



BASIC THEMES OF THIS RELEASE:

- Secretariat of the Consultative Council attended the Conference on Public – Private Dialogue
- Forum “Pamir – Invest - 2011”- a weighty impulse to entrepreneurial development in Gorno Badakhshan
- Creation of the Consultative Council on improvement of investment climate of the Chairman of Sughd region
- Training Program and main areas of activity of the Association MIDAT

**SECRETARIAT OF THE CONSULTATIVE COUNCIL ATTENDED THE
CONFERENCE ON PUBLIC – PRIVATE DIALOGUE**



In period of 13-17 June 2011, members of the Secretariat of the Consultative Council on improvement of investment climate under the President of the Republic of Tajikistan attended the 6th International Conference on "Public-private dialogue" and " Policy for Investment ", held in Vienna, Austria.. The conference was attended by representatives of the Executive Office of the President of Republic of Tajikistan, State Committee on Investments and State Property Management, Hukumat of Khatlon region, the private sector and the International Finance Corporation (IFC).

The main purpose of the conference was to examine by participants the mechanisms of public-private dialogue in various countries, exchange experiences on best practices.

More than 35 countries presented at the conference their platform for public-private dialogue. An example of each country was specific and different from each other, which gave an opportunity for participants from various countries to learn extra potentialities, features and advantages of stability and development of public-private dialogue

Two existing platforms of public-private dialogue were presented from the Republic of Tajikistan: at the national level - the Consultative Council on improvement of investment climate under the President of the Republic of Tajikistan and at the regional - the Consultative Council on improvement of investment and entrepreneurial climate of the Chairman of Khatlon region.

June-July, 2011



Head of the Secretariat of the Consultative Council on improvement of investment climate under the President of Tajikistan - Mr. Hotamov Z. told the participants on National Consultative Council activity, on taken under its activity Strategic documents and regulatory legal acts that have a positive impact on improving entrepreneurial activity in the country, on interaction public and private sectors, which results are the numerous economic reforms, entailing development of administrative procedures and reducing expenditure of time and money in doing business. One of the most significant results highlighted the fact that as a result of productive cooperation between the state and the private sector and holding reforms in 2011, the Republic of Tajikistan the second consecutive year was recognized as a reform-minded country in accordance with World Bank report "Doing Business".

During the conference provided information on the activity of the Secretariat of the Consultative Council on improving transparency and clarity of the work of the Consultative Council, and also on introduction of systematic process of selecting issues for consideration at the sessions of the Consultative Council (the filtering process), which was developed by support of International Finance Corporation (IFC). This process has caused great interest among the participants from other countries and was recognized as one of the most effective mechanisms of increasing the confidence of the private sector, the selection of the most pressing and urgent problems for the business community. Activity of the Consultative Council on improvement of investment and entrepreneurial climate of the Chairman of Khatlon region was represented by Deputy Chairman of Khatlon region Mr. Rakhmonov A. In his report, Mr. Rakhmonov A. said that the Regional Council was established recently, in 2011 and held two sessions for the current period. However, despite this, entrepreneurs displayed a great interest in the work of this Council and at the second session the representatives of the private sector have already defined range of the most desirable issues relating to entrepreneurship development in Khatlon region and the country as a whole.



Moreover, members of the delegation of Tajikistan informed their counterparts from other countries that such a platform at the regional level has already been established in other regions of Tajikistan.

On the last day of the conference participants had opportunity to discuss in detail with skilled international experts the issues of creating and developing sustainable public-private dialogue, investment policies and seek clarification and comments on current issues in Tajikistan in view of features and capabilities of its private sector. After long discussion

June-July, 2011



with representatives of the delegation of Tajikistan the established practices of public-private dialogue in the Republic of Tajikistan has been recognized by international experts, as one of the most effective and successful examples.



Among the recommendations proposed by the international experts were: strengthening cooperation of the Secretariat of the Consultative Council with the private sector to further enhance their interest in the work of the Advisory Council and the initiation of reforms, improving reporting and monitoring system, as well as strengthening relations with the community and informing civil society on the results of the activity of the Consultative Council.

Obtained experience and knowledge in the course of the conference will allow participants to use new tools for development and effectiveness of public-private dialogue, to strengthen and expand existing partnerships and through acquaintance with colleagues from other countries, in future to share innovations in the field of public-private dialogue.

FORUM "PAMIR – INVEST – 2011" – A WEIGHTY IMPULSE TO ENTREPRENEURIAL DEVELOPMENT IN GORNO BADAKHSHAN



One of the main instruments of support and business development now in Badakhshan is to attract domestic and foreign investors. In this regard, the Association of Entrepreneurs and Mountain Farmers "Milal Inter" held an investment Forum "Pamir Invest", which was held in June 16-17, 2011 in Khorog.

The forum was organized by support of the State Committee on Investments and State Property Management of the Republic of Tajikistan, local executive authority of GBAO and by financial support of the German Society for International Cooperation.

The Forum's goal was to attract local and foreign investors to business opportunities in the Region, to accelerate the implementation of development programs of GBAO and efficient use of natural resources of the region. Forum facilitated the removal of existing barriers to foreign direct investment in GBAO and the establishment of direct contacts between the members of the Association, entrepreneurs, mountain farmers and investors.

June-July, 2011



The mission of the forum was to perform a task on promoting co-operation of private entrepreneurship with attracting foreign capital, the most important aspect of which was to invite foreign investors to GBAO in order to familiarize them with business opportunities in the Region and mountainous districts of the country. Moreover, an important task of the Forum was to develop business - plans together with the members of the Association, representatives of all sectors of economy. In this regard, the entrepreneurs of the region have developed and presented at the Forum more than 100 business projects, most of which were associated with the development of production through using of local natural resources.



During the Forum, there was an exhibition, which was demonstrated in it the state of entrepreneurship development in the region as an example products and goods of local manufacture, the level of preparedness of entrepreneurs to partnership with foreign investors. The products made by entrepreneurs of Khorog city, districts and production cooperatives have been also shown.

The Forum participants had the opportunity in their discretion to choose a session from three economic areas - tourism and service industries, local processing manufacture and branch industry and export. For more efficiency, the participants could change the section in order to get maximum information on their concerned area of economy. To this end, the same information was given in each section twice.

In sum, more than 20 business concepts related to the development of local industry and export of local products, processing of local natural resources and the development of tourism and service industries were exposed to the presentation on these sections. In the course of discussions about business plans, listed the possible obstacles in the development of these areas, proposed and discussed the ways of their overcome.

The section on processing of local natural resources and agricultural products with their business concepts relating to the establishment of new plants for processing and canning of fruits and vegetables, production of meat and dairy products, other natural resources, construction of greenhouses, the development of yak and cattle as an effective agricultural sector of alpine regions, beekeeping, the entrepreneurs of this area Gulsher Khudoyorbekov, Firuz Amonbekov, Shodibek Kilichbekov, Dovut Navruzshoev and others made a speech.

The participants of industry section, logistics and export of local products listened to presentations of B. Alibakhshov on export, logistics and transport, Yo. Berdov relative to the development of local crafts, Johan Fan Ransburg on wool and leather processing, M.

June-July, 2011



Chorshanbiev on manufacturing construction materials in the region itself and K. Shamirov on creating a venture for producing reinforced concrete structures.

Max Haverstraw told about a working model of ecotourism in Kyrgyzstan, Dr. Muhammad Ali Rajput said on work experience in the tourism sector at the section of tourism and service industries. With presentations of their business programs were also made a speech by J. Zoolshoeva on the development of ecotourism in Pamir, M. Bayrambekov on establishment of health resort based on hot springs of the region.

Presentations on construction of hotel complex and motel, organization of training camp for mountain climbers and service organization in the field of tourism had been listened and discussed.

In the final part of the Forum "Pamir Invest - 2011" after presentation of business concepts by entrepreneurs there was held discussion around it, a ceremony of signing memoranda of intentions has been taken place for future cooperation. A. Giyoev, Deputy Chairman of GBAO and Taalaibek Zikirov, Deputy Governor of



Osh region of Kyrgyzstan first signed an agreement on establishing a joint commission on developing inter-regional cooperation.

In sum, as a result of Forum 20 memoranda of intentions were prepared and signed for future cooperation

CREATION OF THE CONSULTATIVE COUNCIL ON IMPROVEMENT OF INVESTMENT CLIMATE OF THE CHAIRMAN OF SUGH D REGION

Lately, requirements are more observed in organization of a constructive dialogue between the state and the private sector in the regions of the country.

Creation and activity of the national Consultative Council under the President of the Republic of Tajikistan urged the leadership of Sughd region to form Regional Consultative - Council Body at the regional level of the Chairman of Sughd region on July 19, 2011.

Previously, by support of IFC, these kinds of Regional Consultative Councils were created in Khatlon region and in GBAO. In the first place the activity in this direction is due to the fact that the organization and strengthening of public-private dialogue at the regional level

June-July, 2011



allows keeping track and evaluating the results of the reform and their consequences, not only in the center but on the sites.

Despite the fact that the private sector of Sughd region relatively is developed, and the creation of various governmental and non-profit organizations is gathering growth rate, yet the existing business - associations and other entrepreneurs union are not introduced enough and do not have the possibility of substantial influence on decision-making process concerning the development of the private sector.

Poor infrastructure development for support of small and medium entrepreneurship is observed in the region, which could contribute to effective self-organization and self-improvement business.

Regional Consultative Council of the Chairman of Sughd region (RCC) plays the role of expert, called for promoting justified reform on support and entrepreneurship development, improvement of the investment climate in the region of the republic, "warn", local government authorities against serious errors in defining and implementing reforms.

The main objective of this framework is to assist in the development and preparation of recommendations and proposals to the Chairman of Sughd region, local government authorities of the region, towns and districts, as well as other organizations on issues of improving the business environment and investment climate in Sughd region.

RCC was formed by analogy with the Consultative Council under the President of the Republic of Tajikistan composed of the Chairman and Board members. The Chairman of the Council is the Chairman of Sughd region, and members of the Council - Deputy Chairman of the region, Head of Investment and State Property Management and representatives from among the most active representatives of business structures of the region, foreign investors, implementing major investment projects in Sughd region, and donor organizations.

Candidatures for members of local business structures, foreign investors and international donor organizations are defined and suggested by agreement within each of mentioned groups.

The main form of RCC activity is sessions. Sessions should be held as necessary as but not less than once per quarter.

Sessions are legally qualified, if it is involved 2/3 of the total number of members. Decisions of RCC are taken by majority vote of the members and documented in Protocol.

Methodical and technical facility of the RCC is implemented by the Investments and State Property Management of local government authority of the region. The activity of the Council is implemented by grants and the regional budget.

June-July, 2011



The precedence rule, formation of its composition, aims and objectives of the RCC are defined by its Statute, approved by the Chairman of Sughd region.

TRAINING PROGRAM AND MAIN AREAS OF ACTIVITY OF THE ASSOCIATION MIDAT

In June 2011, at the office of the Association "Centre for Support and Development of Association of Tajikistan" MIDAT under human resources Program for the top-management of associations and small and medium enterprises, developed and implemented by MIDAT was conducted training on the subject: "System skills of an effective manager."

Task Force of conducted training was the leaders and managers of high and middle level, interested in strengthening and developing their organizations. The training was conducted by international trainer, teacher of MBA and MA, candidate of economic science, consultant to the IFC on Corporate Governance Ms. Akhmetova Gradislava. 20 participants took part in the training and successfully completed it, who received special Certificates.

The Association MIDAT was established by a decision of the founders - 20 leading business associations of the Republic of Tajikistan in April 2010 and is a noncommercial organization, which activity aimed at capacity building, institutional sustainability, and lobbying interests of associations of the Republic of Tajikistan, as well as providing them with a wide range of services necessary for improvement of their activities.

In this regard, the Association MIDAT carries out activities primarily aimed at the progress of its members, the development and providing needed by them services, including educational nature. Thus, under the special programs were held trainings "Successful management of associations," "Fundamental development and submission of grant applications" that have a narrow focus on enhancing the capacity of leaders of business associations.

Currently, the Executive Board of the Association MIDAT jointly with the management of its members associations is developing the services for local entrepreneurs, who will become associations by support of MIDAT.

The main purpose of the establishment and activity of the Association "MIDAT" is to create a favorable business climate in our country. For this purpose, and in accordance with assigned tasks, the Association MIDAT makes great efforts to improve the capacity of associations and to bring them to financial independence. In this connection, regular trainings and seminars both for its members and other representatives of the business climate throughout the country is one of the mainstream activities of the Association MIDAT.

Under public-private dialogue the Association MIDAT actively participates in working groups on developing normative legal acts, regulating entrepreneurship issues and business

June-July, 2011



climate, as well as represents and lobbies the interests of entrepreneurs. Currently, representatives of the Association are involved in more than 10 working groups on upgrading legislation in the field of entrepreneurship and improving investment climate.

The guarantee of success of Association MIDAT is professionalism management of members' organizations and availability of professional Executive board, having highly qualified specialists in the field of economy, taxation and law. Currently, the main focus of the specialists of Executive Board of MIDAT concentrates on the development of draft laws on state support of small and medium entrepreneurship in the Republic of Tajikistan, on cancel of VAT on imported fertilizers and pesticides, on cooperatives in the Republic of Tajikistan, work on which is carried out in close cooperation with the government agencies, colleagues, representing the private sector and international experts.

And membership base of Association MIDAT is expanding. So, several successful local associations, sensing that by a joint effort could be achieved great results and be of use to big numbers of representatives of small and medium business, addressed to obtain the status of candidate member of the Association.

Under cooperation with the Secretariat of the Consultative Council on improving the investment climate of the President of the Republic of Tajikistan, MIDAT Association is involved in the process of filtering the proposals from the private sector to submit them for consideration of the session of the Consultative Council. Moreover, the Association periodically makes its suggestions and recommendations for enhancement of acting legislation of the Republic of Tajikistan not only to the Consultative Council on improving the investment climate, but also to the relevant ministries and departments.

In the process of its activity MIDAT Association makes the main efforts in point of building an effective tripartite dialogue between the representatives of the governments, business - environment of Tajikistan and international organizations - donors, directly participating and contributing to the development of public-private dialogue in the country, which is one of the foundations of building a stable, modern state with an efficient economy.

Under establishing an effective dialogue of Executive Board of MIDAT the concept of special training is developed based on public administration and local government, micro and macroeconomics, as well as based on entrepreneurship, which are planned to conduct for mixed groups consisting of both representatives of associations and government officials for better understanding of the challenges facing our economy, and joint development of measures and mechanisms of establishing effective and efficient model of the economy of our country.

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June-July, 2011



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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

June-July, 2011