NEWSLETTER # 29 OF THE SECRETARIAT OF THE CONSULTATIVE COUNCIL ON IMPROVEMENT OF INVESTMENT CLIMATE UNDER THE PRESIDENT OF THE REPUBLIC OF TAJIKISTAN



MAIN SUBJECT OF THE ISSUE:

- Instructions of the 9th Meeting of the Consultative Council on Improvement of Investment Climate under the President of the Republic of Tajikistan of April 10, 2012, with regard to each item of its agenda
- Preparation for the 10th Meeting of the Consultative Council
- The First Meeting of the Consultative Council on Improvement of Investment Climate under the Chairman of Farkhor District

Unofficial translation

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INSTRUCTIONS OF THE 9TH MEETING OF THE CONSULTATIVE COUNCIL ON IMPROVEMENT OF INVESTMENT CLIMATE UNDER THE PRESIDENT OF THE REPUBLIC OF TAJIKISTAN OF APRIL 10, 2012, WITH REGARD TO EACH ITEM OF ITS AGENDA (except for some points)

As a result of the 9th meeting of the Consultative Council on Improvement of Investment Climate under the President of the Republic of Tajikistan the Chairman of the Consultative Council – the President of the Republic of Tajikistan has given the instructions as follow:

1. The Government of the Republic of Tajikistan:

- to reconsider the proposed Draft Tax Code in new edition and take into account the views of entrepreneurs, investors, branch ministries and agencies and other taxpayers, including international organizations while finalizing it;

- within a three-months timeframe to prepare an analysis by independent experts, including with the involvement of international experts, of the positive and negative impact of the Draft Tax Code in new edition on the national budget, economic activity of the private sector and social stability of the population against the Tax Code of the Republic of Tajikistan in effect.

- 2. The State Committee on Investments and State Property Management of the Republic of Tajikistan together with the Consultative Council's Secretariat, representatives of the respective ministries and agencies, the private sector with the involvement of development partners to conduct analysis on simplification of administrative procedures for investors and removal of barriers for entrepreneurs carrying out their activity on the basis of license and present its results at one of the further meetings of the Consultative Council.
- 3. The executive body of state government of the Khatlon Province together with respective ministries and agencies, the private sector with the involvement of local and foreign investments to develop necessary activity plans on the establishment of small and medium

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enterprises in the industrial sector, on processing of agricultural products, including fruit and vegetables, on processing cotton fiber and production of the end product, livestock breeding and poultry farming, on meat and milk processing, in the sector of tourism and other important economic sectors, as well as considerable increase in establishment of industrial enterprises in the province, particularly in remote mountain areas.

- 4. The Ministry of Economic Development and Trade in interaction with the Khatlon Province's executive body of state government with the involvement of development partners to conduct detailed analysis of FEZ "Panj" and "Danghara", to take necessary steps towards their effective development, including towards development of the cross-border trade and once a semester to report to the Government of the Republic of Tajikistan on the results.
- 5. The executive bodies of state government in the cities and districts in cooperation with respective ministries and agencies, entrepreneurs, vocational education establishments and development partners to take necessary steps on strengthening professional skills of entrepreneurs, organizing educational centers for entrepreneurs and ensuring their effective operation, and once a year to report about the results to the Secretariat of the Consultative Council on Improvement of Investment Climate under the President of the Republic of Tajikistan.
- 6. Consultative Councils on Improvement of Investment Climate and Entrepreneurship in GBAO, Khatlon and Sughd Province should harmonize subjects of the forthcoming meetings of regional Councils with the Secretariat of the Consultative Council on Improvement of Investment Climate under the President of the Republic of Tajikistan.
- 7. Members of the Consultative Council from among representatives of the private sector to implement an active explanatory work among entrepreneurs about the process of economic reforms underway in the sphere of improvement of investment climate and entrepreneurship and present the report at the Consultative Council meetings.
- 8. The Secretariat of the Consultative Council will carry out monitoring of implementation of the 9th meeting of the Consultative Council instructions in the established order and will appreciate all partners assistance in their complete and timely implementation.



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PREPARATION FOR THE 10TH MEETING OF THE CONSULTATIVE COUNCIL ON IMPROVEMENT OF INVESTMENT CLIMATE UNDER THE PRESIDENT OF THE REPUBLIC OF TAJIKISTAN

The Secretariat of the Consultative Council on Improvement of Investment Climate under the President of the Republic of Tajikistan has started preparation for the next 10th meeting of the Consultative Council.

The agenda of the 10th meeting will be formed on the basis of the filtration process results and the decision of the 9th meeting of the Consultative Council on each item of its agenda.

At the moment, the State Committee on Investments and State Property Management of the Republic of Tajikistan together with representatives of the private sector, development partners and the Consultative Council Secretariat are drafting proposals on removing additional barriers for entrepreneurs operating on the basis of the license. For this purpose, separate meetings are conducted with representatives of the private sector in order to figure out main problems and options for their solution.

FIRST MEETING OF THE CONSULTATIVE COUNCIL ON IMPROVEMENT OF INVESTMENT CLIMATE UNDER THE CHAIRMAN OF FARKHOR DISTRICT

The first meeting of the Consultative Council on Improvement of Investment Climate under the Chairman of Farkhor District was held on May 11, 2012, in Farkhor District. This Council was established by initiative of the Chairman of Farkhor District, representatives of the private sector and with technical and consultative support of the UNDP in Tajikistan.

Members of the Council from among representatives of government bodies, private sector, international organizations, as well as representatives of the State Committee on Investments and State Property Management and the Secretariat of the Consultative Council on Improvement of Investment Climate under the Chairman of Khatlon Region have participated in the first meeting of the Council.

In the course of the meeting, in addition to the discussion of organizational issues, a presentation of the results of research – "Assessment of the private sector awareness level in Farkhor District" was also made that has been conducted in March-April, 2012, by the NGO "Nisojon" with support of the UNDP. Proposals and recommendations on increasing the level of the private sector awareness about the reforms conducted at the national level have been presented.

It has been mentioned that the earlier established Business and Cross-Border Support Center in Farkhor District that is already supporting the district entrepreneurs in their business development may contribute to these activities. At the same time, the Center is closely cooperating with the local authority and respective government structures on solving problems of entrepreneurs.

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The meeting was complemented by the "Day of open doors" where every entrepreneur was able to receive an advice of consultants and representatives of government structures in charge of regulating entrepreneurial activities on the development of his/her own business and solving his/her problems. It is good that by the decision of the Council May 11 has been declared a "Day of entrepreneurship in Farkhor District" and it has been decided to organize a meeting between the government bodies and entrepreneurs every 11th day of the month where they can receive advice and submit their proposals on improvement.

Representatives of the State Committee on Investments and State Property Management of the RT informed the attendants about the Draft Law RT "On state support and development of the entrepreneurial activity" and introduction of amendments into the Law RT "On inspection of business entitites activity in the Republic of Tajikistan". Participants of the meeting made proposals and recommendations to the aforementioned draft regulatory acts.

Dear Partners!

Should you have proposals for consideration for one of the next meetings of the Council, or comments and suggestions on improvement of the work of the Secretariat and/or Council you can always contact us at <u>amavlonova@investmentcouncil.tj</u> You may also share with us your information, which might be of interest for private sector and

investors. We may include it in one of the next Bulletins. The Secretariat of the Investment Council is grateful for your interest in our Bulletin and your general cooperation.

Sincerely, 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 – Economic Consultant Elena Ishankulova – Legal Consultant Sarvar Kholikov – Legal Consultant Aziza Mavlonova – Legal Consultant Umedjon Umarov - Economic Consultant

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