

Unofficial Translation

Approved
Emomali Rahmon
Council Chairman
President of the Republic of Tajikistan

Signed

MINUTES №1K/22-1

22nd Session
Consultative Council on Improvement of Investment Climate under
the President of the Republic of Tajikistan from
16 March 2022

The Session was attended by members of the Council and invitees.

Agenda of the Session:

1. Update on implementation process of decisions of the Consultative Council on Improvement of Investment Climate under the President of the Republic of Tajikistan
2. Presentation of the outcomes of the analysis and recommendations on e-commerce development in Tajikistan
3. Use of latest tools for development of women and youth entrepreneurship
4. Proposing issues of draft Agenda for the next Consultative Council Session on "Ensuring business sustainable development and mobilizing investments for intensive industrialization of the country"

The Founder of Peace and National Unity - Leader of the Nation, President of the Republic of Tajikistan, Chairman of the Consultative Council on improvement of investment climate, H.E. Emomali Rahmon opened the 22nd Session of the Consultative Council, and has introduced new members to the Council from the domestic private sector, foreign investors and development partners.

It was noted that the reform process is constantly being expanded through a free and effective public-private dialogue via the conduction of Consultative Council sessions.

In this context, the investment climate in the real sector of the economy, the establishment of public-private partnerships, Tajikistan's accession to the international conventions, the establishment of a sovereign credit rating of Tajikistan, the introduction of e-services to entrepreneurs and investors, and other reforms were stressed as a result of the effective Council's activity.

President Rahmon also highlighted the importance of removing obstacles to the activities of the private sector due to unjustified inspections and fines, including taxation, sanitation and hygiene, inspections of the operation and connection to the power grid and the prevention of fires. He stressed that the main task of the relevant bodies is not only to impose fines, but also to cooperate and assist in preventing and avoiding violations by the businesses, and the results of the authorities' activities would be positive only when the number of violations in the field decreases.

The Head of State, H.E. Emomali Rahmon, during the analysis of the situation, noted the aggravation of geopolitical conditions in the world, the aggravation of trade conflicts, the rise in prices for goods and food in the world, especially for food and fuel, the introduction of restrictions on logistics networks for the transportation of goods and products and the impact of other external factors on the economy of Tajikistan.

Mr Saadi Qodirzoda, Executive Secretary of the Council, Chairman of the State Committee on Investments and State Property Management of the Republic of Tajikistan, delivered a report on the first item of the meeting agenda.

As Mr Qodirzoda noted, the decisions taken at the last meeting of the Consultative Council are aimed at improving the investment climate in industry, including improving the regulatory framework, increasing production capacity and exports, developing e-commerce, establishing logistics centers and other issues of business and investment development.

Mr Saadi Qodirzoda, Chairman of the State Committee on Investments and State Property Management of the Republic of Tajikistan made a presentation on the results of the analysis and recommendations on the development of e-commerce in line with the 2nd item of the agenda.

It was noted that the analysis of e-commerce includes two main sectors, the analysis of legislation in the field of e-commerce regulation and the market framework for the development of e-commerce in the country. A number of suggestions and recommendations were made in this regard.

On the third item of the agenda - the use of modern tools for the development of women and youth entrepreneurship, the Country Director of the European Bank for Reconstruction and Development in Tajikistan Ms Rika Ishii and the Head of Shafqat LLC Ms Manzura Ghafurova talked on support and development of women and youth entrepreneurship, further plans and measures for the implementation of the program and other documents for the development of women entrepreneurship.

On the final item of the session, a representative of the private sector, the head of the Asrori Sang LLC Daler Sharifi proposed to discuss the issue of ensuring

sustainable business development and mobilization of investment for intensive industrialization of the country in the future sessions, which was supported by the Council members.

Ms Sezin Sinanoglu, Chairperson of the Development Coordinating Council, UN Resident Coordinator in Tajikistan, Mr Ozan Sevimli, Country Manager of the World Bank in Tajikistan, Mr Lenny Montiel, UNDP Resident Representative in Tajikistan, as well as private sector representatives Mr Abudllo Hasamov, Head of the Korvoni Asr LLC, Mr Farrukh Solehov, Head of the Innovation in Modern Technologies LLC, and others participants expressed their views on the issues discussed during the session.

Founder of Peace and National Unity - Leader of the Nation, President of the Republic of Tajikistan, Chairman of the Consultative Council, H.E. Mr. Emomali Rahmon summarized the session and gave relevant instructions and recommendations to ministries, agencies and government officials and development partners:

1. The Ministry of Economic Development and Trade, the State Committee on Investment and State Property Management, and the Secretariat of the Council with other ministries and agencies to develop a draft Action Plan for e-commerce development in the Republic of Tajikistan until 2025 period and submit to the Government for approval.
2. The Ministry of Economic Development and Trade and the National Legislative Center together with other relevant ministries and agencies take necessary measures to expedite the development and adoption of the Law of the Republic of Tajikistan "On Electronic Commerce" covering the requirements, rules, and procedures for organizing activities in this area.
3. The Ministry of Economic Development and Trade together with other ministries and agencies, in order to ensure the comprehensive development of e-commerce in Tajikistan, to develop and submit to the Government of the country a draft Strategy for the e-commerce development and an Action Plan for its implementation.
4. The Tax Committee shall take the necessary measures to simplify the process of liquidation and business insolvency through improvement and expanding the e-services to entrepreneurs.
5. Ministry of Education and Science:
 - Together with other relevant authorities to improve educational programs related to the extensive study of information and communication technologies in educational institutions;
 - take the necessary measures to develop and implement a training program in the ICT field by using modern teaching methods.

6. The National Bank of Tajikistan together with other ministries and agencies to take necessary measures to expand access to affordable financial resources for women entrepreneurs and to conduct a competition for the “Best Financial Institution for Women's Entrepreneurship Services”.
7. The relevant ministries and agencies:
 - to take the necessary measures to increase the responsibility of government agencies to reduce fines, in particular, to carry out explanatory work and strengthen the e-service system;
 - to remove the current obstacles in the process of conducting e-commerce by use of banking system and communications potential, and to ensure effective measures for the smooth transition from traditional to the digital system;
 - to take measures to encourage entrepreneurs and the population to carry out non-cash transactions, including the improvement of public awareness, providing bonuses, reducing the cost of banking and communication services, the widespread use of bank and mobile cards, the introduction of electronic receipts and other areas;
 - to ensure information security and cyber security in all areas of digital technology applications.
8. Ministries and agencies and local authorities to take measures to improve the regulatory framework for the establishment and operation of IT parks.
9. Ministries and agencies, business and investment councils under the chairmen of regions, cities, and districts to fully support the creative initiatives of entrepreneurs and investors and take additional measures to further increase the share of the private sector in the economy.
10. State Committee on Investment and State Property Management:
 - jointly with Secretariat of the Consultative Council and through the involvement of relevant ministries and agencies to develop and submit a draft Program for Women entrepreneurship development until the 2030 year period;
 - to develop and design the comprehensive proposals on the establishment of a Fund to support innovative projects and new youth projects funded by investments;
 - together with the Secretariat of the Council, in order to ensure further active participation of foreign investors in the consideration and adoption of Council's decisions, take the necessary measures to increase the number of foreign investors as a member of the Consultative Council
 - to develop a single example of an investment cooperation agreement with line ministries and departments and local executive authorities and take the necessary steps to make broad use of the private partnership mechanism and implementation of additional projects in this direction;

- together with relevant ministries and agencies to take measures aimed to ensure the effectiveness of women's and youth entrepreneurship associations and training centers to enhance the knowledge and skills of entrepreneurs
- together with the Secretariat of the Council and other ministries and departments to analyze the issues of ensuring sustainable business development and mobilization of investment for intensive industrialization of the country, as well as to further improve the entrepreneurship of youth and submit the results to the next upcoming Council's sessions;

11. Recommendations for Development Partners:

- Due to the aggravation of geopolitical conditions in the world, the aggravation of trade conflicts, the rise in prices for goods and food in the world, especially for food and fuel, the introduction of restrictions on logistics networks for the transportation of goods and products and the impact of other external factors on the economy of Tajikistan, to take the urgent measures through the improvement of programs and plans to increase assistance in reducing the impact of potential risks on the country's economy, state budget support, the priority investment projects implementation, to attract investments and to finance the initiatives of entrepreneurs and investors.
- To promote the establishment of a Fund to support innovative projects and new youth projects;
- To promote the effectiveness of women's and youth entrepreneurship associations and training centers, and to enhance the knowledge and skills of women and youth entrepreneurship in the implementation of investment programs and projects, especially in the production sector.

12. To approve the new members of the Consultative Council from local entrepreneurs, foreign investors and development partners.

Executive Secretary of the Council,
Chairman of the State Committee on
Investment and State property management
of the Republic of Tajikistan

Signed S. Qodirzoda

Head of Secretariat of the
Consultative Council

Signed N. Abdugafforzoda