

«Approved»
Chairman of the Council - President
of the Republic of Tajikistan
Emomali Rahmon

Sign

«24» March 2018

PROTOCOL

XVIII Session of the Consultative Council on Improvement of
Investment Climate under the President of the Republic of Tajikistan

January 26, 2018

Attended by the members of the Consultative Council and invitees (participant list is attached)

Agenda:

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 Results of Analysis on Improvement of Investment Climate in Transport and Logistic Sectors.
3. Report on activity of the Consultative Council on Improvement of Investment Climate under the Chairman of the Sogd Region.
4. Presentation of the Results of Analysis on Improvement of Investment Climate in Banking and Finance Sector.
5. Proposing Issues of Draft Agenda for the Next Session of the Consultative Council.

- Improvement of Investment and Business Climate in Education Sector;

- Presentation of Analysis on Tax System Issues and Recommendations for Its Improvement.

Founder of Peace and National Unity - Leader of the Nation, the President of the Republic of Tajikistan, Chairman of the Consultative Council on Improvement of Investment Climate, His Excellency Emomali Rahmon began the XVIII Session of the Council and introduced Executive Secretary of the Council, Chairman of State Committee on Investment and State Property Management of the Republic of Tajikistan - Mr. Hamralizoda Farrukh, the new Head of EBRD Representative Office in Tajikistan – Ms. Ayten Rustamova, and the new Head of Secretariat of the Consultative Council – Mr. Sharaf Sheralizoda as a new members of Consultative Council.

On the first issue of the Session agenda, Hamralizoda Farrukh, Executive Secretary of the Council, Chairman of State Committee on Investment and State Property Management of the Republic of Tajikistan, reported on the results of monitoring of implementation of decisions of the Consultative Council's sessions. of was heard.

It was noted that with the initiative and direct support of the Head of State, the Consultative Council on the Improvement of Investment Climate under the President of the Republic of Tajikistan for the last 10 years has carried out a number of constructive and creative campaigns for the sustainable development of the sectors of country's economy. During this period under the leadership of the Head of State, to achieve national goals for the improvement of the investment climate, 17 Session of the Consultative Council, four independent meetings with investors and entrepreneurs, a number of meetings with the population in the cities and districts were held in which the challenges and obstacles were reviewed and the necessary measures were taken to eliminate them.

Within the framework of the Concept of the New Tariff Policy in the energy sector, and the Action Plan of the first phase of its implementation for the 2017-2020 periods, the New Tariff Methodology dated 26 May, 2017 and its introduction since October was adopted by the Government of the Republic of Tajikistan.

According to the Doing Business Report of the World Bank, Tajikistan has been stable for the year 2018, and with 56.86% of the world's best practices have risen by 5 positions.

Within the framework of implementing the provisions of the Law of the Republic of Tajikistan "On Inspection of Activity of Economic Entities ", approved in 2015 and implemented from July 1, 2016, 186 757 inspections of economic entities were carried out in 2017, which is 97 754 inspections less than for the same period of 2016.

In August 2017, the credit rating of Tajikistan was established by Moody's Investors Service and S & P (Standard and Poors) at the level of "B3, stable".

The discussions was attended by the development partners Kristin Laabs – Head of the Development Partners Coordination Council, Ayten Rustamova – Head of EBRD Representative Office in Tajikistan, the private sector was represented by Davlatov Suhrob, the Director of LLC “Korporatsiyai Mohii Tojik”, Zevarshoi Rustam, Director of cooperative “Zindagi”. The private sector and development partners submitted proposals on banking and finance sectors, business activity inspection, taxes, implementation of projects in different sectors, improvement of Law on Handicraft and stimulating entrepreneurs to import and manufacture power-saving equipment and technologies issues.

The second issue of the session agenda was devoted to the analysis on improvement of investment climate in transport and logistics sectors and draft Action Plan in these sectors, and Minister of Transport of the Republic of Tajikistan reported in regards with progress of the implementations.

For this issue, the Head of State expressed that the outcome of communication deadlock and its new stage – transforming Tajikistan to a transit state is one of the country's strategic objectives and developing this sector significantly contributes the enhancement of competitiveness of the domestic production in foreign markets, strengthening country's exports potential, establishment of necessary infrastructure along the international route, creation of a new jobs and thereby increases the living standards of the population.

The discussions was attended by the development partners Pradeep Srivasta – Head of Asian Development Bank Representative Office in Tajikistan, Tanabe Hideki – Head of Representative of the Japan International Cooperation Agency Office in Tajikistan and the private sector Abdumumin Abdusamad – Chairman of LLC “Tojikvneshtrans”. The attendees submitted proposals on development of transport sector, better care and better management of the sector's infrastructure, elimination of the recurring of trafficking, and in co-operation with the border authorities of the countries of the region to establish joint control over freight, transportation and other transfers.

On the third issue of the Session agenda, Rajabboy Ahmadzoda, acting Chairman of the Sughd region reported on activities of the Regional Council on Improvement of Investment Climate under the Chairman of the Sughd Province.

According to the consideration of this issue, Chairman of the Consultative Council, the President of the country stressed the importance of using more economic opportunities in the region, especially strengthening of public-private dialogue, to active participation of local entrepreneurs and investors in the implementation of reforms, as well as ensuring the development of the regional economy.

On the fourth point of the agenda, Jamshed Nurmahmadzoda, Chairman of the National Bank of Tajikistan presented the results of the analysis and draft of Action Plan on Improvement of Investment and Business Climate in the Banking and Finance sector.

Ramesh Khudoiev, the Chairman of OJSC Kazkommertsbank, Alisher Shernazarov, the Director of the OJSC "Central Asian Stock Exchange", delivered speeches, and proposals were submitted in the direction of improving non-cash payment services and activating operations with securities and development of capital markets in Tajikistan.

Regarding the final issue of the agenda, Mr. Farrukh Hamralizoda, Executive Secretary of the Council, Chairman of the State Committee on Investment and State Property Management of the Republic of Tajikistan reported on the issue of improvement of investment and business climate in education and science, as well as presenting the issues of the tax and customs regimes and the effectiveness of the proposed incentives for the next meeting of the Council, which was approved by the members of the Council.

The Founder of Peace and National Unity, the Leader of the Nation, the President of the Republic of Tajikistan, Chairmen of the Consultative Council, His Excellency Emomali Rahmon summarized the Session and gave related instructions, assignments and recommendations to the ministries, agencies, relevant officials and development partners:

1. Ministry of Transport:

- to develop the new Automobile Code of the Republic of Tajikistan together with the relevant structures based on the international experience and recognized agreements of the country and submit it to the Government of the Republic of Tajikistan;

- to take into account the private sectors proposals in the process of revision of the strategy and state programs of transport sector, including the regulatory legal acts of the automobiles carriage, rail and air, export, import, transit and re-export;

- to take necessary measures in the region and international arena with the aim of introduction of republic to the international shippers as a state favorable to carriage;

- to take the necessary measures to preserve and protect the country's roads together with the relevant authorities, for prevention of the movement of foreign heavy vehicles in the country;

- to improve draft of Action Plan of the Government of the Republic of Tajikistan on Improvement of Investment and Business Climate in the Transport and Logistics sectors by the proposals presented in the Session, and submit to the Government of the country for the consideration.

2. Civil aviation agency;

- jointly with the Ministry of Transport, to improve the proposed Action Plan for the development of air transport, modernization of the aeronautics equipment, transit development, raise competitiveness of domestic companies, and submit proposals to the Government of the Republic of Tajikistan in accordance with the established procedure;

- to provide specific proposals to the Government of the Republic of Tajikistan on ways of civil aviation development in the country;

- to take necessary measures to enhance the "Open skies" policy, including the passenger and freight traffic, increase the airline route from Europe, South-East Asia, and the Pacific region to the international airports of the republic, and thereby enhance the country's transit capacity.

3. Ministry of Foreign Affairs within the inter-agency working group is responsible for the issue of the obtaining international status to "Karamyk" border between Tajikistan and Kyrgyzstan, and to find the way of solution of the problem in accordance with the established procedure.

4. The National Bank and the Ministry of Finance to reinforce the process of introducing corporate governance in the finance and credit organizations of the country, implement transparent banking mechanisms, and thereby enhance their reliability.

5. National Bank of Tajikistan:

- to develop the mechanism voluntary insurance of deposits and savings of individuals and legal entities with the involvement of international financial institutions, and submit to the Government of the Republic of Tajikistan for consideration (Representation of the International Finance Corporation in Tajikistan, the European Bank for Reconstruction and Development in Tajikistan and other development partners);

- to conduct monitoring and evaluation of the training of banking sector specialists in higher education institutions and to carry out practical work on improvement educational programs and teaching methods in this direction, together with the Ministry of Education and Science.

6. State Committee on Investments and State Property Management and Secretariat of the Consultative Council:

- to implement necessary measures on development and submission of new editions of the draft of Action Plan of the Government on improvement of country's position in the World Bank Doing Business Report, in collaboration with the World Bank experts and relevant ministries and agencies;

- to take measures together with ministries and agencies for improvement of the position of the Republic of Tajikistan in the ranking of the world rating agencies, continuation of reforms on simplification of state regulation of business activity, including registration of entrepreneurship, permitting and licensing, connection to

electricity networks, tax administration, property registration, access to credit, international trade procedures, ensuring the implementation of the contract and solving the issue of liquidity;

- with the purpose of prevention of repeated analysis, the preparation of sectoral reports and analyzes, proposals and recommendations that are implemented with internal and external experts, in coordination with bodies and agencies, the private sector and development partners must be set in a high level;

- to conduct evaluation of effectiveness of the activity of international and local consultants in the framework of the investment projects and funds allocated for them by the projects together with relevant ministries and agencies, centers for implementation of investment projects and development partners and submit its results to the Government of the Republic of Tajikistan with concrete conclusions and recommendations, and take necessary measures to increase local consultants

7. Executive body of state authority of Sughd region taking into account the analysis, proposals and feedback from the private sector must take practical measures to follow and address the challenges and obstacles to the entrepreneurship development in the region.

8. Executive body of state authority in GBAO, Khatlon and Sughd provinces, cities and districts must strengthen the activities of Consultative Councils under the chairmen of provinces, cities and districts and submit proposals and recommendations to the State Committee on Investment and State Property Management regularly.

9. Ministry of education and science, jointly with the State Committee on Investment and State Property Management and Secretariat of the Consultative Council, to establish a working group from the representatives of relevant ministries and agencies, the private sector in cooperation with development partners for a comprehensive analysis on improvement of investment climate in education and science sector, and submit its results with comprehensive recommendations to the next Council' Sessions.

10. Secretariat of the Consultative Council, jointly with the State Committee on Investment and State Property Management, to establish a working group from the representatives of relevant ministries and agencies, the private sector in cooperation with development partners. To review and summarize analyzes on the tax and customs regimes and the effectiveness of the proposed concessions and submit its results with concrete recommendations to the next Sessions of the Council.

11. The Executive Secretary of the Council to enhance and improve the quality of the Consultative Council' activity, jointly with the Ministry of Justice improve the guidelines and regulations of the Consultative Council and submit by the established procedure for approval.

12. The report of the Chairman of the Consultative Council on Improvement of Investment and Business Climate in Badakhshan region on the activity of the Council under the Chairman of GBAO must be submitted to the next Session of the Consultative Council.

13. Recommendations for Development Partners:

- to provide practical assistance to the process of obtaining of international status of "Karamyk" border between Tajikistan and Kyrgyzstan;

- to accelerate the provision of enhanced concessional loans and grants for SUE "Rohi ohani Tojikiston" and SUE "Tojikaeronavigatsiya";

- to take into account the geographical position of the country on implementation of a partnership strategy with Tajikistan and the plan of financing of investment projects and pay more attention on professional background during involvement of local and foreign consultants and experts;

14. LLC "Korporatsiyai Mohii Tojik" must take measure to increase varieties of fish species in reservoirs and the ponds of the country (especially trout)

15. Nomination of the new members of the Consultative Council will be approved by the domestic entrepreneurs (13 persons), foreign investors (1 person) and development partners (3 persons) under Annex 2 of this Protocol.

16. The authority of the members of the Consultative Council end with the termination of this Protocol, in accordance with Annex # 3 of this Protocol.

17. Nomination of Sheralizoda Sharaf to be approved to the position of the Head of Secretariat of the Consultative Council on Improvement of Investment Climate under the President of the Republic of Tajikistan.

18. The authority of the former Head of the Secretariat of the Consultative Council on Improvement of Investment Climate under the President of the Republic of Tajikistan Abdugafforzoda Numon were terminated on June 30, 2017 due to the transfer to another position.

Executive Secretary of the Consultative Council,
Chairman of the State Committee on
Investment and State Property Management
of the Republic of Tajikistan

Signature
F. Hamralizoda

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

Signature
Sh. Sheralizoda

Annex №1 to paragraph 19 of the Protocol of
XVIII Session of the Consultative Council on
Improvement of the Investment Climate under the
President of the Republic of Tajikistan
26 January 2018

List of the new members of Consultative Councils from the private sector

№	Name	Position	Company
Dushanbe			
1.	Kasimov Azamat	Director	CJSC “Faroz”
2.	Ikromova Nigina	Chairman	Union of Craftsmen of Tajikistan
Khatlon province			
3.	Hakimov Islomiddin	Director	LLC “Behamto”
4.	Davlatov Suhrob	Director	LLC “Korporatsiyai Mohii Tojik”
5.	Bozorali Odina	Director	OJSC “Kombinati shiri Kulob”
Sughd province			
6.	Orifov Iskandar	Director	LLC “Barakati Isfara”
7.	Bakoev Mirzokodir	Director	LLC “Spitamen Textile”
8.	Negmatulloeva Ravzanabonu	Director	LLC “Resandai Tojikiston”
GBAO			
9.	Zoolshoev Asadsho	Director	Pamir Tourism Association
10.	Zevarshoi Rustam	Director	“Zindagi” Cooperative
NTM Region			

11.	Homidov Akmal	Director	LLC «Fabrikai kannodii Amiri»
12.	Hasanov Abdullo	Director	LLC «Korvoni Asr»
13.	Rizoev Asomuddin	Director	LLC «Rakhsh Ltd»

List of the new members of Consultative Councils from the development partners

№	Name	Position	Place of work
1	Tanabe Hideki	Chief Representative	Japan Agency for International Cooperation in Tajikistan
2	Jan-Peter Olters	Head of Resident Office	World Bank in Tajikistan
3	Pradeep Srivastava	Head of Resident Office	Asian Development Bank Delegation in Tajikistan
4	Tsirkalyuk Tatiana	Representative	Representative office of the State Corporation "Rusal"

Annex №2 to paragraph 19 of the Protocol of
XVIII Session of the Consultative Council on
Improvement of the Investment Climate under the
President of the Republic of Tajikistan
26 January 2018

**Member of the Consultative Council from domestic private
sector whose term has been completed**

№	Name	Position and Place of work	Term
1.	Akbar Gulomov	Head of LLC "Gayur"	Completed
2.	Nabot Dodkhudoeva	Head of LLC "Madina va Hamkoron"	Completed
3.	Shorahmatov Shorauf	Chairman of Agribusiness Association of Tajikistan	Completed
4.	Muzaffar Saimudinov	Head of LLC «Kafolat»	Completed
5.	Farhod Akbarov	Chairman of Association of Microfinance Organizations of Tajikistan	Completed

Member of the Consultative Council from the development partners and foreign investors whose term has been completed

№	Name	Position and place of work	Term
1	Christopher Miller	Head of the Representative Office of the International Finance Corporation in Tajikistan	Completed
2	Hidaet Bishchevich	Ambassador, Head of Delegation of the European Union in the Republic of Tajikistan	Completed
3	Pavel Lavrov	General Director of OJSC "Sangtuda -1"	Completed