	36,955.0	10,802.2	44,372.2	44,222.2	10,821.3	60,267.7	60,118.7	12,177.2	76,941.8	76,941.8	21,576.3
1	OJSC "Aiyyl Bank"	3,476.3	3,476.3	-	3,524.6	3,524.6	-	6,624.6	6,624.6	-	12,401.8	12,401.8	-	16,467.5	16,467.5	-
2	OJSC RK "AMANBANK" ¹⁾	949.6	799.6	0.1	1,054.6	799.6	0.1	949.6	799.6	0.1	949.6	800.6	0.1	-	-	-
3	CJSC "Bank of Asia"	670.0	670.0	593.1	670.0	670.0	593.1	809.0	809.0	732.1	1,000.0	1,000.0	861.7	1,200.0	1,200.0	1,061.7
4	OJSC Bank "Bai-Tushum"	790.0	790.0	404.9	790.0	790.0	401.8	790.0	790.0	401.8	790.0	790.0	-	800.0	800.0	-
5	OJSC "BAKAI BANK"	2,697.7	2,697.7	-	2,771.7	2,771.7	-	2,771.7	2,771.7	-	5,186.0	5,186.0	-	7,000.0	7,000.0	-
6	CJSC "Demir Kyrgyz International Bank"	600.0	600.0	600.0	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0	6,000.0	6,000.0	6,000.0
7	OJSC "Dos-Kredobank"	623.0	623.0	-	817.0	817.0	-	817.0	817.0	-	817.0	817.0	-	1,585.7	1,585.7	-
8	OJSC "Eurasian Savings Bank"	300.0	300.0	37.0	300.0	300.0	37.0	300.0	300.0	0.1	640.5	640.5	15.1	1,011.1	1,011.1	382.4
9	OJSC "Capital Bank"	616.4	616.4	-	616.4	616.4	-	616.4	616.4	-	616.4	616.4	-	860.0	860.0	-
10	CJSC "Bank Companion"	1,000.6	1,000.6	1,000.6	1,000.6	1,000.6	1,000.6	1,000.6	1,000.6	1,000.6	1,000.6	1,000.6	1,000.6	1,000.6	1,000.6	1,000.6
11	"KSB Commercial Bank" CJSC ²⁾	670.0	670.0	502.5	670.0	670.0	502.5	670.0	670.0	502.5	800.0	800.0	600.0	1,000.0	1,000.0	750.0
12	CJSC "Kyrgyz Investment Credit Bank"	1,446.4	1,446.4	1,301.7	1,483.3	1,483.3	1,334.9	1,499.4	1,499.4	1,349.5	2,049.0	2,049.0	1,844.1	2,001.0	2,001.0	1,800.9
13	OJSC "Kyrgyzkommertsbank"	1,000.0	1,000.0	529.2	1,000.0	1,000.0	529.2	1,000.0	1,000.0	529.2	1,000.0	1,000.0	529.0	1,000.0	1,000.0	529.2
14	OJSC "Commercial Bank KYRGYZSTAN"	1,734.2	1,734.2	-	1,936.7	1,936.7	-	2,212.9	2,212.9	-	5,103.0	5,103.0	-	8,700.9	8,700.9	-
15	OJSC "Optima Bank"	1,050.0	1,050.0	1,020.0	1,050.0	1,050.0	1,020.0	1,050.0	1,050.0	1,020.0	2,100.0	2,100.0	2,040.0	2,100.0	2,100.0	2,040.0
16	OJSC "Keremet Bank"	5,998.7	5,998.7	78.0	8,698.7	8,698.7	78.1	8,698.7	8,698.7	-	8,698.7	8,698.7	-	8,698.7	8,698.7	6,524.1
17	OJSC "Eldik Bank" ³⁾	2,333.3	2,333.3	-	3,379.2	3,379.2	-	7,079.2	7,079.2	-	9,400.8	9,400.8	-	12,201.5	12,201.5	-
18	CJSC JSCB "Tolubay"	664.0	664.0	9.8	700.0	700.0	10.3	736.0	736.0	10.8	808.0	808.0	11.9	871.0	871.0	12.8
19	OJSC "FinanceCreditBank"	710.0	710.0	-	710.0	710.0	-	710.0	710.0	-	710.0	710.0	-	847.5	847.5	-
20	CJSC "FINCA Bank"	1,474.8	1,474.8	1,474.8	1,474.8	1,474.8	1,474.8	1,474.8	1,474.8	1,474.8	1,474.8	1,474.8	1,474.8	1,474.8	1,474.8	1,474.8
21	OJSC "OI'Bank" ⁴⁾	1,200.0	1,200.0	1,200.0	1,200.0	1,200.0	1,200.0	1,200.0	1,200.0	1,200.0	1,200.0	1,200.0	1,200.0	1,200.0	1,200.0	-
22	CJSC "EcoIslamicBank"	762.3	762.3	19.8	762.3	762.3	19.8	762.3	762.3	-	921.6	921.6	-	921.6	921.6	-
23	Bishkek Branch of the National Bank of Pakistan ⁵⁾	600.0	600.0	600.0	600.0	600.0	600.0	600.0	600.0	600.0	600.0	600.0	600.0	-	-	-

Source: Commercial banks of KR.

Note: a – announced authorized capital, b – paid-in authorized capital, c – including the share of foreign investors.

¹⁾ Since June 7, 2024 OJSC RK "AMANBANK" was re-registered as OJSC IFC "Aman Credit".

²⁾ Since November 2, 2023 CJSC "Kyrgyz-Swiss Bank" was renamed as CJSC "Commercial Bank KSB".

³⁾ Since June 5, 2024 OJSC "RSK Bank" was renamed as OJSC "Eldik Bank".

⁴⁾ Since September 17, 2024 OJSC "Halyk Bank Kyrgyzstan" was renamed as OJSC "OI'Bank".

⁵⁾ Since June 19, 2024 the license of the National Bank of Pakistan was revoked.

Table 20.**Consolidated Regulatory Report of Commercial Banks of the Kyrgyz Republic***(millions of KGS)*

	2020	2021	2022	2023	2024*
ASSETS					
Cash resources	24,233.8	30,138.6	56,873.3	78,014.8	80,273.0
Correspondent account with NBKR	14,172.5	18,785.0	30,565.5	45,189.4	57,067.2
Correspondent accounts with other banks	22,635.7	37,624.4	71,143.4	62,855.8	79,184.0
Deposits with other banks	17,168.8	24,925.1	28,628.9	49,961.7	83,098.6
Securities portfolio	21,939.3	33,421.3	52,565.3	70,159.5	49,990.2
Securities purchased under repo agreements	260.0	322.4	0.0	93.8	546.7
“Net” loans and financial leasing ¹	149,080.2	164,839.1	182,980.2	239,992.4	325,322.3
Loans and financial leasing to settlement credit organizations ²	2,127.2	1,162.4	2,033.6	4,592.0	8,118.1
Loans and financial leasing to clients ³	162,550.2	181,783.3	204,031.3	257,781.8	340,730.6
(less) Special Loss Provisions for loans and financial leasing	-15,597.2	-18,106.5	-23,084.7	-22,381.4	-23,526.5
Fixed assets	15,597.3	17,135.5	18,936.2	22,648.4	28,720.5
Investments and Equities	502.6	1,023.5	652.3	803.9	1,125.7
Other assets	23,724.6	32,904.7	39,846.8	44,543.9	110,257.2
TOTAL: ASSETS	289,294.8	361,119.5	482,191.9	614,263.6	815,585.4
LIABILITIES					
Liabilities to NBKR	6,457.7	4,128.0	0.0	0.0	0.0
Settlement accounts and deposits of banks	4,083.2	5,819.6	5,823.6	4,357.2	5,739.7
Resident banks	118.4	243.2	1,338.1	928.5	1,810.9
Non-resident banks	3,964.8	5,576.4	4,485.5	3,428.7	3,928.8
Settlement accounts	51,962.7	88,844.8	120,157.2	153,248.6	230,907.9
Settlement accounts of finance and credit organizations	1,108.8	782.3	629.1	709.3	1,376.1
Settlement accounts of clients ⁴	50,853.9	88,062.5	119,528.1	152,539.4	229,531.8
Demand deposits	46,946.5	56,886.1	68,475.4	85,778.1	108,714.8
Demand deposits of finance and credit organizations	920.3	351.0	601.9	544.2	341.8
Demand deposits of clients ⁴	46,026.1	56,535.1	67,873.6	85,233.9	108,372.9
Time deposits	61,243.4	68,236.1	77,493.9	91,070.9	125,706.6
Time deposits of finance and credit organizations	808.5	663.1	807.9	1,331.8	9,702.4
Time deposits of clients ⁴	60,435.0	67,573.0	76,686.0	89,739.1	116,004.2
Deposits of non-residents ⁵	11,575.5	13,472.2	49,595.5	62,216.3	75,361.9
Deposits of Government	9,199.5	15,507.7	23,235.8	39,027.4	51,726.4
Loans of Government	7,615.0	4,503.0	5,318.8	7,784.7	9,064.5
Securities sold under repo agreements	260.0	322.4	0.0	93.8	546.7
Loans received	23,724.3	23,766.7	23,708.6	27,045.8	27,123.8
Other liabilities	20,405.6	27,921.2	28,172.6	39,425.5	49,912.0
TOTAL: LIABILITIES	243,473.3	309,407.9	401,981.3	510,048.3	684,804.2
CAPITAL					
Capital stock	30,920.7	36,661.3	43,930.9	59,829.5	77,253.0
Provisions for prospective needs of bank	965.1	984.9	993.6	1,025.7	1,006.7
Retained earnings of past years	10,966.4	9,978.5	11,809.2	19,051.8	20,488.6
Profits/losses of the current year	2,297.1	3,615.0	23,087.0	23,760.2	31,071.4
Revaluation accounts	672.2	472.0	390.0	548.1	961.5
TOTAL: CAPITAL	45,821.5	51,711.6	80,210.6	104,215.3	130,781.3
TOTAL: LIABILITIES AND CAPITAL	289,294.8	361,119.5	482,191.9	614,263.6	815,585.4

* preliminary data.

Source: Commercial banks of KR.

¹ Includes the value of loans and financial lease less special LLP thereon.² Includes loans to banks and other finance and credit organizations residents and non-residents.³ Includes loans to legal entities and individuals residents and non-residents.⁴ Includes accounts of legal entities and individuals.⁵ Includes accounts of finance and credit organizations, legal entities and individuals.

Table 21.

Information on Head Offices and Branches of Commercial Banks as at the end of 2024

Bank	Head Office Location	Total Branches	Bishkek	Batken oblast	Jalal-Abad oblast	Issyk-Kul oblast	Naryn oblast	Osh oblast	Talas oblast	Chui oblast
Total branches		304	78	24	44	37	19	53	18	31
1 OJSC "Aiyyl Bank"	Bishkek	38	5	4	6	5	2	9	2	5
2 CJSC "Bank of Asia"	Bishkek	7	4	-	1	1	-	1	-	-
3 OJSC Bank "Bai-Tushum"	Bishkek	7	1	1	1	1	1	1	1	-
4 OJSC "BAKAI BANK"	Bishkek	20	9	1	2	2	-	3	1	2
5 CJSC "Demir Kyrgyz International Bank"	Bishkek	14	7	1	1	1	1	2	1	-
6 OJSC "Dos-Kredobank"	Bishkek	10	2	1	1	2	1	1	1	1
7 OJSC "Eurasian Savings Bank"	Bishkek	2	1	-	-	-	-	1	-	-
8 OJSC "Capital Bank"	Bishkek	7	1	1	1	1	-	2	1	-
9 CJSC "Bank Companion"	Bishkek	18	4	2	4	2	1	3	1	1
10 "KSB Commercial Bank" CJSC	Bishkek	3	1	-	-	1	-	1	-	-
11 CJSC "Kyrgyz Investment Credit Bank"	Bishkek	23	8	1	2	1	3	5	1	2
12 OJSC "Kyrgyzkommertsbank"	Bishkek	3	2	-	-	-	-	1	-	-
13 OJSC "Commercial Bank KYRGYZSTAN"	Bishkek	18	6	1	4	1	1	1	1	3
14 OJSC "Optima Bank"	Bishkek	21	9	1	1	3	1	2	1	3
15 OJSC "Keremet Bank"	Bishkek	12	3	2	1	3	-	1	1	1
16 OJSC "Eldik Bank" ¹	Bishkek	52	4	5	11	7	5	9	4	7
17 CJSC JSCB "Tolubay"	Bishkek	2	2	-	-	-	-	-	-	-
18 OJSC "FinanceCreditBank"	Bishkek	6	-	-	1	1	1	2	-	1
19 CJSC "FINCA Bank"	Bishkek	24	3	3	5	2	2	4	2	3
20 OJSC "O!Bank" ²	Bishkek	10	4	-	1	2	-	2	-	1
21 CJSC "EcoIslamicBank"	Bishkek	7	2	-	1	1	-	2	-	1

Source: "Register of Issued Banking Licenses and Register of Branches of Banks, maintained in NBRK".

¹ Since June 5, 2024 OJSC "RSK Bank" was renamed as OJSC "Eldik Bank".² Since September 17, 2024 OJSC "Halysk Bank Kyrgyzstan" was renamed as OJSC "O!Bank".

Table 22.

Composition of Circulating Cash of Commercial Banks in National Currency and Its Rate of Collection in 2024
(billions of KGS)

	Receipt			Issue				Deviation (+/-) (9-4)	Collection Rate (%) (4/9)
	Taxes, customs duties and fees	From sales of foreign exchange	Other	Total	To Treasury for salary payments	For payments of pensions and allowances	Purchases of foreign exchange	Other expenses	Total
	1	2	3	4	5	6	7	8	9
Total for the Kyrgyz Republic	151.1	587.9	4,549.8	5,288.8	6.7	7.4	664.3	4,661.3	5,339.7
Bishkek city	45.0	523.8	2,392.0	2,960.8	2.4	1.9	491.9	2,458.9	2,955.1
Osh city	9.9	33.2	542.0	585.1	0.7	0.0	61.7	539.5	601.9
Batken oblast	1.5	2.6	220.0	224.1	0.4	1.8	21.1	200.5	223.8
Jalal-Abad oblast	3.6	5.9	447.2	456.7	0.5	1.3	42.0	435.6	479.4
Issyk-Kul oblast	1.6	4.2	222.9	228.7	0.2	0.0	10.5	225.1	235.8
Naryn oblast	0.6	1.1	108.8	110.5	0.1	0.8	1.8	112.0	114.6
Osh oblast	8.2	2.1	161.7	172.0	0.2	0.9	12.8	158.0	171.8
Talas oblast	0.6	1.2	103.4	105.2	0.5	0.2	3.7	107.1	111.5
Chui oblast	80.1	13.8	351.8	445.7	1.7	0.5	18.8	424.8	445.8

Source: Commercial banks of K.R.

Table 23.

Pattern of Payments in the RTGSS

	2020			2021			2022			2023			2024		
	Volume, millions of KGS	Number of payments	Volume, millions of KGS	Volume, millions of KGS	Number of payments	Volume, millions of KGS	Volume, millions of KGS	Number of payments	Volume, millions of KGS	Volume, millions of KGS	Number of payments	Volume, millions of KGS	Volume, millions of KGS	Number of payments	
payments up to 1 thousand KGS	20	39,960	25	44,123	21	42,424	33	71,044	44	94,194					
from 1 thousand to 100 thousand of KGS	6,473	259,867	7,054	269,722	8,555	318,259	12,845	481,790	19,689	742,118					
from 100 thousand to 1 million of KGS	43,726	110,712	55,249	134,324	65,305	163,008	91,178	234,801	131,343	343,264					
from 1 million to 10 million of KGS	271,689	94,765	378,242	130,018	494,170	167,797	637,580	212,277	804,958	266,008					
from 10 million to 100 million of KGS	568,461	17,004	765,068	23,082	953,734	29,741	1,244,394	40,201	1,280,881	42,560					
payments of over 100 million of KGS	3,040,927	6,173	4,117,732	6,582	8,793,353	10,514	11,652,753	11,587	29,766,804	14,332					
Total	3,931,296	528,481	5,323,370	607,851	10,315,139	731,743	13,638,784	1,051,700	32,003,720	1,502,476					

Source: Real Time Gross Settlement System.

Table 24.

Structure of Clearing Payments in the BCS by Regions

	2020			2021			2022			2023			2024		
	Volume, millions of KGS	Number of payments	Volume, millions of KGS	Number of payments	Volume, millions of KGS	Number of payments	Volume, millions of KGS	Number of payments	Volume, millions of KGS	Number of payments	Volume, millions of KGS	Number of payments	Volume, millions of KGS	Number of payments	Number of payments
Bishkek city and Chui oblast	164,856	4,943,656	204,809	5,168,982	219,869	5,466,159	300,675	6,871,633	330,951	7,008,319	330,951	7,008,319	330,951	7,008,319	
Batken oblast	2,560	402,235	3,097	398,279	3,484	378,701	4,716	428,701	5,073	441,798	5,073	441,798	5,073	441,798	
Jalal-Abad oblast	5,552	589,539	6,500	594,079	7,192	545,190	8,725	536,032	9,721	574,976	9,721	574,976	9,721	574,976	
Issyk-Kul oblast	3,321	405,835	3,606	415,034	4,204	404,082	5,645	439,204	6,392	432,688	6,392	432,688	6,392	432,688	
Naryn oblast	1,279	163,737	1,494	188,747	1,666	174,749	1,998	185,682	2,478	175,533	2,478	175,533	2,478	175,533	
Osh city and Osh oblast	11,554	979,719	14,787	977,943	18,801	897,521	25,913	1,106,729	28,586	1,274,701	28,586	1,274,701	28,586	1,274,701	
Talas oblast	1,293	160,475	1,431	177,993	1,413	158,704	1,572	163,394	1,947	170,810	1,947	170,810	1,947	170,810	
Total for the Kyrgyz Republic	190,414	7,645,196	235,723	7,921,057	256,629	8,025,106	349,244	9,731,375	385,147	10,078,825	385,147	10,078,825	385,147	10,078,825	

Source: Bulk Clearing System.

Table 25.

Information on Transactions with Payment Cards at Trade Outlets

Card	2020			2021			2022			2023			2024		
	Number of transactions	Volume, thousands of KGS	Number of transactions	Volume, thousands of KGS	Number of transactions	Volume, thousands of KGS	Number of transactions	Volume, thousands of KGS	Number of transactions	Volume, thousands of KGS	Number of transactions	Volume, thousands of KGS	Number of transactions	Volume, thousands of KGS	Volume, thousands of KGS
"Elcard"	9,128,232	5,226,368	15,165,133	12,957,884	27,832,631	38,438,990	43,976,559	67,027,351	56,436,351	82,386,303	56,436,351	82,386,303	56,436,351	82,386,303	
"Elcard-UPI"	18,009	21,538	13,815	18,150	12,814	29,870	12,673	44,107	7,338	45,208	7,338	45,208	7,338	45,208	
"Zolotaya Korona" ("Alai Card")	41,367	25,702	17,314	10,024	5,041	3,137	840	8,527	237	1,677	237	1,677	237	1,677	
Visa	7,964,910	12,433,739	15,594,485	23,138,702	28,364,914	45,037,814	65,101,728	106,042,487	107,047,451	166,495,633	107,047,451	166,495,633	107,047,451	166,495,633	
Master Card	527,544	1,044,367	738,313	1,612,869	775,760	2,330,723	740,284	4,573,876	1,105,391	8,145,277	1,105,391	8,145,277	1,105,391	8,145,277	
American Express	578	12,984	453	17,411	1,497	49,833	2,187	52,006	1,976	59,626	1,976	59,626	1,976	59,626	
Union Pay	1,456	2,304	2,771	4,114	6,243	9,287	12,801	18,635	13,548	30,351	13,548	30,351	13,548	30,351	
"Mir"	5,420	3,007	20,364	16,847	379,959	843,384	325,664	599,968	134,035	55,614	134,035	55,614	134,035	55,614	

Source: Commercial banks of KR.

Table 26.
Information on Peripheral Devices by Regions

Region	2020			2021			2022			2023			2024		
	Number of ATMs	Number of terminals	Number of payment terminals	Number of ATMs	Number of terminals	Number of payment terminals	Number of ATMs	Number of terminals	Number of payment terminals	Number of ATMs	Number of terminals	Number of payment terminals	Number of ATMs	Number of terminals	Number of payment terminals
Bishkek city	704	7,847	524	721	8,467	550	765	10,210	657	816	13,329	765	853	21,121	859
Chui oblast	186	993	190	196	1,069	207	208	1,481	223	240	2,595	271	285	3,733	299
Issyk-Kul oblast	183	797	214	188	918	247	195	1,164	292	221	1,769	344	249	2,988	416
Naryn oblast	81	253	83	80	259	94	84	332	115	86	537	141	99	788	177
Talas oblast	73	220	109	74	248	119	80	364	130	92	538	151	95	1,103	167
Jalal-Abad oblast	234	660	282	245	712	300	266	923	330	314	1,423	384	373	2,088	453
Osh oblast	295	1,059	429	301	1,169	418	332	1,445	454	367	2,240	534	435	3,675	616
Batken oblast	100	238	153	105	225	138	111	333	155	124	578	185	140	834	205
Total:	1,856	12,067	1,984	1,910	13,067	2,073	2,041	16,252	2,356	2,260	23,009	2,775	2,529	36,330	3,192

Source: Commercial banks of KR.

* ATM is a hardware and software complex designed to withdraw cash and/or receive cash, information on completed transactions and other operations with the use of cards or other health care instruments.

* Terminal is a hardware and software complex designed to provide processing by reading data from cards and other health care instruments. A terminal is subdivided into the following types: POS-terminal; POS-terminal-CP; virtual POS-terminal, mobile POS-terminal and terminal-CP; cash.

* Payment terminal is a terminal designed to accept (cash in) cash from the clients/banks, cardholders, service users and issue (cash out) cash to them, including conducting cash and non-cash operations located at the addresses of service providers.

Table 27.**List of Additional Permits to Conduct Banking Operations**

Types of additional permits	Operations	Number of banks
Permit to conduct operations with precious metals	operations with refined measuring bars issued by the National Bank	12
	operations with precious metals in the form of refined standard and measuring bars of other issuers in cash and non-cash forms	5
	operations with precious metals in the form of refined standard and measuring bars of other issuers (in non-cash form)	4
Permit to issue e-money	e-money issuing	7
		4*
Permit to conduct activities on receiving, processing and issuing financial information	conducting activities to receive, process and issue financial information (processing, clearing) on payments and settlements made by the third parties to the participants of payment system, this processing, clearing center	1
“Islamic window”	operations and transactions conducted under the principles of Islamic banking and finance: - Mudaraba agreement - Murabaha agreement - Qard agreement - Ijara and Ijara Muntahiya Bittamlik agreements	3
	operations and transactions conducted under the principles of Islamic banking and finance: - Mudaraba agreement - Murabaha agreement - Qard agreement	1

* The list of authorized banking operations does not include operations on processing of transactions using e-money.

Appendix 4
to the Report of the National Bank
of the Kyrgyz Republic for 2024

Information Tools of the National Bank of the Kyrgyz Republic

№	Title	Periodicity	Contents	Publication format
1.	Annual Report of the National Bank of the Kyrgyz Republic	Annually	The publication reflects the results of the National Bank activity for the reporting year in the monetary sphere, in the banking and payment systems, in the sector of non-banking financial-credit organizations; it includes financial statements and other information on the National Bank.	Printed version is published in the Kyrgyz and Russian languages, submitted to the Jogorku Kenesh, the Administration of the President of the Kyrgyz Republic, sent to the universities and libraries of the Kyrgyz Republic. Electronic version is available in Kyrgyz, Russian and <u>English</u> languages on the official website of the National Bank in the section "Publications".
2.	Financial Sector Stability Report of the Kyrgyz Republic	Twice a year	The publication presents the results of monitoring and analyzing the financial system stability in the Kyrgyz Republic.	It is published on the official website of the National Bank in Kyrgyz, Russian and <u>English</u> languages in the section "Publications". ISSN: 1694-8947.
3.	Monetary Policy Report	Quarterly	The publication includes comprehensive assessment of the economic situation in the Kyrgyz Republic and in the external environment, measures and results of the current monetary policy, as well as forecast estimates of the National Bank on the key macroeconomic indicators.	It is published in Kyrgyz, Russian and <u>English</u> languages on the official website of the National Bank in the section "Monetary Policy".
4.	Balance of Payments of the Kyrgyz Republic	Quarterly	The publication describes the development trends in the external economic sector, contains the statistical data on the balance of payments of the Kyrgyz Republic, including foreign trade, external debt, international investment position, as well as the methodological basis for compiling the balance of payments.	It is published in Kyrgyz, Russian and <u>English</u> languages on the official website of the National Bank in the section "Publications". ISSN: 1694-8971.
5.	Report on the Payment System of the Kyrgyz Republic	Quarterly	It contains data on the state of the payment system in the Kyrgyz Republic, including information on cash turnover, money transfers, operations with the use of various payment instruments, volumes of payments made via interbank systems, as well as decisions of the National Bank on regulation and development of the payment system.	It is published on the official website of the National Bank in Kyrgyz and Russian languages in the section "Payment System".
6.	Development Trends of the Banking Sector	Quarterly	It contains brief review of changes in the key indicators of the banking sector in the Kyrgyz Republic.	It is published on the official website of the National Bank in Kyrgyz, Russian and <u>English</u> languages in the section "Statistics/ Banking Statistics/ Review of the Banking System of the Kyrgyz Republic".

7.	Bulletin of the National Bank of the Kyrgyz Republic	Monthly	The publication provides the statistical data on the key macroeconomic indicators; data on the real, monetary, and foreign economic sectors and public finance; data on monetary and financial statistics, main indicators of financial-credit organizations' activities and functioning of the payment system; and methodology to form certain indicators.	It is published on the official website of the National Bank in Kyrgyz, Russian and <u>English</u> languages in the section "Publications".
8.	Journal "Regulatory Acts of the National Bank of the Kyrgyz Republic"	Quarterly	It includes the regulatory legal acts adopted by the National Bank.	Printed version is published in Kyrgyz and Russian languages, provided to the Jogorku Kenesh, the Administration of the President of the Kyrgyz Republic, sent to the Supreme Court of the Kyrgyz Republic, the Constitutional Court of the Kyrgyz Republic, higher educational institutions and libraries of the Kyrgyz Republic. Electronic version is available in Kyrgyz and Russian languages on the official website of the National Bank in the section "Publications".
9.	Radio Program "The National Bank Reports"	Weekly	Major events of the National Bank activity are highlighted herein on the current issues of monetary policy, banking and payment systems, banking legislation, protection of the banking services consumers' rights and other issues.	Broadcast on the radio "Birinchy Radio", National Broadcasting Corporation, (FM 104.1) in Kyrgyz and Russian languages.
10.	TV column "The National Bank Reports"	Daily (except for weekends)	It provides information on the official exchange rates and prices for gold measuring bars in the form of interactive infographics.	Broadcast in Kyrgyz and Russian languages on the TV channels of the National Broadcasting Corporation and "Ala-Too 24".
11.	Official website of the National bank	It is updated in the real time mode	It is the official representation of the National Bank in the Internet space.	Information is posted in Kyrgyz, Russian and English languages at: www.nbkr.kg .
12.	Website of the National Bank on financial literacy	It is updated in the real time mode	It is online information resource focused on improving the financial literacy of the population and includes educational and explanatory materials on financial literacy in the form of articles, audio and video clips, as well as other tools.	Information is posted in Kyrgyz and Russian languages at: www.finsabat.kg .
13.	Website on sale of numismatic valuables: numizmat.nbkr.kg	It is updated when necessary (issue of new collection coins, completion of the rest of coins for sale)	It contains information on collection coins issued by the National Bank for sale in the domestic market.	Information is posted in real time in Kyrgyz and Russian languages at www.numizmat.nbkr.kg .

14.	Official pages in the social networks	It is updated in the real time mode	Information on decision-making, graphic and video materials, information in the form of infographics using the data presented on the official website of the National Bank, as well as information on improving the financial literacy of the population are presented herein.	Information is posted in Kyrgyz and Russian languages at the following links: youtube.com/user/NationalBankKR/ facebook.com/kyrgyzbank1992/ instagram.com/nbkr_kg/ telegram - @news_nbkr_kg youtube.com/@Finsabat/ facebook.com/finsabat.kg/ instagram.com/finsabat/
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Appendix 5
to the Report of the National Bank
of the Kyrgyz Republic for 2024

List of Abbreviations

ALE	Association of Legal Entities
API	Application programming interface, set of procedures, protocols and tools for creating software applications
BCS	Bulk Clearing System
CIS	Commonwealth of Independent States
CJSC	Close Joint-Stock Company
CPI	Consumer Price Index
CTF/AML	Counter-Terrorism Financing and Anti-Money Laundering
CU	Credit Union
DCCB	Digital Currencies of the Central Banks
EAEU	Eurasian Economic Union
EBRD	European Bank for Reconstruction and Development
ECB	Eurasian Council of Central (National) Banks
FCO	Financial-Credit Organization
FOB	Price at the frontier of country-importer (Free on Board)
GDP	Gross Domestic Product
GF	Guarantee Fund
GS	Government Securities
HSLC	Housing and Savings Loan Company
IDB	Islamic Development Bank
IMF	International Monetary Fund
IPC	Interbank Processing Center
IS	Information Security
ISB	Interstate Bank
ISMS	Information Security Management System
ISS	Information Security System
KSE	Kyrgyz Stock Exchange
LLC	Limited Liability Company
LLP	Loan Loss Provision
MCA	Microcredit Agency
MCC	Microcredit Company
MFC	Microfinance Company

MIA	Ministry of Internal Affairs
MM	Mass Media
MP	Monetary Policy
NBFCO	Non-Banking Financial-Credit Organizations
NBKR	National Bank of the Kyrgyz Republic
NBSFCO	Non-Banking Specialized Financial-Credit Organizations
NSC KR	National Statistical Committee of the Kyrgyz Republic
OJSC	Open Joint-Stock Company
OSCE	Organization for Security and Co-operation in Europe
OTS	Organization of Turkic States
PBC	Public Broadcasting Corporation
PIF	Principles of Islamic Finance
POS-terminal	Equipment to make card payments for goods/services in the points of sale
PRBR	Periodic Regulatory Bank Report
RBR	Regulatory Bank Reporting
RLA	Regulatory Legal Acts
ROA	Return on Assets
ROE	Return on Equity
RR	Reserve Requirement
RTGSS	Real Time Gross Settlement System
SCO	Shanghai Cooperation Organization
SCNS	State Committee for National Security
SDR	Special Drawing Rights
SFCO	Specialized Financial-Credit Organization
ST-Bills	State Treasury Bills
ST-Bonds	State Treasury Bonds
QR-code	Quick response code, bar code
UAE	United Arabian Emirates
USA	United States of America
WB	World Bank