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## SPECIAL EDITION

### CORE TOPICS:

- Meeting of the President of the Republic of Tajikistan with Entrepreneurs and Investors
- Economic and Investment Forum “Dushanbe-2014: “Entrepreneurship - the Engine of the Economy”

### MEETING OF THE PRESIDENT OF THE REPUBLIC OF TAJIKISTAN WITH ENTREPRENEURS AND INVESTORS



Dushanbe, October 14, 2014 –a Meeting of the President of the Republic of Tajikistan, His Excellency Emomali Rahmon, with entrepreneurs and investors was held at Dushanbe "Kokhy Borbad" State Complex.

The event was attended by more than 2 thousand national and foreign entrepreneurs and investors, representatives of international institutions, business associations, country banks, experienced scientists and skilled experts as well as heads of state ministries, agencies and local executive authorities.

In his speech the President of the country attracted attention of participants to the goals of arrangement of the meeting, including strengthening reforms on improvement of investment and business climate in national industrial sectors, technical and technological modernization of industrial manufactures, complete processing of local raw material, production of competitive and meeting international standards final products, development of export capacity of the economy, encouragement of more capital inflow, revealing source priorities of long-term investment as well as exchange information, best international experience and relations on development of national and foreign entrepreneurs and investors

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cooperation, identification of key directions and ways of empowerment of rights and opportunities of national and foreign entrepreneurs and investors for the purpose of supporting manufacturing entrepreneurship and development of industry on processing domestic raw materials. It was stressed that progressive realization of mentioned goals is one of key issues.

The President of the country expressed his point of view in regard with results of reforms, improvement of macroeconomic indicators and ensuring sustainable economic growth. It was also noted that disregard negative trends in the global economy and their impact on our country's economy, the GDP growth has been ensured for 7.4% and the cash income of population and monthly salary of an employee increased by 16.5% and 20% respectively in 2013. Population's deposits in banks over the last five years rose by more than 3.2 times and reached four billion Tajik somoni in 2013.

As it was underlined in a meaningful speech achieving macroeconomic stability made it possible to reduce the poverty rate from 38, 3% to 35,6% in 2013 as well as this indicator will be reduced to 30% in 2015.

Concerning the total number of new and restored jobs it was noted that during the last five years accounted for more than 870 000, and 185 000 in 2013 only, which promoted the improvement of the labor market situation and people's living standards.

The President of the country emphasized the important role of the private sector in ensuring sustainable economic growth of the country, prosperity, raising the level of well-being of country people as well as stressed his involvement and special attention to the strengthening Public-Private Dialogue.

It was remarked that during the last seven years more than 1600 new industrial manufactures with 50 thousands of jobs, including industries on processing of metal and other types of industrial raw materials, cotton fiber, production of construction materials and processing of fruits and vegetables were constructed and it is necessary to accelerate this process. Only last year, national businesses constructed and launched 332 new manufactures. In line with this the necessity of enhancing the process has been stressed.

Increasing the number of entrepreneurial entities is considered as positive trend of economic development of the country. According to this during the last four years their number increased from 146,000 in 2010 to 232,000 in 2014, which makes 59% of increase.

In concern with private sector activity the President of the country underlined that last year the country's GDP accounted for 40.5bln Tajik somoni, 64% of which comes to the private sector.



While analyzing different aspects of entrepreneurship the President of the country expressed his opinion in regard with issues on “Single Window” System, procedures of state registration of legal entities and individual entrepreneurs, licensing and the necessity of improving this system, its documentation, crediting and providing support for entrepreneurs through entrepreneurship funds, taxation and custom procedures, reform on inspection of activity of business entities, investment in sectors and other issues as well as stressed undertaking necessary measures for elimination barriers in mentioned directions.

Simultaneously, the President of the country expressed his gratitude to entrepreneurs and business community for their share in the economic development of the country, strengthening economic background of state independence, establishment of enterprises and creating jobs, reducing the poverty rate in the country, supporting those in need, prosperity of motherland as well as assured that entrepreneurs with high sense of responsibility and patriotism will contribute significantly in development of the country and raising the level of well-being of people.

After completing his speech the President of the country His Excellency Emomali Rakhmon submitted satisfactory answers to numerous questions and requests of national and foreign entrepreneurs and investors attending the meeting from all over the country and abroad. In their addresses entrepreneurs, representatives of development partners and private sector expressed their views about leadership of the Government and the country in regard with supporting entrepreneurship as well as submitted their proposals on enhancing economic reform process and business development in the country.

At the end of the Meeting the President of the country expressed his satisfaction on active participation of entrepreneurs in discussion of raised issues, gave relevant instructions to responsible central and local authorities in regard with useful proposals and suggestions of the meeting participants, obliged them to consider comprehensively all addresses of participants and to undertake necessary measures for implementation of substantiated requests.

## **ECONOMIC AND INVESTMENT FORUM “DUSHANBE-2014: “ENTREPRENEURSHIP - THE ENGINE OF THE ECONOMY”**

Dushanbe, October 15, 2014 – Economic and Investment Forum “Dushanbe-2014: Entrepreneurship - the Engine of the Economy“ was held at National Library of the Republic of Tajikistan with participation of the President of the Republic of Tajikistan, His Excellency Emomali Rahmon.

The Forum was attended by more than 500 national and foreign entrepreneurs and investors, representatives of a range prestigious international organization such as United Nations

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Organization, World Bank, International Financial Corporation, Islamic Development Bank, Asian Development Bank, diplomatic representatives of the countries worldwide, experienced scientists and skilled experts, powerful enterprises and economic entities as well as heads of a range of state authorities.

In the beginning of the event the President of the country had a speech, welcomed participants to Economic and Investment Forum "Dushanbe-2014: Entrepreneurship - the Engine of the Economy" and wished them efficient participation in the work of the Forum. The President of the country noted that conducting the Forum brought together representatives of country government, international institutions, business and experts' community from all over the world as well as national investors and entrepreneurs and is considered as a very important event in the economic life of our country.

The President of the country emphasized important role of private sector sharing more than 63 % of the country GDP and noted that today private sector uses existing opportunities is being contributed significantly in prosperity, economic development of the country and improving the level of well-being of the country people.

As a result of implemented reforms country indicators were significantly improved in the annual "Doing Business" report of the World Bank and the Republic of Tajikistan was twice recognized as best reformer country in line with 10 countries of the world during 2010-2011.

The Head of the state confidently noted that all necessary conditions and favorable climate of implementation of business and investment activity have been created in Tajikistan and additional measures on support and development of real economic sectors, simplification procedures regarding regulation of the business activity are being undertaken.

Comprehensive works are done to bring the investment climate in line with international standards requirements, ensure development of the private sector and business and integration into the global economy, fair competition environment is ensured in the country and the same legal protection is ensured for both foreign and local legal and individual entities that are considered as one of the goals of the Government of the Republic of Tajikistan.

The President of the country expressed his opinion on resource opportunities and real capabilities providing sustainable development, as well as rich hydropower resources, clean water, mineral resources, processing of the agricultural products and noted that the strengthening of the mutual effective cooperation in energy, industry, agriculture, tourism, transport and communication are purposeful.

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Tajikistan has capacity to generate 527bln kWt/H of power per year, 6% of which is being used currently Tajikistan. Also dependency of ensuring future economic development of our country, particularly industry sector and its social sections on the development of hydropower potential and country contribution in future providing the neighbor countries with electricity has been reminded.

Regarding the issue of structural improvement of economy and establishment of new manufacturing enterprises, also making appropriate activity of current industrial facilities to the modern requirements through attraction of foreign investment and introduction of modern technologies it was noted that there are wide opportunities for attraction of investment on procession of mineral resources, as well as more than 600 natural mineral and non mineral deposits are identified, explored and are ready for extraction. All types of precious stones and metals and necessary raw material are available in our country, extraction and processing of which would be another aspect of economically beneficial cooperation.

The small and big projects on infrastructure, transport and communications, growing the vegetables and fruits, tourism, including mountaineering, chemical industry, medicine and production of pharmaceuticals have been highlighted as another direction of attraction of investment and mutual cooperation.

While speaking on free economic zones it was noted that currently, four free economic zones operate in Tajikistan as well as favorable conditions and preferential terms for economic, financial, trade, information and services and other activities are ensured in these zones.

Also more than 40 guarantees and preferences to investors, including preferences on taxation and customs procedures prescribed in current legislation of the Republic of Tajikistan, special additional preferences foreseen in the priority sectors of the economy – the energy and production sectors, including full processing of aluminium, cotton and other agricultural products with a view to encouraging more investments into these sectors were noted.

At the end the President expressed assurance that the result of the work of this Forum will give impetus for development of infrastructure, energy, industry, banking, finance, agriculture, tourism and entrepreneurs and investors will use thoroughly provided favorable investment conditions for arrangement of mutual cooperation in these spheres.

Also Mr. Masaru Honma, the EBRD Regional Director for Central Asia, Mr. C. C. Yu, Head of Development Partners' Coordination Council, Mr. Pavel Lavrov, General Director of JSC "Sangtuda-1", Mr. Chen Yin Xiang, General Director of Tajik-China Mining

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Company Ltd. and Mr. Frederic Lobbe, General Director, Schiever Tajikistan have spoken during the opening of the Forum.

Then the Forum was continued in Opening Session on “Tajikistan – Roadmap for Strengthening business, investment and international trade” by speech of Mr. Davlatali Said, the First Deputy Prime Minister of the Republic of Tajikistan.

During the session Chairman of the State Committee on Investments and State Property Management of the Republic of Tajikistan – Mr. Qodiri Qosim, Minister of Economic Development and Trade – Mr. Sharif Rahimzoda, Chairman of Tax Committee under the Government of the Republic of Tajikistan – Mr. Nusratullo Davlatzoda and representatives of a range companies and international institutions spoke on issues of Tajikistan’s business and investment outlook – prospects and opportunities, regional cooperation and connectivity, key Government priorities to create an attractive investment climate, policy and regulatory key reforms positively affecting foreign investments, simplification of procedures for investors, innovative methods of business regulations by tax authorities, elimination of international trade development barriers for small and medium business, including issues regarding the customs and WTO accession.

Also, the work of the Forum was arranged in 5 separated sections and participants delivered their reports in regard with issues on ”Development of Sustainable Finance System”, “Investing in Energy”, “Development of Industrial and Services Sectors through Entrepreneurship”, “Investing in Transport Connectivity”, “Opportunities and Competitive Advantageous in Agribusiness”.

A number of memorandums have been signed as results of the Forum:

1. Memorandum between State Committee on Investment and State Property Management of the Republic of Tajikistan and Methanol Institution on partnership and cooperation.
2. Memorandum between Ministry of health and Social Protection of the Republic of Tajikistan and Association of Health Society on Quality of the Russian Federation on development of health education system in accordance with Public-Private Partnership Mechanism.
3. Memorandum between SUE “TALKO” and Glinkore International, Switzerland on establishment of cooperation.
4. Memorandum between State Committee on Investment and State Property Management of the Republic of Tajikistan and Organization of Security and Cooperation in Europe on establishment of business incubators.

At the end of the Forum the Resolution of the Economic and Investment Forum Dushanbe-2014 has been adopted.

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*Sincerely Yours,*

*Staff of Secretariat of the Investment Council on  
Improvement of Investment Climate under the  
President of Republic of Tajikistan*

*Numon Abdujabborov – Head of Secretariat  
Dilshod Odinaev – Economic Consultant  
Manuchehra Madjonova – Economic Consultant  
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