

# Tajikistan Business Enabling Environment/ SME Policy Project Press Review - Issue #43

Dushanbe, 22 June 2007

## 1. News directly connected to SME Project

## 2. News interesting for Business Environment

- Majlisi Namoyandagon board considers bill on additional budget for 2007.
- Two international staffs of OSCE Center in Dushanbe killed in overnight traffic accident.
- More than 200 Tajik entrepreneurs to attend trade fair in China's Kashgar.
- Representatives of diplomatic missions to observe 8 July parliamentary by-election in Bokhtar.
- Tajikistan receives \$118.9 million in investments so far this year.
- Tajikistan's external trade turnover amounts to nearly \$1.5 billion in January-May.
- Ambassador Vladimir Pryakhin to head the OSCE Center in Dushanbe.
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IFC PRESS REVIEW

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### MAJLISI NAMOYANDAGON BOARD CONSIDERS BILL ON ADDITIONAL BUDGET FOR 2007

**DUSHANBE, June 21, Asia-Plus** - The board (Shuro) of Tajikistan's lower chamber (Majlisi Namoyandagon) of parliament considered a bill on the additional budget for 2007 at a June 21 meeting presided over by its speaker Saydullo Khairulloyev.

Muhammadato Sultonov, a spokesman for the Majlisi Namoyandagon, said that during the meeting, it had been noted that this measure is continuation of the government policy aimed at improving the population's living standards, reducing poverty and lowering inflation.

The additional budget for 2007 stands at 272 million somonis and social spending will account for 65 percent (175 million) of the additional budget allocations, with 16.8 percent (45.7 million somonis) earmarked for public education alone.

The bill will be considered at the next sitting of the third session of the Majlisi Namoyandagon of the third convocation on June 29, Sultonov said.

Under the country's Constitution, the regular session of the Majlisi Namoyandagon shall be conducted once a year, from the first working day in October to the last working day in June.

## **TWO INTERNATIONAL STAFFS OF OSCE CENTER IN DUSHANBE KILLED IN OVERNIGHT TRAFFIC ACCIDENT**

**DUSHANBE, June 22, Asia-Plus** - Two international staffs of the OSCE Center in Dushanbe became victims of an overnight traffic accident in Dushanbe, according to Tajik traffic office directorate.

The source said that accident took place yesterday night, at about 11:00 p.m., in the center of Dushanbe, near Russian military base's hospital.

"Daewoo driven by a 24-year-old Aziz Salamzoda ran into at a 47-year-old Morten Lodoen and a 45-year-old Arne Stein, international staffs of the OSCE Center in Dushanbe, when they were crossing the street," said the source, "They were taken to Republican Dyakov Hospital # 3, where Morten Lodoen died today early in the morning, while Arne Stein is in serious condition."

The OSCE Center in Dushanbe confirmed this information. According to the latest information, the second OSCE officer, Arne Stein, also died.

## **MORE THAN 200 TAJIK ENTREPRENEURS TO ATTEND TRADE FAIR IN CHINA'S KASHGAR**

**DUSHANBE, June 22, Asia-Plus** - More than 200 entrepreneurs from Tajikistan are expected to attend the Trade Fair of Xinjiang and South and Central Asia that will be held in China's Kashgar from June 28 to July 2, according to Tajikistan Chamber of Commerce and Industry (CCI).

The source at a CCI said that Tajik businesspeople had got such an opportunity due to opening of the highway Dushanbe-Kulob-Khorog-Murgab-Kulma-Kashgar.

According to him, the main objective of the fair is to promote further expansion of trade and economic cooperation between countries participating in the fair, attract investments and seek foreign partners. "Tajik entrepreneurs intend to exhibit handicrafts, national dress, musical instruments, herbals, and farm products," said the source, "Besides, they will present investment projects and advertising materials about their enterprises and manufactured goods."

He added that other countries participating at the Kashgar fair will put on display their achievements in food and light industries, oil-and-chemical industry, machinery construction, instrument-making, agriculture and relevant industries.

## **REPRESENTATIVES OF DIPLOMATIC MISSIONS TO OBSERVE 8 JULY PARLIAMENTARY BY-ELECTION IN BOKHTAR**

**DUSHANBE, June 21, Asia-Plus** - Representatives from embassies of Japan, the United States, Great Britain, the OSCE Center in Dushanbe, as well as other international organizations active in Tajikistan have expressed wish to observe a June parliamentary by-election in the Bokhtar district of Khatlon, Muhibullo Dodojonov, a spokesman for the Central Commission for Elections and Referenda (CCER), said.

According to him, the Bokhtar constituency numbers more than 69,000 voters.

Three candidates, including member of ruling People's Democratic Party (PDPT) Amirbek Mahmadalieyv, who is the deputy heady of the Khatlon agriculture directorate, member of the Agrarian party (APT) Abdusalom Mirzoyev, who heads the Bokhtar company Zarzamin, and the self-propelled Tezha Afghnov, who serves as secretary with Zargar Jamoat of Bokhtar, will compete for the seat representing the Bokhtar district in the lower house (Majlisi Namoyandagon) of the Tajik parliament.

We will recall that members of Tajikistan's ruling People's Democratic Party have won in three April 1 and two May 20 parliamentary by-elections.

## **TAJIKISTAN RECEIVES \$118.9 MILLION IN INVESTMENTS SO FAR THIS YEAR**

**DUSHANBE, June 21, Asia-Plus** - Tajikistan has received 409.2186 million somonis (equivalent to \$118.9 million) in investments since the beginning of the year, the State Committee for Statistics said.

The investments have primarily gone to supporting energy projects in the country. Over the report period, the energy sector has accounted for 32.2 percent of a total amount of the investments. 132.0494 million somonis, including 123.7 million somonis of foreign loans, have been spent for construction of the hydropower facilities.

According to figures provided by the committee, 123.7 million somonis have been used for construction of the Sangtuda hydropower plant, and 1.121 million somonis have been spent for construction of the Roghun power plant.

In the territorial cross section the proportions of investments received were: Khatlon province -- 42.5 percent (173.7 million somonis); Dushanbe -- 28.6 percent (116.9 million somonis); Sughd province -- 16 percent (65.6 million somonis); districts subordinate to the center (RRPs) -- 12.5 percent (51.3 million somonis) and Gorno Badakhshan - 0.4 percent (1.6 million somonis).

## **TAJIKISTAN'S EXTERNAL TRADE TURNOVER AMOUNTS TO NEARLY \$1.5 BILLION IN JANUARY-MAY**

**DUSHANBE, June 21, Asia-Plus** - Over the first five months of 2007, the external trade turnover of Tajikistan, including electric power and natural gas, has amounted to US\$1.4763 billion, which is 121.8 percent of the January-March 2006 level or US\$264.6 million more, according to the State Committee for Statistics.

The trade balance was negative and amounted to US\$256.5 million.

The committee said that exports of goods over the same five-month period have amounted to US\$609.9 million, which is 9.2 percent or \$51.5 million more than in the same period of last year. Imports of goods to Tajikistan have amounted to US\$866.4 million, which is 32.6 percent or \$213.1 million more than in January-May 2006.

Compared to April, exports in May increased by 15.6 percent and imports by 21.4 percent. Over the report period, Tajikistan has had trade relations with 78 countries, including 11 CIS states.

In January-May 2007, Tajikistan's main export partners were the far abroad countries. They have accounted for 86.9 percent or \$530.1 million of Tajik exports.

Imports came mainly from the CIS countries, which have accounted for 63 percent or \$553 million of Tajik imports over the past five months.

The CIS countries have accounted for 42.9 percent or \$632.8 million of Tajikistan's external trade turnover, and the far abroad countries have accounted for 57.1 percent or \$843.5 million.

Compared to January-May 2006 the trade with CIS countries over the report period has increased by 20.5 percent or \$107.5 million and the trade with the far abroad countries has increased by 22.9 percent or \$1157 million.

In January-May 2007, export of Tajik cotton fiber has decreased by 13.7 percent or \$8.4 million. Tajikistan has increased import of natural gas over the report period by 83.9 percent or \$12.6 percent.

## **AMBASSADOR VLADIMIR PRYAKHIN TO HEAD THE OSCE CENTER IN DUSHANBE**

**DUSHANBE, June 21, Asia-Plus** - Ambassador Vladimir Pryakhin will head the OSCE Center in Dushanbe, Tajik MFA said.

Ambassador Vladimir Pryakhin had previously been the Head of the OSCE Center in Yerevan, Armenia.

The source at Tajik MFA said that Ambassador Pryakhin will set to work in Dushanbe on June 21. Klaus Rasmussen currently serves as Acting Head of the OSCE Center in Dushanbe.

The Mission to Tajikistan was established by the Rome Ministerial Council Decision no. 4.1 on December 1 1993, and started work in Dushanbe on February 19 1994. In October 2002, it was renamed the Center in Dushanbe and its tasks were broadened. The Center has steadily grown to include 15 international and 87 local staff members as of June 2007.

The Center, which is based in the Tajik capital Dushanbe, has five field offices in Gharm, Khujand, Kulob, Qurghon Teppa and Shahritus. OSCE activities in the country fall into one or more of the following areas: politico-military dimension of security; human dimension of security; economic and environmental dimension of security

## **VISITING HEAD OF BRITISH SADDLEBACK CORPORATION STUDY INVESTMENT CLIMATE IN TAJIKISTAN**

**DUSHANBE, June 19, Asia-Plus** - Mr. Michael Jackson, British retired General and currently director of British mining company Saddleback Gold Corporation, today met in Dushanbe with Tajik Finance Minister Safarali Najmuddinov.

According to the Ministry of Finance (MoF), in the course of the talks the two discussed issues related to a present state of investment climate in Tajikistan.

The source at a MoF said that the British delegation intends to study a number of investment projects worked out by Tajik specialists. According to him, the Tajik side will submit those projects at the next meeting of Tajik and British delegations.

In the meantime, according to the local office of Saddleback Gold Corporation in Dushanbe, the visit of Mr. Jackson to Tajikistan has a private character and during his stay in Dushanbe, the Saddleback Gold Corporation top manager is also scheduled to meet with Economic

Development and Trade Minister Ghulomjon Boboyev and OryonBank (Tajikistan's largest commercial bank) Chairman Hasan Sadulloev.

The source at the company's local office in Dushanbe said that Saddleback Gold Corporation has worked in Tajikistan since 2004. It has funded geological exploration conducted in northern Tajikistan.

"Today we are working jointly with Tajik limited liability company Kulla in the Kouhistoni Mastchoh district in northern Tajikistan, where we are exploring gold and silver reserves of the Tabospin deposit," said the source, "This deposit had been explored in the Soviet time already. The work on mining and processing ores at the Tabospin deposit will start soon."

## **BRITISH BUSINESS DELEGATION ARRIVES IN TAJIKISTAN**

**DUSHANBE, June 18, Asia-Plus** - British retired General Michael Jackson, heading a group of British businessmen, arrived in Dushanbe Sunday for a three-day working visit, Tajik MFA said.

According to report posted on the MFA website, during his stay in Dushanbe, Mr. Jackson is scheduled to meet with Foreign Minister Hamrokhon Zarifi, Finance Minister Safarali Najmuddinov, Economic Development and Trade Minister Ghulomjon Boboyev, OryonBank (Tajikistan's largest commercial bank) Chairman Hasan Sadulloev and other Tajik officials.

The talks are expected to focus on bilateral economic relations between Tajikistan and the United Kingdom.

In the meantime, the US Central Command Commander, Admiral William J. Fallon is expected to arrive in Dushanbe tomorrow, Tajik MFA said. During his stay in Dushanbe, Admiral Fallon is scheduled to meet with President Emomali Rahmon and other high-ranking Tajik state officials to discuss national security issues, according to Tajik MFA.

Admiral William J. Fallon assumed duties as the commander, U.S. Central Command on March 16, 2007.

# LAW OF THE REPUBLIC OF TAJIKISTAN ON LICENSING OF SEPARATE TYPES OF ACTIVITIES (AMENDMENTS)

DUSHANBE, June 16, Jumhuriat

Law of the Republic of Tajikistan

“On amendments to the Law of Tajikistan “Licensing of separate types of activities”

Article 1. Make the following amendments to the Law of Tajikistan as of 17 May 2004 “Licensing of separate activities”:

...2. Replace words “five years” by “not less than five years”.

3. Section 2, Article 13 should be edited as follows:

“2. The inspection of licensee’s activity on the compliance to the license terms and requirements should be conducted by the body issued a license in accordance with Law of Tajikistan “On inspections of business entities activity””

Article 2. The given Law become effective after official publishing.

President of Republic of Tajikistan

Dushanbe, 13 June 2007, No.277



Schweizerische Eidgenossenschaft  
Confédération suisse  
Confederazione Svizzera  
Confederaziun svizra

Federal Department of Economic Affairs FDEA  
**State Secretariat for Economic Affairs SECO**

With best wishes,  
Tajikistan SME Public Relations/Communication Department