

# Tajikistan Business Enabling Environment/ SME Policy Project Press Review - Issue #33

Dushanbe, 13 April 2007

## 1. News directly connected to SME Project

### 2. News interesting for Business Environment

- OSCE Chairman arrives in Tajikistan today evening.
- Rahmon calls on Dubai business community to explore openings in Tajikistan.
- The US Department of State official arrives in Dushanbe.
- Principle's Group discusses how to help Tajikistan improve its efforts to address money laundering and terrorism financing.
- AgroInvestBank to help TSB get remote areas.
- Fire prevention is a responsibility of each citizen
- Committee on Women and Family Issues under the Government of Tajikistan
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IFC PRESS REVIEW

## 1. News directly connected to SME Project

### 2. News interesting for Business Environment

#### OSCE CHAIRMAN ARRIVES IN TAJIKISTAN TODAY EVENING

**DUSHANBE, April 13, Asia-Plus** - The OSCE Chairman-in-Office, Spanish Foreign Minister Miguel Angel Moratinos, is expected to arrive in Dushanbe today evening. This visit is part of his tour of Central Asia from April 10 to April 14.

The OSCE Chairman has to date already visited Turkmenistan, Kazakhstan, Uzbekistan and Kyrgyzstan and met with their top officials.

A priority for the 2007 Spanish OSCE Chairmanship is to fully engage Central Asia in the 56-country Organization's activities.

According to the OSCE Center in Dushanbe, Miguel Angel Moratinos is expected to hold talks with Tajik President Emomali Rahmon tomorrow morning.

During his stay in Dushanbe, the OSCE Chairman-in-Office is also scheduled to meet with the Majlisi Milli (Tajikistan's upper chamber of parliament) Speaker Mahmadsaid Ubaidulloyev and Foreign Minister Hamrokhon Zaripov.

## **RAHMON CALLS ON DUBAI BUSINESS COMMUNITY TO EXPLORE OPENINGS IN TAJIKISTAN**

**DUSHANBE, April 12, Asia-Plus** - President Emomali Rahmon has called on the business community in Dubai to visit Tajikistan and explore the investment opportunities available in its natural resources and other economic sectors, presidential press service said.

He remarked this yesterday, addressing the First UAE-Tajikistan Business Forum organized by Dubai Chamber of Commerce and Industry. He noted that Tajik government is interested in sustain bilateral trade with Dubai.

Tajik high-ranking delegation that included more than 50 Tajikistani ministers, officials, diplomats, businessmen, investors and major economic figures attended the forum that was held at the Dubai Chamber

Addressing the forum, Rahmon noted that three free economic zones will be established in Tajikistan. He noted that more than 60 investment projects, totaling some \$4 billion, are currently being implemented in the country and outlined hydropower, development and processing of natural resources and tourism as areas of which could drive the bilateral trade between Tajikistan and the United Arab Emirates.

President Rahmon pointed out that his visit aims at activating the bilateral economic relations between the two countries and attracting UAE investors to Tajikistan, which offers them several encouraging business incentives.

According to presidential press service, the UAE businessmen were interested in large projects in energy sector, mining, processing of cotton and other farm produces, and mountain tourism.

In the meantime, Khaleej News Online said that Obaid Humaid Al Tayer, Chairman of Dubai Chamber of Commerce and Industry, addressing the forum said, "The bilateral trade between Dubai and Tajikistan needs to be improved as Dubai's non-oil trade with Tajikistan reached Dh 47.7 million in 2006. The visit of the Tajikistan president to Dubai, and his participation in the First UAE-Tajikistan Business Forum, would highly help increase the bilateral trade between the two countries, as well as the number of Tajikistan companies in the UAE,"

He expressed the chamber's readiness to extend help to Tajikistani businessmen in Dubai, asking the Tajikistani delegation to learn more about Dubai's investment opportunities and its mega projects.

According Tajikistan's Chamber of Commerce and Industry, Tajik delegation was represented at the forum by top managers of the enterprises of food and light industries such as Nafisa, Textile, HIMA, Asali Tojik, Khujand cannery as well as Tajik Telecom (Tajikistan's national telecommunications operator), and a number of commercial banks, including OryonBank, AgrolInvestBank and TojikSodirotBank.

## **THE US DEPARTMENT OF STATE OFFICIAL ARRIVES IN DUSHANBE**

**DUSHANBE, April 12, Asia-Plus** - Evan Feigenbaum, Deputy Assistant Secretary for South and Central Asian Affairs, arrived in Dushanbe yesterday night for a working visit. His visit to Tajikistan is part of his tour of Central Asia.

During his stay in Tajikistan, Evan Feigenbaum is scheduled to meet with high-ranking Tajik state officials, including Foreign Minister Hamrokhon Zaripov, as well as senior representatives from a number international organizations active in Tajikistan.

The US Department of State official is also expected to hold meeting with representatives from local business community.

Tomorrow, Evan Feigenbaum will take part at a conference formally titled "Present and Future of Tajik-US Relations". The conference dedicated to the 15th anniversary of the establishment of diplomatic relations between Tajikistan and the United States will be held at the Center for Strategic Studies in Dushanbe.

Today evening, the Deputy Assistant Secretary for South and Central Asian Affairs will meet with alumni of educational programs held by the US educational organizations.

## **PRINCIPLE'S GROUP DISCUSSES HOW TO HELP TAJIKISTAN IMPROVE ITS EFFORTS TO ADDRESS MONEY LAUNDERING AND TERRORISM FINANCING**

**DUSHANBE, April 11, Asia-Plus** - Rising risks of money laundering and terrorism financing are becoming of greater concern as the Tajik economy is liberalized and growth occurs in the private and financial sectors, press release issued by the Principals' Group in Tajikistan said.

The Principals' Group met in Dushanbe on March 14 to discuss how to provide effective assistance to help Tajikistan improve its efforts to address the rising risks of money laundering and terrorist financing.

During the meeting it was noted that Tajikistan does not yet meet many of the international obligations required by international conventions to prevent and detect money laundering and terrorist financing. Press release said that over the past two years other Central Asian countries have stepped up their efforts to implement anti-money laun-

dering and countering the financing of terrorism (AML/CFT) measures.

As a result, it is likely that existing criminal groups will soon be looking for other countries in which to launder proceeds of criminal activities, where risks of detection will be lower. Therefore, the Principals' Group agreed that now is the appropriate time to help Tajikistan build capacity in relevant governmental bodies and adopt and amend appropriate laws to fully meet its international AML/CFT obligations.

According to press release, last year, international organizations, including the World Bank, the UNODC, the IMF, and other members of the international community supported the efforts of Tajik officials in drafting an AML/CFT law, which would enable Tajikistan to meet some of its international obligations. The next important steps necessary for building an effective AML/CFT system are to bring in line with the international standards the criminal provisions regarding money laundering and the financing of terrorism and the adoption of an AML/CFT law which sets forth preventive measures and reporting requirements for financial and non-financial institutions pursuant to the FATF Recommendations and provides a legislative basis for creating a financial intelligence unit. A mechanism for freezing terrorist assets should be established pursuant to the United Nations Security Council Resolutions 1267 and 1373. Finally the Tajik system should be enhanced to provide legal tools necessary to enable Tajik officials to participate in international information exchanges and cross-border criminal investigations and prosecutions since most crimes of this nature are cross-border in nature.

The AML/CFT technical assistance and training programs offered by international organizations and donor states focus on technical and practical aspects of implementation of recognized international standards and best practices which have improved effectiveness in prevention and deterrence of organized criminal activities in many other countries.

In this regard, the Principle's Group recommends that Tajik policy makers and officials act expeditiously give serious consideration to the rising threats of money laundering and terrorist financing facing Tajikistan, forward the draft AML/CFT law to Parliament for consideration and implementation, as well as grant necessary approvals to allow delivery of the necessary AML/CFT training, technical assistance and capacity building programs being offered by international organizations and donor countries to Tajik officials.

Tajik policy makers and officials are also recommended to take other reasonable measures to enable Tajikistan to participate fully in the international community's global fight against money laundering and terrorism by full implementation of all international AML/CFT obligations so Tajik officials can also contribute their experience and ideas to the enhancement of international standards and best practices in this field.

The Principals' Group in Tajikistan is a coordination body of Ambassadors and representatives of donors and International Financial Institutions who participate in regular coordination meetings with a rotating chairperson on topics of national interest. Those represented by this joint press release include AKDN, EBRD, EC, France, IMF, Iran, Japan, Russia, Sweden, Switzerland, UK, UN and USA. The current chairman of the Principals' Group is Graeme Loten, British Ambassador.

## **AGROINVESTBANK TO HELP TSB GET REMOTE AREAS**

**DUSHANBE, April 11, Asia-Plus** - TojikSodirotBank (TSB) and AgroInvestBank have signed a loan agreement for \$500,000. Under this agreement, TSB provides the loan to AgroInvestBank for offering micro loans in remote mountain areas of the country.

According to TSB, such a decision was made at a meeting of the bank director's board in late March. "Our bank does not have its branches in remote mountain areas, while AgroInvestBank has 57 branches across the country," said the source at TSB, "By providing this loan TSB plans to expand its microlending operation into the remote mountain areas of the country."

"A government session held at the end of last year set tasks for development of microcrediting in the country and our bank has projected a plan of actions to develop TSB's activity and set a schedule of meetings with residents of the remote mountain areas to explain them a process of providing micro loans," said the source, "Such meetings have already been held in Shuroobod, Shahrison, Vanj, and Darvoz."

The loan has been provided to AgroInvestBank for one year and it cannot be ruled out that another loan agreement may be concluded between the banks in the case of necessity, the source said.

TSB was established in December 1990 as the Tajik branch of the Vnesh Econom Bank of the former Soviet Union, and it initially specialized in trade and import-export banking. Later this branch was reorganized into a Joint-Stock Commercial Bank "Tajikvneshheconombank". In June 1999 the bank was renamed and registered as TojikSodirot-Bank or TSB.

Headquartered in Dushanbe, TSB has 9 branches in the main cities of Tajikistan and covering all regions of the country. Its clients include the biggest Tajik trading companies, other enterprises, entrepreneurs, and some of the embassies and diplomatic organizations based in Dushanbe.

## **FIRE PREVENTION IS A RESPONSIBILITY OF EACH CITIZEN**

**Sadoi Mardum, as of 10 April 2007** - Fire service under Ministry of Internal Affairs for the purpose of fire prevention conducted the inspections of 3,380 business entities. For the infringement of fire prevention rules, there were drafted 819 protocols for a total cost of 144,882 somoni.

In accordance with Article 192 of the Criminal Code, there were opened criminal cases for 5 persons. Also 117 buildings and premises are temporary closed due to conditions that do not meet to fire prevention requirements, and 1,907 electricity cables and 117 electric devices rendered safe.

On 11 January and 16 February 2007 with the purpose to increase fire prevention activity at the Republic, there were held a National Conferences on fire prevention issues.

Based on Law of RT 'On Fire Prevention', each head of entity should conduct consultations and provide instructions to his staff on fire prevention.

## **COMMITTEE ON WOMEN AND FAMILY ISSUES UNDER THE GOVERNMENT OF TAJIKISTAN**

**Jumhuriat, as of 5 April 2007** - Invitation to Participation at Presidential Grants Programs for the support of civic society institutes, small and medium entrepreneurship, attracting women and girls to career-guidance, legal awareness increasing and new working places getting announces a competition for getting of Presidential Grants

Grants of President of RT is one of the forms on behalf of President to support initiatives, programs and projects of public associations aimed to solving of important social problems. At this competition, under the Presidential grants there are joint gratuitous targeted financing, provided to public associations at the expenses of Government of Tajikistan for the support of civic society institutes, small and medium entrepreneurship, attracting women and girls to career-guidance, legal awareness increasing based on their applications and competitiveness.

Presidential Grants Program are provided to women organizations, selected physical persons drafted the projects that are differed by significant novelty and illustrates outstanding contribution of women to entrepreneurship development and high creative talent.

Granter will allocate 10 Presidential grants per 10,000 somoni and 10 grants per 5,000 somoni. Project Duration is 6 months.

## **INTERNATIONAL CHINA TAKES ANOTHER JOURNEY ON OLD SILK ROAD: ROAD WILL LINK WITH OIL AND GAS RICH COUNTRIES**

**Guardian International Pages** - According to the Xinhua news agency, the longest new motorway, Asian Highway One, will stretch more than 3,000 miles from Urumqi in China's north-west region of Xinjiang to Istanbul in Turkey. Once completed in 2010, its route will take it through areas rich with untapped resources, including Tashkent, the capital of Uzbekistan, and Mashhad in Iran. Eleven other roads will link Xinjiang to Russia, Kazakhstan, Tajikistan and Pakistan, the report said, citing the transportation department of China's north-western territory of Xinjiang.



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With best wishes,  
Tajikistan SME Public Relations/Communication Department