Monitoring

Results of Decision Implementation of 20th Session of the Consultative Council on Improvement of Investment Climate under the President of the Republic of Tajikistan as of *4 March 2020, No:22-3/114*

Nº	Content of the official assignment	Implementation process	Notes
1.	- take necessary measures on effective exploitation and full implementation of automated system of electronic collateral registry and real estate electronic registry, electronic procedures within the "One Stop Shop" on business registration, real estate registration, "Single window" on issuing permits for construction, export, import and transit operations, connecting to the electricity and provide reports quarterly to the Government of the country, - develop necessary instructions and list of services, pricelists and information booklets in the shortest time to deliver regularly to population and entrepreneurs through official websites and other information facilities;	 Ministry of Justice An Action Plan for the introduction of e-government has been developed and is being implemented for the short, medium and long-term periods. The Ministry of Justice has introduced an electronic Civil Status Acts System and a Legal Portal. A draft Law of the Republic of Tajikistan "On public services" has been developed and submitted to the Government. Ministry of economic Development and Trade The official website www.medttj is operating currently, aim to develop and strengthen e-government system The draft Government Decree "On the definition of the authorized state body in digital economy field" was developed and approved by the Resolution of the Government of the Republic of Tajikistan dated June 23, 2020, No. 370. Agency on Statistics under the President of the Republic of Tajikistan The Agency on Statistics has fully integrated 31 types of statistical reports into the electronic system, especially in the industry; the process of collecting 3 types of statistical reports from entrepreneurs has been implemented electronically. 	
		 Customs Service under the Government of the Republic of Tajikistan The contract between Customs Services and LLC MDO "Dushanbe City" on non-cash payments via e-payment equipments has been signed Amendments to the Customs Code introducing the concept of Authorized Economic Operator or Trusted Trader dated 02.01.2020 #1678 have been drafted in order to contribute to a significant improvement to the facilitation of foreign trade The Commentary of Customs Code of the Republic of Tajikistan has been developed and officially published and presented, as well as a System of non-cash payments of customs 	

payments on 25 September 2020. National Bank of the Republic of Tajikistan > A 2,827,2 thousand units of bank payment cards were put into operation as of 31 August 2020: ➤ In total, 1,119 ATMs and 589 electronic terminals were installed by credit organizations to serve bank payment card holders. From these electronic terminals, 1,889 cash collection points and 3,700 units in trade and service institutions are installed. During this period, the ratio of cash and non-cash transactions using e-payment was 91.9% to 8.1%, compared to the same period of the previous year, non-cash transactions increased by 1.5 percent; > Currently, the payment of a number of state services, as well as fees for the use of electricity, water, utilities, public transport, DMV, health care, public telephone services, civil status services and notary offices in Dushanbe city and its districts, tax and other public services through e-payment; Mobile banking, Internet-banking, QR payment, E-money, Cash back are successfully being implemented. Ministry of Finance > The "TFMIS" information system is efficiently used. All financial operations budgets are carried out according to this system. Budgeting with the Top-Down method, Mediumterm Public Expenditure Programme, preliminary inspection and financing, cash planning, accounting and reporting, banking operations, Treasury, self-financing of automated payroll system and utilities are being introduced. The SUE "IBFOSC" has a Center thet certifies the digital signature. 50 state bodies are connected to this Center, and electronic flow of documentation is established. More than 120 ministries, departments and executive bodies of state power of regions, cities and districts have electronic signature certificates. Ministries of Justice, Energy and Water To be implemented on a regular basis Resources, Economic Development and Unified State Register of collateral obligations was introduced by the Ministry of justice Trade, State Committee on Investment and initative (www.fehrist.tj); Property Management, State Land Based on the electronic program of Automated System of Registration of Real Estate in Management and Geodesy, Tax Committee, Tajikistan an E-Register of Real Estate https://www.baqaydgiri.tj/fehris-ommg.html and

Committee

for

Architecture

and

Construction, Customs S	ervice, National
Bank of Tajikistan, HJS0	C "Barqi Tojik",
executive government bod	lies of provinces,
cities and districts:	

- take necessary measures on effective exploitation and full implementation of automated system of electronic collateral registry and real estate electronic registry, electronic procedures within the "One Stop Shop" on business registration, real estate registration, "Single window" on issuing permits for construction, export, import and transit operations, connecting to the electricity and provide reports quarterly to the Government of the country
- E-Register of Databases for Checking Encumbrances (collateral, credit, restrictions) of real estate https://www.baqaydgiri.tj/fehris garav.html have been developed and introduced with coverage of all regions of the country. Registers are freely available to the public online 24/7 on the website of SUE Registration of Real Estate. (www.baqaydgiri.tj)
- The geoportal for the electronic database system for registering borders, checking plans and providing cadastral information, including a geographical information system has been developed and launched on March 4, 2020. (www.geoportal.tj)
- The Single Window platform for dealing with construction permits has already helped businesses to register and request construction permits without visiting various authorities starting since December 16, 2019. The system was launched online on the portal of the Main Department of Architecture and Urban Planning of Dushanbe. (www.memori.tj)
- By the Decree of OSHC "Barki Tojik" city networks "Shabakahoi barqii shahri Dushanbe"(Dushanbe Electric Networks) is entitled to issue technical specifications on connection to electric networks in city Dushanbe as of January 2020. (http://dges.tj)
- According to the amendments and additions which were made to the Law of the Republic of Tajikistan "On State Duty" and the Law "On State Registration of Legal Entities and Individual Entrepreneurs" dated on 2 January 2020, the cost of state registration of business entities has been reduced to zero.
- The necessary documents for the state registration can be submitted to the "Single Window" via electronic portal of the Tax Committee (https://online.andoz.tj/). The list of required documents is available on this portal. If you provide a full set of documents, registration is carried out within 3 days for individuals and 5 days for legal entities.
- A range of e-services, starting from online registration, tax payment through the Visa, Master Card and National Card transactions (Internet Acquiring), online VAT refund, electronic declaration, electronic creation of bank accounts, online direct information exchange between the State Land Management and Geodesy Committee and Tax Committee, e-library, and other measures are being efficiently introduced and implemented.
- More than 40 types of services aimed to simplify doing business are available on the official website of Tax Committee (www.andoz.tj)

Ministries of Justice, Economic Development and Trade, Finance, State Committee on Investment and State

Under implementation

State Committee on Investment and State Property Management jointly with Secretariat of

3.	Property Management, National Bank of Tajikistan: 3. Submit according to the established procedure regulatory legal acts on investment activity, developed by the Interagency Working Group jointly with amendments to the Laws of the Republic of Tajikistan "On Joint Stock Company" and "On Limited Liability Company" to the Government of the country; 4. Develop and submit to the Government of the country relevant regulatory legal documents to improve the legal framework on bankruptcy (insolvency) according to the international best practices.	Republic of Tajikistan "On Joint Stock Company" and "On Limited Liability Company" and submitted them to the relevant ministries and agencies, as well as ministries of justice, economic development and trade, Anticorruption Agency for their review and feedback. The implementation of ammendments and additions to the above-mentioned laws can strengthen the country's position in the Doing Business Report of the World Bank for several steps.	
4.	Ministry of Economic Development and Trade jointly with the Customs Service and relevant ministries and agencies take necessary measures to complete implementation of the "Single Window" on export, import and transit of goods and submit a report to the Government.	A Single Window for registration of export, import and transit operation has been officially launched as of 1 September 2020.	
5.	The Committee for Architecture and Construction jointly with the State Committee for Investment and State Property Management as well as relevant ministries and agencies, executive authorities in province, district and town to establish the Single Window on issuing permits for construction in all districts and towns across the country in the shortest time and report to the Government about	The Single Window system on issuing permits for construction has been established in many districts and towns across the country, as well as the simplification of this process by an initiative of the Committee for Architecture and Construction. The Instruction of "Single window on construction permit" has been approved in districts and towns. The Single Window platform for dealing with construction permits has already been helping businesses to register and request construction permits without visiting various authorities as of December 16, 2019. The system was launched online on the portal of the Main Department of Architecture and Urban Planning of Dushanbe. (www.memori.tj)	

	their performance every six months.		
6	The State Committee on Investment and State Property Management jointly with the Statistics Agency, Rural Development Committee, relevant ministries and agencies and local executive authorities, in cooperation with development partners to undertake necessary measures on regular conducting the national assessment of investment climate and summarizing its results.	Under Implementation The analysis on regular investment climate national assessment conduction has been developed and submitted by IC Secretariat for the Government's consideration. The main purpose of creating a National Rating is to assess the current situation in the investment climate, taking into account the results of the measures taken by local authorities and their activities in the state policy implementation on improvement of investment climate in regions. In general, these measures are based on national and regional regulations, directions for the development of industries, and ensuring economic development through comprehensive private sector support in districts and cities.	
7	on selected indicators of the Doing Business report at the local level, including starting a business, getting a permit for	According to the results of the Doing Business report of the World Bank, which assesses the state regulation of business activities in the world, the Republic of Tajikistan for the fourth time became one of the top ten countries-reformers of the world. In particular, according to the indicator of business registration, the position of the Republic has risen by 24 steps (36th place), getting electiricity 10 steps (163 rd place), registering property by 14 steps (77 th place), getting credit by 113 steps (11 th place) and trading across borders by 7 steps (141 st place). The State Committee on Investment and State Property Management jointly with	
	construction, getting electricity and registering property.	Consultative Council Secretariat monitors the implementation of the Action Plan of the Government of the Republic of Tajikistan on improvement of country in the international ranking of the Doing Business Report of the World Bank for 2019-2022, dated on 2 May 2019, No. 223.	
8	The Ministry of Agriculture, Committee for Environmental Protection and Food Security, jointly with relevant authorities to establish a framework for the introduction of international standards, including "Global GAP" develop a "List of chemicals permitted for use in the Republic of Tajikistan" in a new edition and submit it to the	 Ministry of Agriculture The Interagency Taskforce on the formation and development of agro-industrial clusters has been created by involving representatives of relevant ministries and agencies, and of the local private sector The Concept of Formation and Development of Agro-industrial Clusters in the Republic of Tajikistan until year 2040 and Program on the creation of favorable conditions for the 	

	Government for approval.	 implementation of good agricultural practices in agricultural production (Global G.A.P.) and Action Plan to this Program have been developed and submitted the Government for consideration; The Concept of Formation and Development of Agro-industrial Clusters in the Republic of Tajikistan until year 2040 and Program on the creation of favorable conditions for the implementation of good agricultural practices in agricultural production (Global G.A.P.) and Action Plan to this Program have been developed and approved by the Decree of the Government dated 28 October 2020, No. 566 and No. 567; 	
		Committee for Environmental Protection and Food Security The list of chemicals permitted for use in the Republic of Tajikistan has been updated and developed within the activity of the Chemical Security Commission. It has been planned to discuss this list during the next working meeting.	
9.	Ministries of Agriculture, Industry and New Technologies jointly with the relevant ministries and agencies to improve draft Action Plan on Establishment and Development of Agro-industrial clusters in Tajikistan taking into account proposals suggested in the session and in line with the defined procedures submitted it to the Government for approval.	Under Implementation Ministries of Agriculture The Concept of Formation and Development of Agro-industrial Clusters in the Republic of Tajikistan until year 2040 approved by the Decree of the Government dated 28 October 2020, No. 566. Formation and development of clusters in the agricultural sector is one of the ways to improve the well-being of the population. It contributes to balanced economic development, increasing the competitiveness of the national economy, and the expansion of the transition process of the country's economy from the agrarian-industrial form to the industrial-agricultural one. There are four phases for the agro-industrial cluster' implementation according to the adopted concept:	
		The first phase: Create active groups around selected products The second phase: A working plan and a clustering strategy will be developed The third phase: Provide the creation of a single cluster structure by defining the role of each actor The forth phase: High-quality agro-industrial cluster implementation with investment attraction.	

	Ministries of Agriculture, Industry and New Technologies, executive local government authorities in regions, cities and districts in cooperation with the National Association		
10	of Milk and Dairy Products Producers of Tajikistan take necessary measures to establish modern breeding farms, improve breeding and health of livestock for farms and population considering their zoning,	Regarding this issue, a comprehensive recommendation has been submitted to the Government of the Republic of Tajikistan (1/7-4056 dated 26.12.2020), as well as a proposal regarding the VAT, customs payment exemption of beekeeping farms, minerals, cattle, progeny crops, seasonal farms, and other milk processing types of equipment.	
	import of milk processing equipment in	Committee for Environmental Protection and Food Security	
	rural and remote regions of the country, as well as through agro-industrial clusters.	A number of necessary measures are being taken and currently in process to improve and establish modern breeding farms, improve the breeding and health of livestock for farms and population considering their zoning, import of milk processing equipment in rural and remote regions of the country.	
11	Ministries of Finance, Agriculture, Economic Development and Trade, Industry and New Technologies, Tax Committee and Customs Service to develop comprehensive proposals regarding tax and customs incentives for livestock breeding farms.	In order to support business activities, especially breeding farms, significant tax benefits have been established in the tax legislation as follows: - The import of raw materials for final products processing and production, with the	
	Ministries of Industry and New Technologies, Economic Development and Trade, Agriculture, Foreign Affairs, State Committee on Investment and State	<u>Under Implementation</u> Ministries of Industry and New Technologies	

12	Property Management, Rural Development
	Committee and Export Promotion Agency
	jointly with the Chairmen of provinces,
	districts and towns to undertake necessary
	actions to select zones for value chain
	covering "raw material - production of final
	products - marketing".

Regarding the importance of the issue, comprehensive information has been submitted to the Government by an official letter. By the Head of the Office of the President of Tajikistan's order, the relevant ministries and agencies and related enterprises are committed to reporting this issue every six months.

Export Promotion Agency

- > The agricultural product export catalogs aim to access the necessary info which has been developed and submitted to the relevant ministeries and agencies for their feedback
- ➤ The industrial product export catalog, which aims to identify the *country's* export potential, has been developed and submitted to the Government for consideration
- ➤ The Export Promotion Agency was defined as the authorized state body under the Registered Exporter System of the European Union.

Ministry of Industry and New Technologies:

- take necessary measures to strengthen activity of enterprises in the food industry, textile, silk and leather processing to reduce dependence of domestic market from imported products;
- jointly with the Consultative Council
 Secretariat to establish a Working Group
 from relevant ministries and agencies'
 representatives with the involvement of
 development partners and the private
 sector to conduct analysis of the state of the
 industry sector in the country and discover
 new opportunities to increase the sector
 capacity and develop specific
 recommendations to present their results
 in the following sessions of the
 Consultative Council.

13

Implemented

Ministry of Industry and New Technologies

- Vahdat Textiles' first production line was launched in January 2020 last year. The Vahdat LLC company was created to promote the use of local raw materials, especially cotton fiber. Introducing the second production line into operation will increase the output from 19.4 million pairs to 34 million pairs of men's, women's and children's hosiery. The enterprise will also produce work gloves. Vahdat Textiles is a 95% export-oriented company with its products expected to be exported to Russia, Kazakhstan and Kyrgyzstan.
- The second stage of Pharm Tex LLC was put into operation on May 29, 2020. The company processes up to 2 tons of cotton fiber per day and various medical products. At the second stage, the production of medical gauze with a capacity of up to 5 million pieces per year was successfully organized. 120 jobs were created from this enterprise.
- In January-November 2020, the light industry enterprise, taking into account the activities of the cotton-producing enterprises, released products worth more than 2.8 billion TJS, which is 267 million somoni more than in the same time period last year.
- In January-November 2020, 6 leather-processing enterprises reached 582,920 pieces, which is 72,099 pieces more in comparison with 11 months of 2019.
- The Program of Sericulture and Silk Processing Development in the Republic of Tajikistan is being developed for 2020-2024 and approved by the Decree of the Government as of 25 June 2020, No. 388.

		 Secretariat of Investment Climate on Improvement of Investment Climate under the President of Tajikistan The Taskforce on improvement of investment climate in industry sector has been created by involving representatives of relevant ministries and agencies, development partners and private sector and its three meetings have been conducted; The regular meetings (April 10, August 21, and September 24, 2020) with key private sector representatives and development partners have been arranged and conducted (offline/online) regarding the main challenges and other vital aspects of this sector. The minutes of the meeting were recorded and all recommendations were included to the report; The draft analysis and recommendations on improvement of the investment climate in the industry sector has been developed according to the private sector suggestions and submitted to the second Intersession Meeting of the Investment Council, which took place on October 14, 2020. The final report will be submitted to the 21th IC Session. 	
14	National Bank of Tajikistan to develop and ensure the implementation of the Action Plan on access of population from rural and remote regions of the country to microloans with favorable interest rates.	Implelemented The National Bank of Tajikistan has developed and adopted an Internal Action Plan (2 April 2020, No.71/09.2). The implementation of the plan was kept under continuous review and consolidated information was provided.	
15	State Committee on Investment and State Property Management and Export Promotion Agency jointly with chairmen of provinces, districts and towns to regularly undertake initiatives to improve skills of businesses on development of business plans and export of products.	 Export Promotion Agency In cooperation with the FAO Representative in Tajkistan, training courses on packaging of agricultural products, especially onions, have been organized in the cities and districts of the Khatlon region, taking into account the experience of specialists from the Sughd region, they aim to identify export markets, improve the entrepreneurs' skills, promote the agricultural exports development and promotion of further agricultural products export from the Khatlon region abroad. A working meeting was organized on 26 November 2020 at the SU "National Library of Tajikistan" by involving state bodies, private sector and international development actors who aim to strengthen the country's export opportunities, especially the lemon export, to find export markets, to stimulate export companies and to support domestic producers. 	

		State Executive Authority of Dushanbe City	
		A range of meetings were organized and held with entrepreneurs in order to improve the skills of	
		entrepreneurs in developing business and export plans at the beginning of the 2020 year period. This	
	T 1	process continues regularly.	
	Local executive government authorities in	To be implemented on a regular basis	
	provinces, towns and districts to undertake	State Executive Authority of Katlon Region	
	regular measures on attraction of domestic	Suite Executive Authority of Kuton Keylon	
	and foreign investments using the existing opportunities and resources and provide	Within the first six months of 2020 year period, 850 units of buildings and structures, industrial and	
	reports to the Government on a regular	non-industrial enterprises and reconstructed recreation centers with a 255.2 million somoni were	
	basis.	built and put into operation with the involvement of the region's entrepreneur's internal	
	vasis.	investments, of which 1,045 new jobs were created.	
16		According to the reports of the Khatlon region Statistics Agency Department, 9415.0 thousand	
		somoni of foreign investment has been invested during the 3 months of 2020 year period, which is	
		6134.0 thousand USD as direct investment and 3281.0 thousand USD as other forms of investment.	
		The volume of foreign capital received increased by 123.2% compared to the same period in 2019.	
		Currently, there are 46 enterprises with the involvement of foreign capital in the region, most of the	
		funds belongs to the Russia (37.0%), China (31.0%) and (Iran 16.0%).	
		A Working Group of the Khatlon region' state executive authorities has a business trip to Moscow,	
		Ufa, Novosibirsk, Ekaterenburg and Almaty cities aim to organize a meeting this year held a	
		meeting with Tajik entrepreneurs (from 26 to 30 January 2020), and attract foreign investment to	
		the region.	
		State Executive Authority of Sughd Region	
		According to the Government Decree as of 30 December 30 2019, No. 659, 32 additional	
		projects, and a total of 142 priority projects of the region, were included in the State	
		Investment Program for 2016-2020 year period.	
		In 2020, using all available opportunities by attracting more direct investment in the	
		economy aim to implement the country's industrialization strategy, necessary measures	
		were taken in the region, as well as a number of investment projects in sports, tourism, agriculture, education, transport and roads, industry, and healthcare, culture and energy	
		sectors are included to the State Investment Programs.	
		 As a result of the measures taken in the region, 16 new enterprises were created in light 	
	1	7. The a result of the incusares taken in the region, to new enterprises were created in light	

industry, chemistry, construction and food materials sectors with 114 new jobs.

➤ The volume of industrial production is about 3.2 billion somoni, which increased by 117.0% compared to the same period last year.

State Executive Authority of GBAO Region

- ➤ In order to improve the of educational institutions, health care, transport, irrigation and sector work conditions, 10 state investment projects are being implemented, the amount of which currently is more than 70 million somoni.
- According to statistical reports, within the first six months of 2020, 7 enterprises have been operated by involving the foreign investment. During this period, the region attracted 22408.2 thousand TJS of foreign investment. From the total amount of these funds, 21940.2 thousand TJS are direct investment and 468 thousand TJS are other investments.
- Foreign investments attracted in Sughd region in 2020, 17353.3 thousand TJS (or 77.4%) belongs the Swiss State, 2782.9 thousand TJS (or 12.4%) to the US, and 2272.0 thousand TJS (or 10.2%) to the Saudi Development Fund.
- ➤ Direct investments are mainly implemented in social sectors-80.5%, energy-7.7%, water resources-11.8%.
- ➤ In order to activate the private sector, attract foreign capital and improve the investment and business climate, the population access and small and medium-sized entrepreneurs to financial sources has been increased. More than 29.03 million TJS small loans were issued from banks and credit organizations operating in the region during January-December 2020 year period.
- ➤ During the January-June 2020 year period, the total exposure issued by the banking system to the economy of the region, compared to the same period in 2018, increased by 16.2% and amounted to 4.1 million TJS. The share of loans to industrial enterprises is 7.02 million TJS or 24.2% of the total debt.

To create favorable conditions, develop and implement various investment projects related to the analysis of the characteristics of regions and human resources, climate and conditions of their location, create new jobs, improvement of industry, agricultural production a range of training seminars, meetings, and events with entrepreneurs and artisans are constantly held by *other state executive authorities of cities and districts*.

Ministries, Agencies and executive local government authorities in provinces,

To be implemented on a regular basis

towns and districts: More than 10 Investment Councils' Sessions at the regional level have been organized and - To ensure full and timely implementation conducted during the year 2020 in the Khatlon, Sughd and GBAO regions. The issues of of the Council's Minutes of Meeting improvement of the investment climate in the IT sector, relevant issues of business and 17 instruction and adopted action plan and investment climates in regions have been considered during these meetings. The consider private sector point of view while representatives of state authorities, the private sector, and development partners were developing and coordinating regulatory involved. The Minutes have been signed and disseminated among the memebers of the legal acts; Councils. - To strengthen activity on regular basis further simplification Following the official letters of local authorities, fruitful cooperation has established with towards bureaucracy procedures. eliminating entrepreneurs, regular meetings and training seminars have been organized and conducted which aim to improve the economic and legal skills and tax liability of entrepreneurs and involvement of the artificial barriers and reduce additional costs of entrepreneurs and investors. youth, women entrepreneurship, examining the development of investment projects to attract domestic and foreign investment, framework legislation for the implementation of business activities, and other business and investment issues. Also, the contribution of entrepreneurs to city beautification for the 30th anniversary State Independence celebration is very significant. To be implemented on a regular basis Executive Secretary of the Council, jointly with the Secretariat of the Consultative The draft Model Regulation of the Investment and Business Councils of GBAO, Khatlon, Council, to take necessary measures on Sughd and state executive authorities of cities and districts have been developed and sent for the strengthening and effective implementation consideration and their feedback of activities of the Consultative Council's in > A range of meetings have been orginised with Investment and Business Councils of the provinces, cities and districts. 18 GBAO, Khatlon, Sughd and state executive authorities of cities and districts in regard with Government measures for business support during COVID-19 pandemic period by Secretariat of Investment Council' initiative A session and meetings of Counciltative Council on improvement of Investment climate in Rasht Valley has been organized and conducted by Secretariat of Investment Council' initiative

Nurobod district on 5 December 2020.

and support. As a result, the modern Information and Consultation Center for young entrepreneurs in Lakhsh District was launched dated 2 October 2020, which will offer services for Rasht Valley entrepreneurs. The First Business Incubator was launched in