



**CORE TOPIC:**

**CONFERENCE ON "THE ROLE OF THE LEADER OF THE NATION  
IN THE IMPROVEMENT OF THE INVESTMENT CLIMATE AND  
DEVELOPMENT OF THE PRIVATE SECTOR"**

On **August 05, 2016** at the National Library, on the occasion of the 25-th anniversary of the independence of Tajikistan a conference was held "The Role



of the Leader of the Nation in the Improvement of the Investment Climate and Development of the Private Sector", which gathered state officials, entrepreneurs and investors, both domestic and foreign, business associations and professional organizations.

The First Deputy Prime Minister of the Republic of Tajikistan Davlatali Said spoke of the unprecedented role of the Founder of Peace and National Unity, the Leader of the Nation the President Emomali Rahmon in establishing the favorable investment climate, development of private initiative and strengthening the regulatory environment to attract greater investments.

According to First Deputy Prime Minister, the first specialized legal act aimed to business activities was the "State program for support and development of business in the Republic of Tajikistan" of 20 February 1998. The first meeting between the state and business community was held on August 11, 2001 at the



initiative of the President of the Republic of Tajikistan Emomali Rahmon. These early initiatives provided impetus for further reforms and improve business conditions for entrepreneurship.

It was noted that in order to support economic activity, promote investments and support domestic and foreign companies, the state has established the institutional infrastructure, namely the State Committee on Investments and State Property Management, the Consultative Council on Improvement of Investment Climate under the President of the Republic of Tajikistan, Public-private partnership center, and the State Entrepreneurship Support Fund under the Government of the Republic of Tajikistan. These institutions, among others, established the legal framework and defined a number of laws to regulate and support entrepreneurial endeavors.



Davlatali Said noted that on the initiative of the President, reflecting the contribution of entrepreneurs to the national economy, the government has established 14 October as the "Day of Entrepreneurs". At the same time, regular meetings of the President with entrepreneurs and investors, international forums with President's participation and dialogue between the public and private sectors have become common. This testifies to the attention that the President pays to the improvement of the investment climate and is an unprecedented time since the country's independence.

The Chairman of the State Committee on Investments and State Property Management of the Republic of Tajikistan Qodiri Qosim, in his greeting



speech noted the significance and relevance of the conference. Qodiri Qosim spoke of the 25 years of independence, and the guidance of the Founder of Peace and National Unity - The Leader of the Nation, the President of the Republic of Tajikistan Emomali Rahmon in economic development and strengthening cooperation with international partners. During this period, Tajikistan saw the constant increase in foreign investments, the implementation of major regional projects of national significance, establishment of large

industrial enterprises and achievement of other important milestones



The reforms and efforts to improve the investment environment led Tajikistan's recognition for steady progress in regulatory, legal and administrative areas.

The Chairman of the Economic and Financial Committee at the Majlisi Namoyandogon Majlisi Oli of the Republic of Tajikistan Sharif Rahimzoda said that the Parliament, on the guidance of the President of Tajikistan Emomali Rahmon, has made significant contribution to the formation of the legal framework regulating the economic activities in Tajikistan.

The adoption of the Constitution has created a foundation for investment and business activities, guaranteeing entrepreneurs' basic of rights and legitimate interests. From this foundation, the regulatory framework has been harmonized with international standards and further legal instruments were subsequently adopted to promote entrepreneurial endeavors.



The Director of the Economics and Demography Institute at the Academy of Sciences of the Republic of Tajikistan Lutfullo Saidmurod said that much has been written historical role of the President Emomali Rahmon in the restoration and strengthening of the constitutional order in the Republic of Tajikistan and in transitioning of the country from planned to market economy; he noted however, that the President's role in the formation and development of a market economy as the basis for the development of a modern democratic society, so far not been evaluated in detail.

The Head "Agro Sitabr" LLC Odinaev Mirjon expressed gratitude to the President of the Republic of Tajikistan for the support and continuing attention and said that as a result of state support his company was the first to introduce modern Italian technology in orchard



management. On the basis of new technologies, the company plans to establish gardens on an area of 20 hectares, to recruit local experts following their education abroad and, together with the Tajik State Agrarian University, to establish a joint department of Innovative Technologies in Agriculture. Odinaev Mirjon noted that on October 27, 2015, an industrial and educational area of the garden was officially opened during the visit of the President of Tajikistan Emomali Rakhmon.

The Deputy of Chairman of the National Bank of Tajikistan Jamoliddin Nuraliev noted the contribution of the Founder of Peace and National Unity - The Leader of the Nation, the President Emomali Rahmon in the establishment and strengthening of the banking system, and creating conditions for the broadening of the financial services. He noted that in a relatively short period





the country has established a sound foundation of banking laws and regulations.

As noted, the early economic and financial initiatives, including the midterm economic development program, restructuring the banking system, provisions on banking secrecy and protection of investments and other measures have helped to overcome the economic decline of the 1990s and provide the basis for a new national currency, the Somoni, adopted on October 30, 2000.

Chairman of the Tax Committee under the Government of Tajikistan



Nusratullo Davlatzoda noted that in accordance with the guidelines of the Founder of Peace and National Unity, the Leader of the Nation, the President of the Republic of Tajikistan Emomali Rahmon in his address to the Parliament on April 20 2011, called to introduce changes to Tax Code in order to improve the investment climate. As the result the current Tax Code

introduced a number of changes. In particular, the number of different taxes was reduced to 50%, tax returns to 41%, the number of tax returns up to 86%, and the total amount of tax was reduced to 43% of the previous tax regime. For small and medium-sized enterprises, the new Tax Code provides more than 240 indulgences and privileges.

Acting Director of the oil company “TK Oil” Hu Geding expressed sincere gratitude on behalf of the management company Dong Ying Heli Investment and Development Co. to the President of Tajikistan for the continuing support of the enterprise. He noted that the favorable investment environment allowed



the company to make its first investment - an oil refinery plant with the capacity to process 1.2 million ton of crude per year - in the Dangara Free Economic Zone. The project's US\$80 million first stage, involves refinery plant with a processing capacity of 500,000 tons of crude oil. Currently, the construction of the plant is mostly complete, with the official opening scheduled for 9 September, the 25th anniversary of the Tajikistan's independence on of this year.

The Deputy Director of the Center for Strategic Studies under the President of the Republic of Tajikistan Farida Muminova spoke of the role of the President Emomali Rahmon in preventing the degradation of the economy in the early period of independence. Between 1995 and 2000, the government has implemented a program of economic reforms to stabilize the economy, and subsequent adoption of the National Development Strategies allowed steady improvement in the living standards.



She concluded that fostering entrepreneurship in the regions was an important tool for addressing employment and raising income level. Under the leadership of the President, the joint effort of state agencies and entrepreneurs to increase the productivity of entrepreneurs should become a key priority for the economy.

The host of the conference, the Chairman of the State Committee on Investments and State Property Management of the Republic of Tajikistan Qodiri Qosim said that dialogue, meetings with investors, and organization of



various activities at the national and international level, investment missions along with President's official state abroad, has now become a tradition.

The Head of the Consultative Council on Improvement of Investment Climate



spoke of the initiatives of the Founder of Peace and National Unity, Leader of the Nation, the President of the Republic Emomali Rahmon in fundamental reforms of various sectors of the economy. The establishment of the Consultative Council to promote direct dialogue between the state and entrepreneurs was one example of such reforms. A

dialogue with business community helped to incorporate the views of the private sector in the reform process, including at the stages of development, approval and implementation of legal acts.

Other forms of dialogue between the state and the private sector at the highest level include the President's meetings with investors, including with business diaspora abroad, high level business forums and exhibitions.

After participants' speeches, the Head of the Association of Small and Medium Enterprises Uljabaeva M., the Director of LLC Somon Capital Mahshulov M. and others expressed their observations.





In conclusion, the following recommendations were adopted:

- 1.** Scientific and practical aspects of the constructive role of the Leader of the Nation in the development of investment and business climate should be made available for wider circles.
- 2.** Relationship between scientists and private sector experts on the one hand, and the state agencies on the other hand should be strengthened and scientific developments should be widely used in daily activities.
- 3.** All relevant agencies should take appropriate measures to eliminate existing barriers for businesses and promote business activities.
- 4.** To support entrepreneurs, it is recommended that new loan products are developed and the system of financial, fiscal, customs and administrative incentives be further expanded.
- 5.** Considering the contribution of entrepreneurs to the national economy, develop and establish a Certificate "Entrepreneur of honor".

*Sincerely Yours,*

*Staff of Secretariat of the Consultative Council on  
Improvement of Investment Climate under the  
President of the Republic of Tajikistan*