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CORE TOPICS:

- Development of Tourism Sphere
- Cooperation with Partners
- Preparation for the Next Session of the Consultative Council

DEVELOPMENT OF TOURISM SPHERE

For the purpose of implementation of paragraph 3, point 3 of Protocol (Minutes) of 10th Session of the Consultative Council on Improvement of Investment Climate under the President of the Republic of Tajikistan, dated October 19, 2012, №1c/12.2-13, according to point 8 of the Charter of the State Committee on Investment and State Property Management of the Republic of Tajikistan, which was approved by the Decree №590 of the Government of the Republic of Tajikistan on December 28, the Working Group on Improvement of Investment Climate in Tourism Sphere was established.

At the first meeting of the Working Group, which was held by leadership of Mr. ZavkievZavkidjon – Head of Working Group the Draft of the Working Plan of the activity of the Working Group was discussed during this meeting. During discussing of Working Plan the members of the Working Group expressed their high interest and willingness for the implementation future purposes and it was noted that the Draft of Working Plan should be send to each members and submit addition and changes to the Investment Council Secretariat until second meeting of the Working Group. In addition, the representatives of Ministry of culture, Statistic Agency, Migration Service, Ministry of Agriculture, Border Administration, Office for Visas and Registration for Foreign Citizens were included to the Working Group.

At the second meeting of the Working Group, the new members included to the Working Group, which recommended for participation in Working Group's activity from government sector side. The discussing of structure and contents of the Working Plan was continued at this meeting. It was decided to develop the Working Plan according recommendations of Working Group members. Also, the list of development partner's assists on relevant points of Working Plan should concretized and submit recommendations to the Investment Council Secretariat till next meeting of Working Group.

During the third meeting of the Working Group Zavkijon Zavkiev – Head of Working Group noted that it will be prepared a Report on Results of the Activity of the Working Group on tourism sphere. This report would contain full information on tourism current situation, existing problems and recommendations for solving these problems. Members of the Working Group - representatives of Ministry of Culture, Statistic Agency, Migration Services, Ministry of Agriculture and Department of Border Powers of State

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Committee of National Safety were invited to the meeting and asked to suggest sphere issues on tourism for discussion at the future meetings of the Working Group.

The following decisions were taken in this meeting: to adopt the Working Plan of the Working Group taking into account changes and amendments and send its English version to development partners; to carry out important works by state authorities, private tour companies, tour associations regarding the implementation of the Working Plan measures; to consider all issues on tourism sphere development by private sector, tourism sphere experts with assistant of development partners and cooperation with state agencies; to send a policy paper on tourism current status assessment and sphere issues to the relevant agencies and structures.

At the 4-th joint meeting of the Interministerial Working Group and Working Group of development partners on tourism conducted on August 2, 2013 in IFC office and Zavkidjon Zavkiev - Head of the Working Group on the base of discussion and reconciliation with development partners, private sector and other members of the group noted that the Working Group should operate efficiently and for this purpose, its activities should be focused on the following four directions: Airports, Land Borders and Customer Training, Visa and Registration, Licensing and Permits, Statistics and Information. Christopher Miller a Head of IFC representative spoke and supported activity of the Working Group on four noted directions.

Zavkidjon Zavkiev – Head of Working Group introduced International Adviser, Professor Philip Riddle, who was invited by Great Britain Embassy to provide advisory assistance to the Working Group for elaborating recommendations regarding development of tourism sphere in Tajikistan.

The 5-th joint meeting of the Interministerial Working Group and Working Group of development partners on tourism was held this year on August 13 at the IFC office on which working subgroups' meetings were conducted. The first meetings of the Sub-Groups on Airports, Land Borders and Customer Training, Visa and Registration, Licensing and Permits, Statistics and Information were opened by Christopher Miller who noted that during these meetings the Working Plans of each sub-group must be defined and concretized. Regarding implementation of their tasks each Sub-Group was instructed to conduct comprehensive analysis of the current status and existing problems. After business trips of Sub-Groups members should present to a Head of the Working Group written information on the current status and recommendations to eliminate existing problems. Coordination of business trips to the relevant authorities entrusted to the Secretariat of the Consultative Council. The Secretariat of the Council after studying will present these recommendations to the Consultative Council on Improvement of Investment Climate under the President of the Republic of Tajikistan for discussion and adoption of the necessary decisions.

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COOPERATION WITH PARTNERS

On July 30, 2013 bilateral meetings between the Head of the Secretariat of the Consultative Council under the President of the Republic of Tajikistan on Improvement of Investment Climate Mr Zavkidjon Zavkiev with Head of the Representation Office of International Finance Corporation in Tajikistan Mr Christopher Miller and Deputy Head of Swiss Cooperation Office in Tajikistan Mr Nicolas Gyugas were held.

The issues of parties' cooperation on Improvement of Investment Climate in Tourism Sphere have been discussed during these meetings.

In response to the Secretariat's request counterparts expressed their willingness to provide technical support on implementation of Action Plan of the Interministerial Working Group on Improvement of Investment Climate in Tourism Sphere.

Both sides agreed to have a joint meeting of the Interministerial Working Group and a Working Group of development partners on tourism.

On July 31, 2013 staff of Secretariat of the Consultative Council on Improvement of Investment Climate under the President of the Republic of Tajikistan had a meeting with Tourism Development Adviser "VSO International" in Tajikistan Prof. Phil Riddle.

The issues of improvement of investment climate in tourism sphere were discussed during the meeting.

It was noted with satisfaction by the Head of Secretariat that British Embassy hired such an expert in this sphere to assist Tajikistan in improvement of investment climate in tourism sphere.

Both sides agreed that a representative of the "VSO International" in Tajikistan would submit recommendations on improving of investment climate in tourism sphere and the Secretariat of the Consultative Council together with its recommendations would summarize and submit them to the next Session of the Consultative Council.

The activity of Prof. Philip Riddle on improvement of tourism sphere will continue for the next six month.

Both sides agreed to continue their fruitful relationships in this sphere.

On August 2, 2013 Zavkiev Zavkidjon - Head of Secretariat of the Consultative Council on Improvement of Investment Climate under the President of the Republic of Tajikistan had a meeting with Mr Tomasso Chierchia - Financial and Private Sector Development Specialist, Head of the World Bank's mission on Measuring and Reducing Regulatory Uncertainty and Discretion.

The following issues were discussed during the meeting:

(i) Progress to date, as well as the way forward;

(ii)Ensuring Investment Council's support and coordination on the agreed implementaion plans;

(iii) Arranging meetings with private sector representatives;

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In response to the World Bank's request the Secretariat agreed to assist on arranging of meetings with entrepreneurs of the Soghd and Khatlon provinces.

It was noted that the World Bank's mission has an intention to submit its conclusions to the next Session of the Consultative Councils after completion of conducting analysis, which was endorsed by the Secretariat of the Consultative Council.

Head of the Secretariat requested the World Bank's mission to provide technical support to the State Committee on Investment and State Property Management of the Republic of Tajikistan on establishment of electronic version of licenses, which was supported by the World Bank's mission.

On August 07, 2013 Zavkidjon Zavkiev - Head of Secretariat of the Consultative Council under the President of the Republic of Tajikistan on Improvement of Investment Climate had a regular meeting with Professor Philip Riddle - Tourism Development Adviser "VSO International" in Tajikistan.

The issues related to the subgroups of the working group on improvement of investment climate in tourism sphere and the completion of tasks during August, September and October this year were discussed during the meeting.

Action Plans of subgroups were prepared and submitted for implementation. Next, each subgroup need to function effectively according to its action plan.

On August 28, 2013 Zavkidjon Zavkiev - Head of Secretariat of the Consultative Council under the President of the Republic of Tajikistan on Improvement of Investment Climate had a meeting with Ulf Hindstrom- Head of Resident Office of European Bank for Reconstruction and Development in Tajikistan and Sobir Aliev- Associate Banker of EBRD in Tajikistan.

The Head of Secretariat of the Consultative Council under the President of the Republic of Tajikistan on Improvement of Investment Climate Zavkidjon Zavkiev in response to EBRD side expressed satisfication for the supporting of the Consultative Council and its Secretariat and informed that the preparatory works for the next Session of the Consultative Council are continuing. Also, it was informed that the Interministerial Working Group and Working Group of development partners are coordinating their activity on improvement of investment climate on tourism sphere in accordance to the developed Action Plan. Necessary works are purposefully continuing in four directions: (i) Licensing and Permits (ii) Visa and Registration (iii) Airport, Borders and Training of Customer Services (iv) Statistics and Information.

From the side of European Bank for Reconstruction and Development in Tajikistan was informed that the contracts of Secretariat's new staff will be signed by the Bank in the shortest possible time.

On August 30, 2013 Zavkidjon Zavkiev - Head of Secretariat of the Consultative Council under the President of the Republic of Tajikistan on Improvement of Investment

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Climate had a meeting with Marsha Olive – Head of Representation of World Bank in Tajikistan.

The issues of strengthening cooperation of the Consultative Council and its Secretariat with World Bank were discussed during this meeting.

Counterparts agreed to strengthen bilateral cooperation on conducting reforms in insurance sphere and development of private sector.

On September 5, 2013 Zavkidjon Zavkiev - Head of Secretariat of the Consultative Council under the President of the Republic of Tajikistan on Improvement of Investment Climate, Numon Abdujaborov – Senior Economic Consultant, Dilshod Odinaev – Economic Consultant of Secretariat had an unformal working meeting with Professor Philip Riddle - Tourism Development Adviser "VSO International" in Tajikistan.

The issues of activity of the working group and his subgroups, also future steps were discussed during the meeting.

Counterparts agreed that after the end of visits of Subgroups of Working Group on Licensing and Permits, Visa and Registration, Airport, Borders and Training of Customer Services, Statistics and Information to prepare and submit report and concrete reccomendations to the next Session of the Consultative Council.

On September 19, 2013 Zavkidjon Zavkiev - Head of Secretariat of the Consultative Council under the President of the Republic of Tajikistan on Improvement of Investment Climate had a meeting with Christopher Miller - Head of the Representation Office of International Finance Corporation in Tajikistan.

The issues of bilateral cooperation on implementation of reforms in framework of Investment Council's activity, also simplification of documents of investors, development of tourism sphere and "Doing Business" were discussed during the meeting.

In response to the Zavkidjon Zavkiev's request Christopher Miller expressed his willingness to fully assist on issues of supporting working group on improvement of tourism sphere, improvement of raiting of Republic of Tajikistan in "Doing Business" and financing web-site of Investment Council.

Counterparts agreed to continue their fruitful cooperation.

On September 20, 2013 Zavkidjon Zavkiev - Head of Secretariat of the Consultative Council under the President of the Republic of Tajikistan on Improvement of Investment Climate had a bilateral meeting with Professor Philip Riddle - Tourism Development Adviser "VSO International" in Tajikistan.

The issue of visits of subgroups of the working group was discussed during the meeting. The results of visits of Sub Groups of the Working Group on Visa and Registration to the Department of Consular of Ministry of Foreign Affairs of the Republic of Tajikistan, Office for Visas and Registration for Foreign Citizens and visit of Sub Groups of the Working Group on Statistics and Information to the Statistic Agency under the President of

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the Republic of Tajikistan was estimated well, sides had planned to conduct a separate meetings with each subgroups next week, in order to discuss suggestions on the solution of existing problem.

Also, counterparts agreed to submit the current state analysis on investment in tourism sphere with recommendations together.

On September 26, 2013 Head of Secretariat of the Investment Council had a multilateral meeting with key development partners such as IFC, German Agency for International Cooperation, Swiss Agency for Cooperation, EBRD, Delegation of the European Union, World Bank and British organization "VSO International"

In the first part of meeting Head of Secretariat Zavkidjon Zavkiev informed development partners about progress in reforms realized in the framework of activities of the Investment Council in conjunction with SCI, in particular reforms on public- private partnerships, tax, business, tourism, insurance, ratification of RT to the Hague Convention by Apostille on legalization of documents and establishment of credit rating of the country.

In the second part of meeting, sides had exchanged views on other aspects of future cooperation. Development partners expressed their satisfaction with the process conducting in the framework of reforms of the Investment Council, as well as willingness for further cooperation and to provide the necessary support. Especially the World Bank has expressed readiness to provide technical support to promote reform of the insurance sector, Delegation of the European Union - on introduction of "One Stop Shop " for the implementation of export- import operations, IFC, German Agency for International Cooperation and Swiss Agency for Cooperation - on implementation of reforms in tourism, public- private partnerships, tax administration and licensing system sphere.

PREPARATION FOR THE NEXT SESSION OF THE CONSULTATIVE COUNCIL

The Secretariat of the Consultative Council on Improvement of Investment Climate under the President of Republic of Tajikistan began the process of selecting issues (filtration) for discussion at the next Session of the Consultative Council, as well as preparations for the 12th Session the Consultative Council.

On this basis, in accordance with Consultative Council's Regulation regarding performance of the assignment to hold meetings with entrepreneurs Chairman of the Sogd Business Associations Union - Masuda Tyuraeva and director of the company "Pomir Energy, a representative of the private sector - Daler Jumaev and a Head of the Limited Liability Company "K.Davron" Bahrom Rustamov have been requested to hold meetings with active entrepreneurs in their regions and to present their proposals and recommendations to the Secretariat of the Consultative Council until August 17 of this year.

In this regard, Secretariat of the Consultative Council has obtained information about the meetings held with the active entrepreneurs of GBAO, Sogd regions and Kulyab town, their suggestions and recommendations that are being considered and analyzed.

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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

Zavkidjon Zavkiev – Head of the Secretariat Numon Abdujaborov – Senior Economic Consultant Dilshod Odinaev – Economic Consultant Manuchehra Madjonova – Economic Consultant Safarbi Fayzova – AdministrativeAssistant