© 2009 International Monetary Fund

March 2009
IMF Country Report No. 09/82

Republic of Tajikistan: Poverty Reduction Strategy Paper

Poverty Reduction Strategy Papers (PRSPs) are prepared by member countries in broad consultation with stakeholders and development partners, including the staffs of the World Bank and the IMF. Updated every three years with annual progress reports, they describe the country's macroeconomic, structural, and social policies in support of growth and poverty reduction, as well as associated external financing needs and major sources of financing. This country document for the Republic of Tajikistan, dated April 3, 2007, is being made available on the IMF website by agreement with the member country as a service to users of the IMF website.

Copies of this report are available to the public from

International Monetary Fund • Publication Services
700 19th Street, N.W. • Washington, D.C. 20431
Telephone: (202) 623-7430 • Telefax: (202) 623-7201
E-mail: publications@imf.org • Internet: http://www.imf.org

International Monetary Fund
Washington, D.C.

Approved by the Resolution of
the Government of Tajikistan
from April 3, 2007, No. 167

POVERTY REDUCTION STRATEGY

OF THE REPUBLIC OF TAJIKISTAN

FOR 2007-2009

1. INTRODUCTION **6**

2. RESULTS OF IMPLEMENTATION OF THE PRSP FOR 2002-2006 ..... **7**

2.1. POVERTY IN TAJIKISTAN: CURRENT STATUS, DYNAMICS AND PRINCIPAL PROBLEMS 7
2.2. PSRP: LESSONS LEARNED 12

3. GOALS AND KEY DIRECTIONS OF THE PRS POLICY FOR 2007-2009 ..... **16**

4. ESTABLISHMENT OF THE GENERAL CONDITIONS FOR DEVELOPMENT (FUNCTIONAL BLOCK) **20**

4.1. PUBLIC ADMINISTRATION REFORM 20
4.2. MACROECONOMIC DEVELOPMENT 22
4.3. IMPROVEMENT OF THE INVESTMENT CLIMATE, DEVELOPMENT OF THE PRIVATE SECTOR AND ENTREPRENEURSHIP 24
4.4. DEVELOPMENT OF REGIONAL COOPERATION AND INTEGRATION INTO THE GLOBAL ECONOMY 27

5. PROMOTION OF SUSTAINABLE ECONOMIC GROWTH (PRODUCTION BLOCK) **30**

5.1. DEVELOPMENT OF INFRASTRUCTURE, ENERGY AND INDUSTRY 30
5.2. FOOD SECURITY AND DEVELOPMENT OF THE AGRICULTURAL SECTOR 37

6. DEVELOPMENT OF HUMAN POTENTIAL (SOCIAL BLOCK) **40**

6.1. DEVELOPMENT OF THE EDUCATION SYSTEM AND SCIENCE 41
6.2. DEVELOPMENT OF THE HEALTH CARE SYSTEM 45
6.3. IMPROVEMENT OF SOCIAL WELFARE 48
6.4. EXPANSION OF ACCESS TO WATER, SANITATION AND HOUSING AND MUNICIPAL SERVICES 53
6.5. PROMOTION OF ENVIRONMENTAL SUSTAINABILITY 55
6.6. PROMOTION OF GENDER EQUALITY 57

7. FINANCING OF PRS IMPLEMENTATION **59**

8. MANAGEMENT OF PRS IMPLEMENTATION AND MONITORING **69**

APPENDIX 1. ACTIVITY MATRIX FOR 2007-2009 ..... **77**

APPENDIX 2. MONITORING MATRIX **158**

APPENDIX 3. PRS PRIORITIZATION PRINCIPLES **246**

APPENDIX 4. PARTICIPATION IN THE DEVELOPMENT OF THE NDS/PRS **249**

Table of Acronyms

AAS	Academy of Agricultural Sciences
ACA	Agency for Construction and Architecture under the Republic of Tajikistan Government
ACEC	Agency to Combat Corruption and Economic Crimes under the President of the Republic of Tajikistan
ADB	Asian Development Bank
AIDS	Acquired Immunodeficiency Syndrome
ALGC	Agency for Land Use, Geodesy and Cartography under the Republic of Tajikistan Government
AS	Republic of Tajikistan Academy of Sciences
ASMC	Agency for Standardization, Metrology, Certification and Trade Inspection under the Republic of Tajikistan Government
BFHI	Baby-Friendly Hospital Initiative
CCI	Chamber of Commerce and Industry
CES	Committee on Emergency Situations and Civil Defence under the Republic of Tajikistan Government
CF	Catalytic Fund
CFWA	Committee on Family and Women's Affairs under the Republic of Tajikistan Government
CIDA	Canadian International Development Agency
CS	Customs Service under the Republic of Tajikistan Government
CSA	Civil Service Administration
CSIP	Centralized State Investment Programme
CYST	Committee on Youth Affairs, Sports and Tourism under the Republic of Tajikistan Government
DfID	Department for International Development (United Kingdom)
DWC	Dushanbe Water Canal
EAP	Executive Administration of the President of the Republic of Tajikistan
EBRD	European Bank for Reconstruction and Development
EC	European Commission
ECHO	European Community Humanitarian Office
ECO	Economic Cooperation Organization
EMIS	Education Management Information System
EU	European Union
FAO	United Nations Food and Agriculture Organization
FDI	Foreign direct investment
GBAO	Gorno-Badakhshan Autonomous Region
GDP	Gross Domestic Product
GF	Global Fund to Fight AIDS, Tuberculosis and Malaria
GIS	Geographical Information System
GTC	German Technology Centre
HIV	Human Immunodeficiency Virus
HPP	Hydropower plant
IAEA	International Atomic Energy Agency
IAS	International Accounting Standards
ICPWB	International Committee of Pharmacists without Borders
IDA	International Development Association
IDB	Islamic Development Bank

IFC	International Finance Corporation
ILO	International Labour Organization
IMF	International Monetary Fund
IPEC	International Programme on the Elimination of Child Labour
ITC	International Trade Centre
JICA	Japan International Cooperation Agency
KfW	German Development Bank
KhMK	Khochagii Manziliyu Kommunali state unitary enterprise
KWC	Khujand Water Canal
MA	Monitoring and assessment
MAEP	Republic of Tajikistan Ministry of Agriculture and Environmental Protection
MDGs	Millennium Development Goals
MEDT	Republic of Tajikistan Ministry of Economic Development and Trade
MEI	Republic of Tajikistan Ministry of Energy and Industry
MFA	Republic of Tajikistan Ministry of Foreign Affairs
MGA	Main Geology Administration under the Republic of Tajikistan Government
MIA	Republic of Tajikistan Ministry of Internal Affairs
MICS	Multiple Indicator Cluster Survey
MLSW	Republic of Tajikistan Ministry of Labour and Social Welfare
MOE	Republic of Tajikistan Ministry of Education
MOF	Republic of Tajikistan Ministry of Finance
MOH	Republic of Tajikistan Ministry of Health
MOJ	Republic of Tajikistan Ministry of Justice
MRWR	Republic of Tajikistan Ministry of Reclamation and Water Resources
MTBF	Medium-Term Budget Framework
MTC	Republic of Tajikistan Ministry of Transportation and Communications
NASMB	National Association of Small- and Medium-Sized Business
NBT	National Bank of Tajikistan
NDS	National Development Strategy
NGO	Non-governmental organization
OPEC	Organization of Petroleum Exporting Countries
OSCE	Organization for Security and Cooperation in Europe
OSI	Open Society Institute of the Soros Foundation
PIP	Public Investment Programme
POP	Persistent organic pollutants
PPP	Purchasing power parity
PRS	Poverty Reduction Strategy
PRSP	Poverty Reduction Strategy Paper
RRS	Region of Republican Subordination
RT	Republic of Tajikistan
RTG	Republic of Tajikistan Government
SCI	Republic of Tajikistan State Committee on Investment and State Property Management
SDC	Swiss Agency for Development and Cooperation
SECO	Swiss State Secretariat for Economic Affairs
SFD	Saudi Fund for Development
SIDA	Swedish International Development Cooperation Agency
SM	Safe Motherhood
SMB	Small and medium-sized business

SSC	Republic of Tajikistan State Statistics Committee
STDs	Sexually-transmitted diseases
SUAE	State Unitary Aviation Enterprise
TadAZ	Tajikistan Aluminium Plant
TC	Tax Committee under the Republic of Tajikistan Government
TICA	Turkish International Cooperation Agency
TRW	Tajik Railway
UN	United Nations
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
UNIFEM	United Nations Development Fund for Women
UNTOP	United Nations Tajikistan Office of Peace-Building
USAID	United States Agency for International Development
WB	World Bank
WFP	World Food Programme
WHO	World Health Organization
WIPO	World Intellectual Property Organization
WTO	World Trade Organization
WUAs	Water Users Associations
YFS	Youth-friendly services

1. INTRODUCTION

This document, the Poverty Reduction Strategy of the Republic of Tajikistan for 2007-2009 (PRS), is intended to serve as a medium-range socio-economic development programme for the country. Taking into account available resources and additional needs, it outlines concrete actions to implement institutional and economic reforms that will promote strong and sustainable economic growth and an improvement in the scope and quality of social services aimed at easing the burden of poverty in the country.

In 2005, with a view to raising the nation's standard of living, the President initiated the drafting of the long-range National Development Strategy of the Republic of Tajikistan for the Period to 2015 (NDS), and the medium-range Poverty Reduction Strategy of the Republic of Tajikistan for 2007-2009.

In light of this, activities under the PRS are also based on the NDS goals and priorities (public administration reform, development of the private sector and attraction of investment, development of human potential) and they are aimed at creating in Tajikistan a democratic and prosperous state in which all members of society will have an equal opportunity to enjoy the benefits of political, social and economic development.

The actions outlined in the PRS take into account the results of the implementation of the Poverty Reduction Strategy Paper (PRSP) for 2002-2006 and the lessons learned from that process.

As in the NDS, the activities under the PRS are focused on development in 12 sectors (directions) of economic reform, which have been provisionally combined into three blocks based on their role and place in promoting strong and sustainable economic growth and improving the range and quality of social services provided to the poor:

(a) the Functional Block, which provides for the overall institutional environment for development and encompasses the following sectors: public administration reform; macroeconomic development; improvement of the investment climate; development of the private sector and entrepreneurship; regional cooperation and integration into the global economy;

(b) the Production Block, which provides for the physical environment to support economic growth and brings together the following sectors: food security and development of the agricultural sector, and the development of infrastructure, energy and industry;

(c) the Social Block, which provides for broader access to basic social services and is comprised of the following sectors: development of the health care system; development of the education system and science; expansion of access to water supply, sanitation and housing and municipal services; improvement of social welfare; promotion of gender equality; and environmental sustainability.

The focus of government, sectoral and regional development strategies, programmes and plans that have been adopted and are currently being drafted (including the Public

Investment Programme [PIP] and the Centralized State Investment Programme [CSIP]) is being shifted toward implementation of the PRS.

The PRS serves as a tool for dialogue with all interested parties, including business and non-governmental organizations, international organizations and foreign donor countries that are providing assistance to Tajikistan. To this end, the government will make every effort to ensure that PRS tasks and activities are taken into account in the drafting of programmes to provide technical and financial assistance to the country.

Each PRS task has been formulated as a list of concrete actions with a clearly established timetable for implementation, parties responsible and sources of financing, as well as quantitative and qualitative indicators. A specific list of activities in the area of development and poverty reduction based on the PRS will be approved each year by the government.

With a view to measuring progress that has been achieved in the implementation of the PRS, the government has selected a list of international, national and sectoral indicators, which will be added to and modified in the monitoring and assessment of the planned PRS activities.

2. RESULTS OF IMPLEMENTATION OF THE PRSP FOR 2002-2006

2.1. Poverty in Tajikistan: current status, dynamics and principal problems

2.1.1. The status of poverty, dynamics and key tasks

Regardless of the method chosen to calculate this indicator, the overall poverty rate is clearly on the decline. Available data (from a calculation of the overall rate of absolute poverty in terms of income level and extreme poverty based on purchasing power parity (PPP) of US$2.15 and US$1.08 per day, respectively) show that the poverty rate declined from 83% in 1999 to 64% in 2003, and according to some preliminary data, to 57% in 2004. Extreme poverty was cut in half, from 36% in 1999 to 18% in 2003. In view of the growth trends, there is a strong likelihood that the poverty rate fell even further in 2005 and 2006. We will be able to determine the exact amount of the decline based on the results of the standard of living survey that is scheduled for 2007. The decline in poverty in 1999-2004 was driven in large degree by economic growth, which resulted from the achievement of macroeconomic, social and political stability in the country. In spite of these gains, however, Tajikistan is still the poorest country in the region, with a per capita GDP of US$337.5 in 2005.

Official payments (wages and pensions) were not always enough to lift households out of poverty. In connection with this, growth in household income from private farming plots, the raising of goats, sheep and other small livestock and remittances from abroad was an important factor contributing to the decline in the poverty rate in Tajikistan. The available data show that households whose income depends solely on official payments are more vulnerable to poverty than those whose income sources are somewhat diversified.

The decline in poverty did not occur uniformly at either the inter-regional or sub-regional levels. At the regional level the decline in poverty ranged from 12% to 26%. The Region of Republican Subordination (RRS) experienced the most rapid decline in poverty (26%), while the rates in other regions of the country were close to half that, with Dushanbe posting the lowest indicator at 12%. The sharpest drop in extreme poverty indicators occurred in Gorno-Badakhshan Autonomous Region (GBAO), which reported a decline of 33%.

Table 1
Dynamics of Poverty Reduction

Region	Population (2003)	PPP poverty rate in 2003 (US$2.15)	Proportion of total population living in poverty (2003)	Decline in poverty between 1999 and 2003	PPP extreme poverty rate in 2003 (US$1.08)	Decline in extreme poverty between 1999 and 2003	Inequality (2003)
GBAO	197,000	84%	4%	-13%	36%	-33%	0.30
Sogd	2,123,000	64%	32%	-15%	16%	-11%	0.32
Khatlon	2,169,000	78%	40%	-13%	27%	-22%	0.35
Dushanbe	630,000	49%	7%	-12%	12%	-1%	0.37
RRS	1,553,000	45%	17%	-26%	9%	-16%	0.31
Total	**6,672,000**	**64%**	**100%**	**-18%**	**18%**	**-18%**	**0.35**

The nature of the regional differences is based primarily on the different income levels, the cost of living and the overall level of socio-economic development of the various regions. There are also significant differences within individual regions of the country, which can be explained by the geographical features of the regions (low-lying areas, mountainous terrain), the proximity to borders, large cities or industrial centres, agricultural trends and so on. The revival of certain industrial enterprises had an impact on poverty reduction in Sogd Province; in GBAO, which is a remote, mountainous and sparsely populated region, humanitarian assistance, development of the private sector and an increase in private remittances played a role; in the RRS (where an aluminium plant is located), the development of industry, an increase in employment and expansion of the non-cotton sector of agriculture were important factors.

In terms of absolute indicators, however, the majority of poor people live in Khatlon and Sogd provinces, which account for 65% of Tajikistan's total population. These regions have 72% of the total poor population and 75% of the population living in extreme poverty, and this highlights the importance of focusing poverty-reduction efforts on these two provinces, which are the country's most densely populated areas.

In spite of the fact that poverty reduction in rural areas is proceeding at a faster pace than in urban areas, poverty continues to be a predominantly rural phenomenon. In 2003, 65% of the rural population was living on less than US$2.15 per day in terms of PPP, while in the cities this figure was 59%. Between 1999 and 2003, however, there was a greater decline in the poverty rate in rural areas, by 19%, than in urban areas, where it fell by 14%. In 2004 the gap between urban and rural poverty continued to shrink, and the difference is now negligible (estimates show an urban poverty rate of 58% and a rural poverty rate of 57%). Poverty in urban areas is tied more to a lack of jobs and the wages earned in the formal

economy, while rural poverty is linked to low income levels, particularly in agriculture, as well as inadequate access to basic social services (education, health care, water supply, etc.).

The effect of economic growth on poverty is greater in rural areas. More than 70% of Tajikistan's population and a large share of the poor population lives in rural areas. The elasticity of the poverty rate with respect to economic growth is higher in rural areas than in urban areas, with figures of -0.71 and -0.61, respectively. On the whole, this would indicate that the influence of structural transformations in agriculture, particularly in cotton production and land reform, has a potentially greater impact on poverty.

Demographic indicators have a direct effect on the poverty rate. Indicators such as household size, the number of children and the gender and age of household members can sometimes be key factors in determining the incidence of poverty. While the average poverty rate for the country as a whole is 64%, the risk of poverty in large households is twice as high as in households with two or fewer children. Rapid population growth (10% over the past seven years) puts strains on the education, health care and social welfare systems, which are already overburdened. The demographic factor also has a major impact on the labour market, where there are already signs that supply is outstripping demand.

In addition to improving the gender equality situation, there are still pressing issues related to equal access for men and women to education and land use, to the decision-making process and to employment. Recent research shows that there are no significant differences between households that are headed by men and women. This is true for both urban and rural households. At the same time, participation by women in the labour market, particularly the formal labour market, remains low, especially in rural areas. In connection with this, in 2004 employment among men was twice as high as among women. On average, in 2004 income earned by men was almost 1.5 times higher than women's income. There is also a serious gender gap in school attendance: in rural areas girls drop out of school at twice the rate as boys, and in urban areas at three times the rate. By the age of 18, for example, only 40% of boys and 10% of girls are still in school.

2.1.2. Labour market, employment and poverty

Unemployment can be seen as one of the main factors contributing to poverty. If the head of a household is unemployed or has lost his job, there is a higher risk that he will become poor. Households whose heads are not employed full-time also have poverty rates that are higher than average, particularly in rural areas.

In spite of the fact that unemployment fell by 1.9 percentage points between 2000 and 2004, when it was reported at 7.4%, growth in employment is lagging behind growth in the labour force. This points to the fact that the "surplus" labour force is either not being reported as unemployed, is working in the informal sector of the economy or is migrating to find work outside of Tajikistan. There are also substantial inter-regional differences in employment patterns, with a particularly high concentration of manpower in densely populated areas, such as the city of Dushanbe. Women with children are among the most vulnerable groups in terms of employment and poverty, particularly in rural areas. If the economy and the population continue to grow at current rates, and there are no significant changes in the labour market, over the medium term this could lead to an additional burden on the social service system.

Unemployment among young people continues to be a serious problem for Tajikistan. The proportion of young people (15-29 years of age) in the overall structure of registered unemployment is quite high and is in the range of 60-65%. The average age among the unemployed is 29.6 years. At the same time, due to low income levels and small pensions, approximately 43% of men and 15% of women over the age of 60 continue to work.

Child labour is becoming another important measure of poverty in Tajikistan. This is a very complicated and multi-faceted issue, which is driven by a number of factors, such as poverty, local traditions, household size, etc. According to data from the Labour Force Assessment (2004), approximately 2.7% of all children between the ages of 12 and 14 work full-time. In rural areas paid child labour is used more frequently than in urban areas, and this practice occurs most commonly in agriculture, trade, construction and small business.

2.1.3. Non-material poverty

In spite of an increase in funding for the education system, a great deal remains to be done to ensure and maintain access to high-quality education. A shortage of funding continues to be a key problem in the education sector. Budget spending on education increased from 2.3% of GDP in 2000 to 2.7% of GDP in 2005. A significant proportion of the spending came from donors and households themselves. The overall condition of the infrastructure and material and technical support for educational institutions remains poor. Serious attention also needs to be given to the education and training of teachers, as well as vocational and technical training, the development and improvement of curricula and higher teacher salaries.

Demographic growth and financial constraints are limiting public access to educational services. According to the Poverty Survey (2005), 20% of the poorest households spend only about 5.5% of their budget on education and can barely afford the cost of clothes, school supplies, books, etc. As a result, attendance at secondary schools has declined significantly in all of the country's regions, with an average rate of 88% for the country as a whole.

The health care sector continues to face challenges. The health care system also suffers from inadequate funding (total spending on health care represents approximately 1.5% of GDP). In spite of the fact that some aspects of health care have improved, a number of key problems remain unresolved, and a large proportion of the population has limited access to medical care. With the aim of resolving this situation, the government is taking measures to introduce a guaranteed package of free medical services, in addition to services that are partially or completely self-sustaining. A system of per-capita financing for public medical institutions is also being introduced.

Problems related to nutrition and infectious diseases are a cause of concern. The incidence of acute malnutrition among children under the age of five has risen by 60%. There has also been an increase in the proportion of children under the age of five suffering from chronic malnutrition. In spite of gains that have been made, socially dangerous diseases such as tuberculosis, measles, malaria and AIDS represent a significant threat to the country's development in general, and to poverty reduction in particular. Among of the main factors complicating the fight against these diseases are labour migration and the deterioration of water supply and sanitation systems.

The social welfare system is in need of reform with a view to ensuring that its functions are performed efficiently and effectively, because a significant proportion of the population depends on these services. The most socially vulnerable segments of the population are disabled persons, the elderly, families headed by single women, the unemployed, orphans, large families and people performing unskilled manual agricultural labour. In spite of the fact that budget spending on social welfare is on the rise in the country, the size of social benefits that are paid and the targeting of these benefits are still inadequate. This is why the payment of social benefits cannot have a serious impact on reducing poverty, and in terms of their effectiveness they fall considerably short of remittances from abroad and various forms of humanitarian assistance. The system of benefits and compensation is need of optimization, as is the pension security system, and they need to be placed on a financially sound footing.

Access to electricity, drinking water and communications services is inadequate. In spite of practically universal access to electricity, as well as an increase in the amount of electricity being generated, the availability of electricity continues to be irregular and the quality of the electricity supply is poor, particularly in the winter. A significant proportion of the population in Tajikistan has problems with access to clean drinking water. Only one-third of the population has access to chlorinated water from a public utility, 29% of the population uses water from centralized sources, and the rest of the people collect water from cisterns and irrigation ditches. As much as 40% of the water consumed is not potable and 41% of the population uses water from public utilities that is of poor quality. There are a number of difficulties associated with access to communications and telecommunications services. In spite of the fact that television broadcasting is available to 98% of the population and radio broadcasting to 76.6%, many people are not able to take advantage of these services because of frequent and prolonged power outages. At the same time, both landline and mobile telephone services are growing and are being constantly upgraded.

The government has begun to make a serious effort to restore the highway system and to build tunnels, roads and bridges (including bridges linking Tajikistan and Afghanistan), and a number of preliminary steps have been taken to liberalize aviation and the railway system.

Labour migration continues to be a key survival strategy for many households and a guarantee of social stability. In spite of relatively strong demographic growth, not many new jobs are being created. In view of this, migration of the labour force is the most common method used by households to find work that offers sufficient remuneration. A survey of migrants conducted in 2005 showed that the average labour migrant is a Tajik with an average age of 34 who is married with five family members and has a secondary or technical education. In turn, remittances have become a source of income for a majority of low-income families and are used predominantly to meet basic needs. Remittances increase the purchasing power of the poor, and they also provide a sort of social safety net for families. Most of the remittances go to rural areas (70%), where the poverty rate is the highest.

According to the latest poverty assessment report, remittances from labour migrants account for as much as 25% of total household income. Based on official estimates, a total of 420,600 labour migrants left the country in 2004. Official remittances were equal to approximately 17% of the country's GDP in 2005.

2.1.4. Difficulties on the path to reducing poverty and a poverty forecast based on anticipated economic growth

In spite of the considerable gains that have been made, estimates show that the poverty rate could decline even faster given more rapid reforms in key sectors of the economy. Poverty reduction in Tajikistan has been achieved to a significant extent as a result of macroeconomic and political stability, substantial remittances from migrants, basic reforms and efforts to liberalize the economy. To ensure sustainable economic growth and poverty reduction in the future, targeted structural and sectoral reforms will need to be carried out (in agriculture, the energy sector, education, health care and social welfare), in addition to second-generation reforms that cut across different sectors (public administration, government spending, financial governance and development of the private sector).

Poverty reduction requires economic growth and the optimal distribution of its results throughout society. While the target indicators for extreme poverty have already been met (18% in 2003, compared to 36% in 1999), the minimum economic growth needed to achieve the Millennium Development Goal (MDG) for income must be 3%. According to the estimates, economic growth of 1% will lead to a decline in the overall poverty rate by 0.46% and a 1% increase in per capita GDP will result in a drop in the overall poverty rate by 0.62%. It is important to note here that the inequality indicator increased by more than 6% between 1999 and 2003, from 0.33 to 0.35, respectively, and it is likely to rise even further. It is troubling to see such a minimal effect from economic growth and the increase in the inequality indicator. In light of this, it is very important to provide not only for economic growth, but also for the socially optimal distribution of national income among the country's population.

From a sectoral standpoint, entrepreneurial activity, agriculture and the service sector have the greatest potential to reduce poverty. Given the limited number of jobs available, self-employment based on small and medium-sized businesses, accompanied by the removal of excessive administrative barriers, has a great deal of potential to reduce the poverty rate. An increase in productivity in agriculture (due primarily to gains in the non-cotton sector) had a negligible effect on reducing rural poverty. In spite of the fact that spending per capita and the share of per capita GDP in agriculture grew by 50% and 46%, respectively, the poverty reduction rate within the sector is only in third place, while the elasticity of poverty with respect to per capita GDP is in fourth place, behind sectors such as services and infrastructure (mining, energy, the gas sector and water supply). Thus, it is clear that the main emphasis in further efforts to reduce poverty should be on the development of entrepreneurial activity, the intensification of structural reforms in the area of rural development, such as land reform, for example, and an equitable and sustainable resolution of the problem of debt owed by cotton farms within the framework of a comprehensive programme for reform of the cotton sector.

2.2. PSRP: lessons learned

The main goal of the Strategy that was adopted for 2002-2006 was to increase the population's real income and to provide for a fair distribution of the results of economic growth. The key directions of the PRSP were: (1) the promotion of rapid, socially equitable, labour-intensive and export-oriented economic growth; (2) fair and effective delivery of basic

social services; (3) targeted support for the poorest segments of the population; (4) good governance; and (5) improved security.

Overall, the results of the implementation of the PRSP are unequivocal. Despite some progress in macroeconomic management and the development of legislation, structural reform measures were not fully implemented. The PRSP did not manage to produce high-quality results in a timely manner. For example, public access to basic social services, as one of the factors of successful poverty reduction, remains quite limited.

The maintenance of macroeconomic stability was a key aspect of the poverty reduction process within the framework of the PRSP. The goal of the Strategy was to achieve growth in real GDP of 6% per year in 2002-2005, while lowering inflation to an annual rate of 5%. The sustainability of external debt servicing was a focus of particular attention in the PRSP.

There was dynamic economic growth during the period covered by the PRSP, averaging 9.5% per year. Starting in 2003, the dependence of economic performance on cotton and aluminium production eased somewhat thanks to output in the non-cotton agricultural sector, as well as growth in the share contributed by the service sector to GDP. Economic growth was also linked in part to an increase in domestic demand resulting from remittances from citizens working abroad. In spite of fiscal constraints, the government increased spending on the social sector, and in particular on education, health care and social welfare. Although the funding allocated was insufficient, the social sphere accounted for 40.5% of the budget in 2005, which represented 8.7% of GDP. In addition, the decline in external debt to 31% of GDP in 2005 helped reduce the budget deficit.

The main lessons learned from the PRSP were that: (1) the process of the drafting and implementation of the PRSP was somewhat isolated from other activities; (2) the fundamental principles and methodology of the PRSP were not defined clearly enough; and (3) there was not enough coordination and harmonization of donor activities.

1. The isolation of the PRSP process. In spite of the fact that the PRSP was adopted as one of the country's fundamental strategic documents, the process of its implementation was not integrated into the activities of government bodies ***in institutional, organizational and financial respects***. Another important lesson is that the PRSP was frequently viewed as a document that called for one-time measures, rather than one that described and reflected an ongoing process aimed at achieving the poverty reduction goals that had been set.

From an ***institutional*** standpoint, the function of PRSP implementation and progress assessment was not fully identified within the functions and structure of government bodies at all levels. Instead of the gradual integration of this function, new bodies were frequently created that were financed by funds from one donor or another and that were not sustainable from either an institutional or financial standpoint. The establishment of the PRSP Monitoring and Assessment Division within the Executive Administration of the President of the Republic of Tajikistan can be viewed as the first step towards providing institutional backing for the PRSP implementation process. The "injection" of the PRSP process, however, needs to be viewed from a comprehensive perspective, taking into account adequate financial support for implementation of the process and a clear division of labour among the governmental and non-governmental structures that are involved in the process. Frequently

the priorities, goals and tasks of sectoral and regional programmes or strategies did not correspond to the provisions of the PRSP.

The status of the PRSP was not sufficiently clear in legal respects, and this resulted in different readings regarding the implementation of its provisions. The legal status of the PIP and Medium-Term Budget Framework (MTBF), which should serve as a sort of link between the PRSP and government spending, is also in need of clarification.

In the ***organizational*** context, the legislative and other regulatory legal acts that have been adopted are not focused enough on achieving the PRSP goals and on its monitoring and assessment. Furthermore, gains in the implementation of the PRSP were not utilized to shift the focus of the policies being pursued or as criteria for evaluating the performance of government bodies.

It turned out to be virtually impossible to achieve the ***financial*** integration of the PRSP with the state budget due to differences in the principles that form the foundations of the PRSP and the budget system. The PRSP, as an instrument of government policy, was designed according to the sectoral principle, while the country's budget system is organized on a regional basis. The public investment sphere, which is financed by both external sources and the country's own budget funds, could have been integrated more successfully with the PRSP, since the process of planning and implementation of both the Public Investment Programme and the Centralized State Investment Programme was based for the most part on a sectoral approach. One of the obvious facts pointing to a "gap" between the PRSP and the PIP, which is financed primarily by multilateral donors, is that the process of surveying project implementation, which is performed by the government on a regular basis in conjunction with such international financial institutions as the World Bank and the Asian Development Bank, is not coordinated with the process of evaluating progress in the implementation of the PRSP, which also receives a significant amount of funding from external sources.

2. PRSP principles and methodology. One of the key unresolved issues concerning the PRSP is the lack of methods for identifying interconnected and interdependent general and sectoral goals and priorities, and insufficient clarity in defining the principles for the development and implementation of the PRSP and other sectoral and regional programmes. The definition of poverty and its statistical infrastructure also need to be coordinated. For example, the poverty line recognized by the government needs to be defined, along with the methodology for conducting statistical surveys of the standard of living, including the identification of the most vulnerable segments of the population. The methodology and process for the drafting and implementation of the PRSP are also in need of coordination, in particular with regard to such important aspects as the methodology for prioritization and calculating the cost of measures, consulting with the public, providing for independent progress assessments and feedback, etc.

3. The coordination and harmonization of donor activities has turned out to be a difficult task for both the government and donors. For example, the Donor Coordination Council has been in operation in Tajikistan only since 2006. The coordination of donors at the level of country assistance strategies, policies and projects began to improve only toward the end of the implementation of the 2002-2005 PRSP. In spite of the fact that donor programmes on the whole were not inconsistent with the PRSP, at the project level the alignment with PRSP goals and priorities was still insufficient. In the majority of cases this is

due to internal requirements or conditions imposed by the donors themselves. To some degree, this is the result of objective factors, such as an improvement in the overall situation in the country, the development of major investment projects, as well as a change in external factors that have led to an increase in donor activity in the country.

The harmonization of procedures employed by donors, in particular international financial organizations, at the country level has still not produced the desired result. The adoption of the Paris Declaration on Aid Effectiveness (March 2005) provided a needed impetus for this process, however. At the same time, lack of clarity from the standpoint of identifying a government body responsible for dialogue with donors on harmonization issues was also a factor contributing to slow progress in this area.

The government has analyzed the conclusions, deficiencies and lessons learned from the 2002-2006 PRSP and it has prepared relevant comprehensive approaches to addressing these issues within the context of the new PRS, as outlined below:

1. **Isolation of the PRS process.** In view of the Public Administration Reform Strategy (2006) that is being implemented, it is important to focus particular attention on the structural and functional integration of the PRS process into the activities of governmental bodies that have undergone reorganization, at both the central and local levels. Special attention will be given to functional, regulatory and legal and personnel support for the State Statistics Committee in the regular collection and analysis of poverty and employment data. Ministries (departments) and local government authorities should ensure timely and proper participation in the PRS implementation monitoring process, and the drafting and implementation of the relevant sectoral and regional programmes should be carried out in strict compliance with the provisions of the PRS.

With a view to establishing a more clearly defined **legal status for the PRS**, the advisability of making amendments and additions to the national legislation needs to be considered, in particular with regard to laws on socio-economic programmes, government finance, the state budget, local government, state statistics, etc., and the relevant sublegal acts need to be adopted as well. A permanent executive group of national and international experts needs to be established under the National Development Council (NDC) to provide for the organization and performance of these tasks, adjustments to the existing medium-range socio-economic programme and the elaboration of new programmes.

The **political decision-making process** and the adoption of significant measures and activities need to be focused in the future on the PRS as one of the key government policy documents. It would also be advisable, for example, to study the feasibility of evaluating the activities of the government, sectoral ministries and departments and local government bodies on the basis of their achievement of the PRS goals that have been set, in addition to other criteria.

It should be possible to overcome **financial isolation** in stages. First the process of the compilation and implementation of the PIP and CSIP needs to be oriented entirely toward the goals and priorities of the PRS. It will also be important to ensure that the drafting of the PIP and CSIP is an open and clearly defined process, with a view toward their future consolidation. Over the medium term, and as a pilot programme, it would be advisable to introduce MTBF principles, which shift the budget process to a sectoral basis. It will also be necessary to link the process of tracking the performance and effectiveness of government

projects financed by donors to the PRS monitoring and assessment process. Over the short term, this can be achieved through the participation of government bodies, which are responsible for the monitoring and assessment of the PRS in the relevant sector, in the portfolio management process for projects financed from external sources. The monitoring and assessment systems that are in place at the project level also need to be consolidated according to the sectoral principle, with a focus on achieving PRS goals.

2. The PRS principle and methodology. In view of the practically unlimited needs and the limited resources available to the country, it would make sense to adopt the principle of focusing the goals and measures of future Poverty Reduction Strategies on the NDS and the available internal and external resources. It would also be advisable to direct the PRS above all toward ensuring sustainable economic growth, taking into account the socially optimal distribution of the results of this growth among the population. Within the context of the implementation of the initial stage of the national statistics system reform, it will be necessary to specify and approve a definition of poverty and employment, their signature characteristics and methodologies and processes for conducting surveys. Within the framework of a medium-term survey of PRS implementation, a PRS methodology that corresponds to the realities of Tajikistan, as a document and a process, needs to be presented to the government and all of our development partners for review.

3. Coordination and harmonization of donor activities. With a view to improving the effectiveness and productivity of donor coordination, the government will focus its attention on strengthening the dialogue with the Donor Coordination Council on the top priorities and the areas that lend themselves most easily to coordination, such as implementation, monitoring and assessment of the NDS and PRS, the implementation of reforms in the energy and cotton sectors, land reform, development of the private sector and education, health care and social welfare reform. A partner from the government will be identified to maintain a regular dialogue with the Donor Coordination Council.

Efforts to harmonize the activities of donors both at the level of country assistance strategies and programmes and at the level of various types of project implementation assessments, surveys and procedures, will be continued. For example, we would welcome the adoption of general country assistance strategies by international financial institutions. Donor assessments of the status of national procurement systems, financial reporting, government spending, the investment climate and so on, should become joint efforts. Procurement and financial management procedures will also be harmonized within the context of projects financed by international financial institutions. Measures will be undertaken to employ common structures for project implementation, while the establishment of separate structures created solely for specific projects will be avoided, and an effort will be made to gradually shift responsibility for the implementation of investment projects to the appropriate government bodies. A partner from the government will be identified to carry out harmonization measures.

3. GOALS AND KEY DIRECTIONS OF THE PRS POLICY FOR 2007-2009

1. The country's long-term socio-economic development goals are set forth in the NDS. The implementation of several successive medium-range socio-economic development programmes, which identify concrete tasks and state policy measures applicable to the current conditions and trends, is planned as a way to achieve in stages the goals set down in

the NDS. All other sectoral and regional programmes and plans, regardless of their timeframes, should be entirely in line with these two national strategic documents.

2. Poverty in Tajikistan is currently defined in material and non-material terms. Material poverty is defined by an insufficient level of income to meet a person's minimum essential needs, while non-material poverty is defined as limited access to education, health care and social services, to participation in public life and so on. Poverty puts constraints on the country's political, economic, social and human development and endangers the achievement of NDS goals. A sustained and radical reduction in poverty requires not only the socially optimal redistribution of income, but even more, it requires sustained economic growth, in the course of which the poor have the opportunity to find jobs and they gain access to vitally important services, social insurance and a proper place in society. This is why the PRS, which is focused entirely on problems associated with reducing poverty, is the first medium-range socio-economic programme aimed at implementation of the NDS. The goals of the PRS are fully harmonized with the Millennium Development Goals, to which Tajikistan acceded back in 2000.

3. The goal of the PRS is to provide for a sustained rise in the standard of living, particularly among socially vulnerable segments of the population, through economic growth and an increase in human potential.

4. The goal of the PRS is reflected in the targets that have been set for key indicators that describe the development of all the main aspects of the people's welfare during the PRS implementation period. These poverty reduction targets are shown in Table 2. Other sectoral and regional development programmes and plans should be consistent with the PRS and should promote the achievement of PRS goals over the medium term.

Table 2
Poverty Reduction Targets in Tajikistan for 2007-2009

Indicator	Baseline level (2005)	Target (2009)
Per capita GDP	402.1 (2006)	485.5
Average annual growth in GDP (%)	7.0 (2006)	7.0
Average annual inflation (%)	12.5 (2006)	6.0-7.0
State budget surplus/deficit (not including the PIP) (%)	+0.3	-1.0
Poverty rate ($2.15 PPP)	64.0 (2003)	52.0
Extreme poverty rate ($1.08 PPP)	18.0 (2003)	10.0
Contribution of private sector to GDP (%)	43.0	55.0
Annual increase in gross private investment (other than investment in the primary sector) (%)	100.0	110.0
Growth in gross agricultural output (%)	103.1	120.0
Growth in industrial output (%)	100.0	125.6
Overall basic secondary education coverage (% of total number of children of the relevant age)	97.0	98.0
Mortality rate among children under the age of 5 (per 1,000 live births)	79 (MICS-3)	75
Infant mortality (per 1,000 live births)	65 (MICS-3)	62
Maternal mortality (per 100,000 people)	97	70

Indicator	Baseline level (2005)	Target (2009)
Number of people infected with HIV	627 (2006)	not more than 2,500
Incidence of disease (per 100,000 people):		
malaria tuberculosis, according to WHO parasitic diseases measles	37.4 177 (2004) 292.9 (2004) 0.0	20 145 not more than 292.9 0.0
Proportion of urban/rural population with regular access to high-quality water sources (%)	93.0/ 49.0	96.0/ 51.0
Proportion of urban/rural population with access to basic sanitation and hygiene services (%)	20.0/ 5.0	47.0/ 37.0
Area of land covered by forests as a proportion of total land area (2005 - 100%)	100.0	105.0
Percentage of economically active population by gender (m/f)	58.3/41.7 (2004)	57.8/42.2 (preliminary estimate)

5. The PRS goals reflect the influence of external and internal factors that the country has to deal with in its development. In addition to external factors such as a lack of an outlet to the sea, its distance from the markets of high-income countries, the instability of the region in which the country is located and drug-trafficking and terrorism threats, the country's development faces serious internal obstacles, such as an ineffective public administration system, an undiversified economy and an insufficient competitive environment, high demographic growth and a decline in the level of inherited human and physical capital. The PRS, however, is based on the conviction that purposeful and coordinated efforts on the part of the state and society, with the help of development partners, will enable us to overcome the effect of these factors and fulfil the PRS goals, thereby laying the foundation for meeting the NDS goals as well. The government hopes that donor organizations will make changes in their country assistance programmes, taking into account the NDS and PRS to the extent possible.

6. The PRS is aimed at achieving the openness, transparency and accountability of government policy to society and at strengthening democracy. The Strategy will become the basis for organizing cooperation between the state and civil society, which has been assigned an important role at every stage of implementation of the PRS, and particularly in the monitoring process and the distribution of resources. Through the Medium-Term Budget Framework, the annual state budget and public investment programmes, government spending should be in line with the PRS and provide a resource base for its implementation. Foreign aid provided to the country for poverty reduction purposes, and in particular investment funds, should be reflected in the state budget.

7. Taking into account the NDS, current problems in socio-economic development and lessons learned from the implementation of the first PRS (see Chapter 2), the following have been identified as the key directions for the country's development and poverty reduction policy:

- ***improvement of public administration*** with a view to increasing the transparency, accountability and effectiveness of government bodies and combating corruption, and fostering a macroeconomic, institutional and legal and regulatory environment that is conducive to development;

- promotion of sustained economic growth and diversification of the economy through the ***development of the private sector and encouraging investment***, particularly in the energy sector, the transportation infrastructure, cotton production and other sectors. This would be achieved through the expansion of economic freedoms, strengthening ownership rights and the development of public-private partnerships;

- ***development of human potential*** by improving access to and raising the quality of social services for the poor, encouraging participation by the public in the development process and strengthening social partnerships.

8. Concentrating all the efforts of the state and society in these directions will allow us to make the most effective use of the available internal resources and foreign aid received by Tajikistan and to expand the opportunities for the development of both the poor segments of the population and society as a whole, and thereby to reduce poverty in the country.

9. State policy measures aimed at improving public administration and fostering an environment conducive to development are outlined in Chapter 4, which is devoted to the Functional Block. Policies related to institutional and economic development and incentives for the private sector are discussed in Chapter 5, which addresses the Production Block. Chapter 6, which deals with the Social Block, describes measures to promote the development of human potential through the education, health care and social welfare systems, among other things.

10. The PRS addresses a number of problems that cut across different sectors, and measures outlined under each of the three main policy directions are aimed at addressing these problems. The most important of these problems are:

- ***implementation of systemic reforms***, which entails the consistent pursuit of institutional reforms in all sectors of public life, with a view to expanding and deepening market relations, economic development and poverty reduction, and taking human rights into account to the fullest extent possible;

- ***demographic problems***, which require an intersectoral approach to promoting employment and regulating labour migration, and improving the quality of the labour force and family planning;

- ***environmentally sustainable development***, which can be achieved only with the coordinated planning of measures in the management and development of industry, agriculture, energy, infrastructure and the education and health care systems;

- ***promotion of gender equality and improving women's rights and opportunities***, which is linked to the promotion and exercise of women's rights in their access to management, safe jobs that pay a decent wage, education, health care and safe living conditions.

4. ESTABLISHMENT OF THE GENERAL CONDITIONS FOR DEVELOPMENT (FUNCTIONAL BLOCK)

The functional block of sectoral sections of the PRS (public administration reform; macroeconomic development; improvement of the investment climate; development of the private sector and entrepreneurship; regional cooperation and integration into the global economy) is intended to prepare the general institutional conditions to stimulate economic growth and an improvement in the scope and quality of social services provided to the poor.

Joint planning of sectoral priorities and activities within the framework of a single block makes it possible to reduce interdepartmental disagreements in the drafting and implementation of economic policy, and to enhance the effectiveness, coordination and targeting of the actions being planned.

4.1. Public administration reform

1. This sector encompasses tasks and measures set forth in Decree No. 1713 of the President of the Republic of Tajikistan "On Approval of the Strategy for Reform of the Public Administration System of the Republic of Tajikistan".

Certain issues concerning financial management and institutional improvements are also reflected in measures outlined in the "Macroeconomic Development" section and other sectors of the PRS.

2. The Republic of Tajikistan government has undertaken certain measures to bring the public administration system into line with democratic principles and the requirements of a market economy. Effective institutional reforms are not keeping pace with the rapidly changing economic situation, however. The public administration system in place today is not effective enough and does not provide for the proper regulation of market processes.

3. The key problems in the public administration system are:

- the system for the management of national development processes is ineffective, there is not enough coordination of development programmes and plans and there is no clearly defined integration of priorities, goals and results, which also hampers the institutionalization of strategic priorities in state spending;

- the state is too heavily involved in economic activity and it does not perform the proper regulatory functions, which hinders growth in the private sector;

- the system that is in place for the management of government finances is not particularly effective, state spending on investment is fragmented and this spending is not linked closely enough to strategic priorities and development goals;

- the mechanism for the management and development of personnel potential is ineffective, and the level of motivation among public employees is low;

- functions and authorities are duplicated among different levels of government, and their areas of competence overlap; there is no clear distribution of functions related to providing services to the public and, as a result, the quality of these services is poor and they are difficult to access; the administrative and territorial division of the country is not uniform, and this is a barrier to the proper distribution of functions, authorities and resources;

- local self-government is poorly developed.

4. Historical experience shows that the process of fostering conditions conducive to economic development is linked to more active government involvement. Without establishing an effective public administration system and conditions that promote economic activity, it is not possible to achieve significant results in the promotion of sustainable economic growth and development, and as a result, a reduction of poverty in the country.

Therefore, the goal of reform is to raise the effectiveness of central and local branches of government, accompanied by the establishment of a professional civil service, an optimal system for the elaboration and implementation of development policies and programmes, with enhanced management potential and accountability, and the development of effective local self-government with a clear distribution of functions and authorities, financial resources and property, which will promote the effective delivery of high-quality services to the public.

5. To achieve the goal that has been set, tasks and measures need to be identified in the context of the following activities:

- design and introduction of mechanisms for coordinating development priorities at the national, sectoral and territorial levels;

- close coordination of the development of the public and private sectors with the aim of carrying out top-priority national tasks in close connection with development of the economy as a whole;

- consideration of gradual withdrawal by the state from direct intervention in the economy and the transition to predominantly indirect methods of state regulation;

- coordination of strategies and investment programmes with the budget process;

- streamlining of the mechanism used for the distribution of budget revenue sources among various levels of government, taking into account the redistribution of functions, and identification of their financial authorities;

- strengthening the potential of and increasing motivation in the civil service, including modernization of the human resources management system and development of personnel potential following the principle of the separation of political and administrative positions, strengthening the incentive role of wages and reinforcing professional ethics and professional standards;

- clear distribution of functions and authorities among levels of government and local self-government, coupled with the redistribution of financial and material resources;

- abandonment of traditional centralized mechanisms for the delivery of services to the public and introduction of flexible and effective financing and management methods, to promote higher quality and enhanced accessibility of services provided to the public;

- regulation of the relationship among executive government bodies and local self-government on the basis of legal acts currently in force;

- improvement of the administrative and territorial division of the country, consideration of various concepts for the development of its administrative and territorial division.

6. The following should be key requirements for the implementation of public administration reform:

- identification of an agency that is responsible for implementation of the reforms;

- involvement of all the participants in the reform process, development of effective social partnership mechanisms;

- establishment of a function involving the development of administrative and territorial management;

- coordination of public administration reform with reforms in other sectors;

- performance of a cost-benefit analysis of reform;

- a selective approach to drawing on international experience.

7. The implementation of measures planned for 2007-2009 in the area of public administration reform will make it possible to lay the foundations in Tajikistan for an effective national development management system, by ensuring both vertical and horizontal interconnections and interdependence among all of the executive government bodies and the strategic and tactical decisions that are being prepared.

4.2. Macroeconomic development

1. Average annual growth in GDP was 9.2% in 2002-2005 and 7% in 2006. The achievement of political and macroeconomic stability, post-conflict recovery of the manufacturing and service sectors, substantial growth in remittances by labour migrants and favourable world prices for the country's main exports (cotton and aluminium) were among the factors contributing to strong economic growth. The country managed to achieve stable consumer prices and to lower inflation from 14.5% in 2002 to 7.1% in 2005; in 2006 the inflation rate reached 12.5%. Real unemployment remains quite high: according to a labour force survey conducted in 2004, the rate was 7.4%, although experts believe that the actual figure could be considerably higher. The exchange rate of the somoni against the U.S. dollar stabilized, and the decline in its value eased from an average annual figure of 14% in 2003 to 1.2% in 2004 and 6.3% in 2005.

In 2002-2005 exports and imports grew by 23.5% and 85.2%, respectively, and these figures were partially responsible for a current account deficit equal to 4.9% of GDP in 2005. The strong growth in imports was due primarily to a rise in domestic demand driven by remittances from labour migrants.

The state budget surplus (not including the PIP) was equal to 0.7% in 2002, while a deficit of 0.2% was posted in 2005. When one takes into account the PIP, the state budget deficit was 3.5% in 2005. Taking into consideration recent significant external borrowing for major infrastructure projects, the deficit, including the PIP, reached 2.7% in 2006 and is set at 13.7% for 2007.

The successful restructuring and write-off of debt during the period in question made it possible to achieve a significant reduction in external government debt from 87% of GDP in 2002 to 31% of GDP in 2006.

2. The basic provisions of this sector are aimed at further macroeconomic development, improvement of the country's fiscal and monetary policies and promoting a stable financial system in accordance with the Millennium Development Goals.

3. The principal goal of the PRS in this sector is to maintain macroeconomic stability in order to achieve strong growth and lower the poverty rate.

4. An analysis of the macroeconomic situation shows that the key problems in the sector are:

- Poorly developed mechanisms for market regulation of the economy, including macroeconomic regulation instruments; lack of consideration of national priorities and actions in the sectoral policy that is being pursued;

- A low utilization coefficient for physical and human capital, which leads to a decline in the country's potential. Difficulties in the evaluation of planned measure and in the identification of the most important measures;

- Inadequate fiscal policy, both with respect to tax administration and with respect to the management of government finances;

- Inconsistency in the macroeconomic and financial planning methods being employed, inadequate macroeconomic planning, forecasting and statistical methods;

- Insufficient monetary policy instruments and poor development of the money market and securities market.

5. Proceeding from the PRS goals and NDS priorities, and bearing in mind the problems in macroeconomic development that have been outlined, the tasks of the Strategy in this sector consist of: 1) improvement of fiscal policy; 2) improvement of monetary policy; and 3) implementation of institutional reforms.

6. ***Improvement of fiscal policy*** (task 1 in the sector) will be carried out by means of: improving the budget process, introducing a medium-term budgeting mechanism and restructuring the budget process, primarily in education and health care. At the initial stage

the connection between the PRS and the budget will be effected through the PIP and the CSIP, and widespread introduction of the MTBF will begin simultaneously. Proposals will be elaborated with regard to ensuring the optimal level of public debt and internal state financial controls. Measures will be undertaken to improve tax and customs administration.

7. With a view to addressing tasks related to the ***improvement of monetary policy*** (task 2 in the sector), there are plans over the medium term to implement measures aimed at broadening the range of monetary policy instruments, improving the payment system, developing the financial and currency markets, increasing the resource base of financial institutions, making credit more accessible and also strengthening banking supervision. Problems related to long-term lending by banks to small and medium-sized businesses and to the utilization of instruments to control inflation will be analyzed.

8. ***Implementation of institutional reforms in the sector*** (task 3) entails the performance of a functional survey of government bodies responsible for the implementation of macroeconomic policy. Measures will be taken to update and review regulatory legal acts previously adopted, as well as those that are under development, including strategies, programmes and conceptual frameworks. There are plans to account for all financial resources, including foreign aid, attracted and used for the implementation of sectoral measures. There will also be an annual estimate of expenditures, including foreign aid, and results from the implementation of PRS measures. There are plans to provide for the establishment and functioning of a central body, as well as sectoral and territorial bodies, for the monitoring and assessment of progress in the implementation of NDS and PRS processes. Macroeconomic and financial planning methods that are employed will be improved, and the development of the national statistics system will be enhanced. Efforts to increase the potential of government bodies responsible for the implementation of macroeconomic policy will also be continued. Ongoing efforts will be made to improve the regulatory legal base aimed at promoting macroeconomic stability.

4.3. Improvement of the investment climate, development of the private sector and entrepreneurship

1. Expanded access to the market through improvement of the business and investment climate in Tajikistan is a key factor that can promote strong economic growth in the future and improve the scope and quality of social services provided. Enhancement of the business and investment climate can help foster a competitive environment and the conditions for employment of the unemployed population, including self-employment, and it can help stabilize tax revenues.

In view of the objective difficulties associated with doing business in Tajikistan, as well as the high poverty rate, the environment for entrepreneurial activity and investment in Tajikistan needs to be significantly more favourable than in other countries.

The high level of unemployment, the limited nature of the domestic market and a lack of investment expand the role played by such forms of entrepreneurial activity as sole proprietorships and small business.

The priority assigned to the development of the private sector and the attraction of investment by the NDS/PRS also means the gradual commercialization of social sectors of

the economy and an increase in the proportion of services provided on a private basis. This will not only increase the quantity and quality of social services, but will also make it possible to concentrate more budget funding on providing social services to the poorest segments of the population.

2. In the post-Soviet period, there has been a marked decline in fixed capital and human potential for both objective and subjective reasons, although at present their status is still considerably better than in other poor countries with similar GDP figures (US$337.5 per capita in 2005). This indicates that the available resources are not being used effectively enough.

The interest of foreign investors in Tajikistan remains limited and is concentrated in traditional sectors (energy, light industry, processing of agricultural produce and manufacturing with low investment levels).

On average Tajikistan has approximately one small business per 1,000 people, while Russia has six and countries in the European Union have at least 30. In terms of the sectoral structure, commercial activity that does not require significant investment dominates small and medium-sized business and individual entrepreneurial activity (accounting for as much as 60%).

Entrepreneurial activity is limited by a shortage of electricity (particularly in the winter) and natural gas, as well as problems in the processing of products and transportation, both among various regions of the country and abroad.

Investment policy does not take depreciation deductions into account. The availability of credit resources for entrepreneurial activity is limited due to high bank lending rates (24-36% per annum). Approximately 82% of small and medium-sized businesses do not use bank accounts in their business operations and limit themselves to cash transactions. Insurance companies and banking institutions, which do not have enough capital, operate as monopolies, which limits the use of their services.

Simplified forms for regulating small and medium-sized business, including home-based businesses, have not yet been put into place, and the legal protections provided for their employees are inadequate. Serious problems involving protection of ownership rights, including those related to the use of land and actual relations involving the purchase and sale of land, have not been fully resolved, and there are difficulties associated with the enforcement of contracts (due to weaknesses in the legal system) and corporate governance.

3. An analysis of the business and investment climate in Tajikistan reveals serious and significant problems and the need to carry out fundamental institutional and economic reforms. The main problems in the investment and business sector are:

- delays in the implementation of serious institutional and economic reforms, weaknesses in the motivation system for productive labour in the real sector of the economy and low labour productivity, an inadequate administrative structure and a decline in the level of production and human capital;

- continuing difficulties in enforcing contractual relations, protecting ownership and other related rights, ineffectiveness of the legal system;

- excessive barriers to entering the market (complicated registration procedures; limited information support; poor development of trucking, air freight and hotel services; cumbersome visa requirements);

- the high cost of doing business (insufficient access to financing, insurance and leasing services; difficulties with electricity, gas, water and heating supply (especially during the winter months); a large number of audits; and serious limitations in connection with certification and inspections);

- insufficient state support for business and investment (a low level of knowledge, lack of market research, high taxes, unprofitable cotton production operations, poor job skills among labour migrants and school graduates).

4. Proceeding from the NDS/PRS goals and priorities, and in view of the problems that have been outlined above, the following key tasks have been identified for the sector in 2007-2009: 1) implementation of institutional reforms; 2) reduction in overall investment and business risks; 3) lowering of barriers for investors and entrepreneurs to enter the market; 4) a reduction in the costs associated with entrepreneurial and investment activity; 5) state support for business and investment.

5. Within the framework of the institutional changes that have been outlined (task 1), there are plans to identify specific government bodies responsible for the implementation and monitoring of PRS measures. There are also plans to strengthen the potential of these bodies, to develop (adapt) methods for calculating the ratings of the country's attractiveness from an investment and business standpoint and to improve the relations between these bodies and business people and investors. At the same time, there are plans to strengthen the potential of other bodies as well with regard to the attraction of investment and support for the private sector. With a view to creating favourable conditions for recruiting the private sector to help address government tasks, there are plans to draft proposals on the basic principles and approaches for public-private partnerships.

6. With a view to reducing overall investment and business risks (task 2), there are plans, first of all, to improve mechanisms for the protection of ownership and other related rights. The plan calls for the development of proposals concerning accounts payable, property disputes and contract rights. At the same time, there are plans to draft proposals on improving the extra-legal confiscation of property, the mortgaging of property and securing the rights of minority owners. Certain measures involve providing for more effective management of property complexes. Special attention has been given to simplifying procedures and reducing the number of different licenses, permits, approvals, etc. that are issued, taking into account amendments to the legislation on licensing, among other things.

7. Task 3 concerns reducing the amount of time required to enter the market and the costs incurred by investors in doing so. There are plans to reduce costs and simplify state registration procedures. Serious attention is being given to reforming the state registration system as a whole. A separate set of measures concerns improvements in making information available to potential and existing entrepreneurs and investors.

8. A long list of measures is planned to reduce costs associated with entrepreneurial and investment activity (task 4). The measures have been organized into subtasks and relate

to the implementation of legislation on administrative procedures, reducing the number and duration of audits, cutting the number of mandatory standards and easing certification procedures. Improved access to financial resources for businesspeople and investors is to be provided by making the process more competitive, which will include the establishment of a credit bureau, simplifying security procedures and proper organization of the registration of personal and real property. Measures are also envisaged to simplify procedures involving the closure of a business, including bankruptcy proceedings.

At the same time, with a view to reducing business costs given the shortage of energy and other resources, there are plans to establish a transparent schedule for electricity, gas, heating and water supply. In order to ease access to general infrastructure services (in addition to measures undertaken in other sectors), there are plans to expand access to the domestic market for foreign transportation firms, to promote conditions that will encourage the construction of hotels and to ensure further simplification of visa procedures.

9. In order to improve the investment and business climate in the country (task 5), there are plans, first of all, to provide assistance in the training of entrepreneurs, which will include legal training. Support for the establishment of business associations will, on the one hand, lead to the development of civil society, and on the other hand, through their involvement in the decision-making process, will help increase the focus and effectiveness of activities that are being planned.

With a view to supporting business and investment, there are plans to study the relative advantages of various types of entrepreneurial activity in Tajikistan and to convert them into competitive advantages, and also to prepare programmes to attract foreign direct investment. A separate set of measures involves providing direct support to business, which will include the simplification of taxation procedures, the establishment of quotas for small business in government procurement and efforts to promote tourism.

10. It is anticipated that the implementation of these measures will make it possible to raise the contribution of the private sector to the GDP to 55% by the end of 2009 (compared to 43% in 2005).

4.4. Development of regional cooperation and integration into the global economy

1. Greater integration of the country's economy into the global economy and ensuring its proper participation in the international division of labour and in international trade, creation of an environment for the inclusion of domestic enterprises in international production processes, incentives to stimulate export and investment activity, the systematic participation of domestic businesses in determining the rules of international trade and the achievement of sustainable human development are the principal goals of the country's foreign economic policy and the basis for the formation of a global partnership for development (MDG 8).

2. The flexible regionalism process is a defining feature of Tajikistan's foreign economic policy. This approach entails participation by the Republic of Tajikistan in regional and bilateral trade agreements with a view to stimulating trade and the rational use of available resources and factors of production based on recognition of and compliance with the rules and regulations of the multilateral trade system.

3. An analysis of the situation shows that the key problems in the area of regional cooperation and integration into the global economy are:

- lack of the necessary potential for effective implementation of trade and investment policy measures, an underdeveloped legislative and legal framework governing relations in this sphere, as well as a weak mechanism for the implementation of existing regulatory legal acts;

- an unsuitable business environment and investment climate as a result of a lack of transparency in the application of trade and investment policy instruments, as well as high transaction costs;

- poorly organized and under-diversified exports, which are heavily dependent on prices in a limited number of unstable raw materials markets. Not enough attention is given to the development of the cluster option for the diversification of exports, taking into account all of the parameters;

- the country is a long distance away from seaports and there are transportation and transit problems. At present, the country's transportation and transit policies depend heavily on the conditions in neighbouring countries with regard to the transit of goods and vehicles across their territories;

- inadequate marketing. There is not a single company in the country today that has effective operations in this area;

- the absence of healthy competition in the air transport services market and the weak material and technical base of the Tajik Air State Airline;

- an underdeveloped transportation infrastructure and a lack of healthy competition in the transportation services market;

- the absence of a transparent and effective mechanism for border and customs control of the movement of goods, work, services and capital; a complicated mechanism for entry and temporary visits by foreign nationals; visa problems and difficulties with the migration of labour resources.

4. Proceeding from the goals of the PRS and the priorities of the NDS, and bearing in mind the problems that have been mentioned in the area of regional cooperation and integration into the global economy, the tasks of the Strategy in this sector are: 1) to improve the system for the management of foreign economic activity; 2) to strengthen the participation of the Republic of Tajikistan in global trade; 3) to develop regional cooperation; 4) to diversify the commodity and sectoral structure of trade and simplify trading procedures; 5) to develop tourism; and 6) to regulate labour migration processes.

5. Improvement of the system for the management of foreign economic activity (task 1 in the sector) will be achieved by means of: development of the institutional foundations for the regulation of foreign economic activity, including the elaboration of policies in this area and harmonization of the country's legislation with the norms of international law; enhancement of the investment and business environment and providing access to regulatory

legal acts concerning foreign economic activity; the establishment of information and marketing centres; the improvement of measures for the non-tariff regulation of foreign trade activity.

6. With a view to expanding Tajikistan's participation in global economic relations and completing the process of the country's accession to the WTO (task 2), there are plans to carry out a package of measures aimed at: reducing the negative impact of globalization; providing access to the domestic market, taking into account the country's economic interests; fulfilling the conditions of WTO agreements on the protection of intellectual property rights, reducing the use of technical barriers to trade, and sanitary and phytosanitary standards; the training of highly qualified specialists in the area of international trade and law; the establishment of a Tajikistan representative office at the WTO Secretariat in Geneva, with the aim of participating more fully in the process of the drafting and adoption of decisions on international trade; obtaining preferential terms for exports of goods within the framework of the universal system of preferences of WTO countries.

7. The development of regional cooperation (task 3) entails: improvements in the regulatory legal framework for regional cooperation; the development of transportation and transit cooperation within individual regions, with a view to resolving regional transit problems and offering a way out of the transportation dead-end; the development of cooperation to provide for the effective use of water and energy resources and hydrocarbon reserves; the development of regional trade and the adoption of measures to simplify trade procedures within the region; acceleration of processes involving the creation of a Customs Union and Common Economic Area within the Eurasian Economic Community (EurAsEC); more active participation in relations within the Shanghai Cooperation Organization (SCO); development of relations within the framework of the Economic Cooperation Organization (ECO); development of transportation corridors; creation of an International Energy Consortium and increasing the potential for the transmission of electricity to countries in the region through the construction of electric power lines.

8. One of the most challenging tasks in the sector is the diversification of the commodity and sectoral structure of trade and the simplification of trade procedures (task 4). Given the limited resources available, primary attention will be focused on: increasing the volume of the country's foreign trade turnover through the rational implementation of a policy to develop export-oriented sectors of the economy; the drafting of sectoral programmes for the development of exports, taking into account the country's relative advantages in international trade; improving tariff and customs policies, establishing a Consultative Committee on Trade Procedures and eliminating the requirement that a deposit be paid for the transit shipment of goods across the territories of Kazakhstan, Uzbekistan and Russia; improving the mechanism for issuing licenses for the production, handling and sale of alcohol products; improving the insurance system for legal entities and individuals; and resolving the question of establishing free economic zones.

9. The development of tourism (task 5) is of considerable importance in achieving the Strategy's goals. The development of tourism entails the implementation of the following measures: elaboration of an effective mechanism for the implementation of policies and planning in the sector, as well as the creation of the proper institutional base for development of the sector; strengthening advertising and public information work through the production of television and radio programmes for broadcast in foreign countries; publication of various advertising and public information materials; more active participation by domestic tour

operators in international tourism exhibitions and trade fairs abroad through the organization of a single exhibit to promote the country; the organization of activities by tourism offices abroad that perform advertising and public information functions; the promotion of Tajikistan's tourism opportunities in countries with the potential to send tourists to our country; development of the tourism infrastructure, including a network of hotels and other facilities that encourage the development of tourism, among other things.

10. Regulation of labour migration processes (task 6). Export earnings, foreign direct investment and remittances by migrants are now among the most important and relatively stable sources of foreign private financing. In this context, steps need to be taken to improve the mechanism for the regulation and organization of external labour migration, to step up the political dialogue with the aim of providing protection for the rights and interests of Tajik migrants in foreign countries and to create the conditions for simplified entry and exit, as well as the conditions for visits to and movement within these other countries, and the development of civilized methods and forms for the delivery of services in the markets of foreign countries through the establishment of a commercial presence, among other things.

11. The implementation of these measures in the area of regional cooperation and integration into the global economy will make it possible to boost the country's foreign trade turnover by 25% by 2009 compared to 2005.

At the same time, favourable conditions for the formation of a global partnership for development will be created (MDG 8).

5. PROMOTION OF SUSTAINABLE ECONOMIC GROWTH (PRODUCTION BLOCK)

5.1. Development of infrastructure, energy and industry

1. The development of infrastructure (transportation and communications), energy and industry in Tajikistan will make it possible to establish the material foundations for the country's stable, strong economic growth and thereby to reduce the poverty rate. At the same time, the development of these sectors will create the conditions for a rise in domestic employment, and it will expand access to and the quality of both these and other social services (water supply, sanitation, health care, social welfare, environmental protection), which is linked directly to the fulfilment of all of the MDGs in Tajikistan.

2. **Infrastructure.** The most important components of Tajikistan's infrastructure are rail transport (accounting for more than 80% of the total foreign trade turnover, approximately 50% of the travel by labour migrants to Russia and more than one-third of total freight shipments), road transport (with more than 95% of domestic shipments) and air transport, as well as the communications sector.

In the post-Soviet period the operations of **Tajik Railway** underwent negligible reforms, and the system is in need of substantial investment for its restoration and modernization. According to the available data, in 1995-2002 the productivity of Tajik Railway fell by 60% owing to a 50% decline in shipments and a 20% increase in personnel. Productivity per worker in the Tajik Railway system is lower than in other Central Asian countries.

Consumers are suffering from the poor quality of services provided, which is related to the aging rolling stock, the poor sanitary condition of the railcars, the overburdening of routes and a shortage of routes to meet demand. Due to their poor condition and use beyond their normal service life, a large number of locomotives and railcars need to be retired. Some 85% of freight shipments handled by Tajik Railway are carried on railcars owned by foreign companies. Major repairs are overdue on a total of 142 km of track of the existing 950.7 km in the system and therefore, despite the losses, the speed of trains on some sections is down to 15-20 kmh. The signalling, communications, centralization and shunting systems are aging and badly in need of repair and upgrading. There are no communications and electric power lines between the Kurgan-Tyube and Kulyab stations.

Because of Tajikistan's specific geographical conditions, **road transport** plays a key role in domestic shipping operations, and it also is a major consumer of petroleum products.

Tajikistan's mountainous landscape divides the country's small market into even smaller markets. The domestic railway network is not well developed, and road transport handles the bulk of domestic shipping. It is particularly difficult to reach the country's mountain regions during the winter months.

The country has more than 30,000 kilometres of roads, which were built between 1960 and 1990, with local roads and roads managed by various government agencies accounting for 16,000 kilometres of this figure. All of the roads are in need of major repairs, but the funds available for this purpose are not sufficient to carry out all of the needed work.

International road transport is of particular importance in the shipping of small-scale freight over short and medium distances, and also on routes not served by railways. Road transport currently accounts for less than 5% of the total volume of international shipping, and this is due in part to the limited amount of freight being exported. To a certain extent, however, the utilization of international road transport services is low because of the high tariffs. Shipments by road transport from Khujand to the Benelux countries takes two days longer and costs $50 per tonne more (including unofficial payments) than shipments from Tashkent.

Intergovernmental transportation agreements that have been signed by Tajikistan are not being implemented in full, and therefore almost any agreement that improves the conditions for shipping through transit countries would be welcome. Problems concerning transit in the Central Asia region have not been fully resolved, including those related to technical requirements for trucks and unofficial payments.

Tajikistan's air freight operations are dominated by **Tajik Air State Unitary Aviation Enterprise**, which is burdened with an aging aircraft fleet, substandard auxiliary services (maintenance and repair facilities, flight simulator and training systems) and airport infrastructure, as well as an outdated air traffic control system and ground facilities. The utilization of aircraft is relatively low due to high fuel consumption and costs, and therefore measures are being taken now to replace the aircraft with planes manufactured in the West.

In spite of the steps that have been taken to limit the monopoly on air freight operations, Tajik Air charges higher rates than other airlines in the region, even though some of these companies are also operating with Soviet-era planes. Labour migrants are faced with

additional costs due to a shortage of airline tickets, which leads to corruption. Insufficient competition and poor regulation contribute to a lack of transparency in transactions among air carriers, airports and air traffic control services, which means a heavy debt burden for the company. Rates on domestic routes do not cover the company's direct costs, which results in operating losses.

The **communications sector** offers a great deal of promise in terms of development because of low transportation costs, high labour-intensiveness and the expectations for strong growth in this sector in the global market. The modernization of the majority of the country's telephone networks has now been completed, and more than 70% of the capacity of outdated analogue automatic telephone exchanges has been replaced with digital equipment. The percentage of the country's urban telephone network that has been converted to digital hardware is now 80%.

The national television broadcasting system currently reaches 98% of the population. The postal service has a far-flung network of outlets, although it is subsidized by the state because it operates at a loss.

3. The main infrastructure problems are:

- the country is far away from the sea and it is broken up into individual regions, which limits economic accessibility both among regions and in terms of the external market;

- institutional and economic reforms have not been fully implemented and there are deficiencies in the public administration system;

- there are significant administrative barriers to development of the private sector and transportation and expediting organizations offer limited services;

- rising prices for energy resources, and a poor material and technical base, which is in need of significant financial resources for its restoration and development, while budget funding is limited.

4. In view of the problems that have been outlined above and the NDS/PRS goals, the main tasks in infrastructure development (apart from transportation and communications) for 2007-2009 are: 1) to implement institutional reforms; 2) to make more effective use of the available resources; and 3) to promote existing and new investment projects.

5. ***The implementation of institutional reforms*** (task 1) entails a package of measures to strengthen the legal foundation for the operation of central and local executive government bodies in the infrastructure sector, to increase their potential and also to lower administrative barriers. Granting independent status to the Association of International Trucking Carriers and creating incentives for easing access to the domestic market for foreign transport companies will limit the state's interference in the international transportation services market and will make it possible to increase the scale and improve the quality of these services. In view of the vast government expense associated with creating new transportation facilities, the consideration and possible establishment of tolls for the use of certain sections of various highways would make it possible to recoup part of the state's costs.

6. The task of ***making more effective use of the available infrastructure resources*** (task 2), given the state's limited funds, is aimed at organizing better accounting and more efficient use of state property. This task includes measures to take an inventory of (provide official records for) transportation facilities and to clearly establish ownership rights to these facilities, involving above all the restructuring of agricultural enterprises and the existence of roads that are not under the supervision of any authority. At the same time, the Privatization Strategy calls for the development and implementation of individual plans for the restructuring of the largest infrastructure enterprises, such as Tajik Railway, Tajik Air, Tajiktelecom, and Teleradiocom.

7. The task of ***promoting existing and new investment infrastructure projects*** (task 3) is an important one. It involves tracking progress in the construction of roads that both provide for internal inter-regional accessibility and offer the country a way out of its transportation dead-end. There are plans to improve the supply of fuel for transportation operations in connection with higher prices for petroleum products by converting vehicles to alternative energy sources. Support will be provided for efforts by Tajik Railway and Tajik Air to improve their material and technical base. The question of building highways to Afghanistan, which would provide access to Iran and Pakistan, is being considered. A separate set of measures involves the promotion of projects in the communications sector.

8. **Energy**. Tajikistan's future development and poverty reduction in the country depend to a large extent on the country's ability to make effective use of its energy resources. Development of the energy sector will make it possible not only to increase the quantity and quality of services for other production sectors, which are currently functioning at less than their full capacity due to a shortage of energy resources, but also to increase the availability and affordability of energy services for the population.

9. The country's electricity system essentially consists of three separate subsystems: one in Sogd Province, one in the south (including Khatlon Province, the city of Dushanbe and the RRS) and one in GBAO. With 55% of the water resources in the Central Asia region, Tajikistan has considerable hydroelectric power reserves. The country's total potential hydropower reserves are in the neighbourhood of 527 billion kWh per year (primarily in the southern part of the country). The current level of electricity generated represents just 6.5% of the technically feasible potential. Hydropower resources account for over 90% of the country's fuel and energy balance. Tajikistan's significant hydropower potential could be used to increase exports and develop energy-intensive production operations.

The country at present generates between 16.5 billion and 17 billion kWh of electricity per year, with hydroelectric generating facilities accounting for approximately 99% of this output. The lion's share of this hydropower is generated at the Nurek Hydroelectric Power Plan (HPP). It has a small reservoir, which means that the existing capacities cannot be utilized to the full extent. The principal advantage of the electricity generated at the Nuerk HPP is its low cost (0.3 U.S. cent), which is due to the fact that investment costs were already covered back during the Soviet era.

The Tajik Aluminium Plant (TadAZ) is the largest industrial consumer of electricity, followed by pumps used to supply water for agricultural needs, accounting for some 40% and 15% of the total load, respectively.

The proven reserves of oil, gas and condensate in the country represent less than 1% of the total resources, which are estimated at 1,033 million tonnes of standard fuel. Projected coal reserves are estimated at 4.5 billion tonnes, of which a tiny amount is being mined (just 100,000 tonnes were extracted in 2005).

The low cost of electricity also leads to a decline in the technical quality of production operations, an increase in shortages and losses and higher demand for electricity, especially on the part of households. During the winter months these factors, combined with the seasonal surge in demand for electricity, lower water levels in the Vakhsh River and a drop in output at the Nurek HPP, result in frequent power outages.

A reduction in gas deliveries and coal production, as well as higher prices for imported energy resources, led to higher electricity consumption by households and seasonal restrictions (limits) on the consumption of electricity and gas to 6-8 hours per day (the shortfall in electricity available during the winter months is in the range of 3 billion to 3.5 billion kWh). The energy shortage, particularly in the winter, has meant that educational and medical institutions, particularly those in rural areas, are not able to operate full-time and pumping stations that supply drinking water are shut down, and this has led to an increase in infectious diseases. Industrial production in the country has become seasonal as a result of these disruptions in the power supply.

10. In connection with this, the main problems in the development of the energy sector are:

- incomplete implementation of institutional and economic reforms in the energy sector;
- low rates, which do not support expanded reproduction; a significant quasi-fiscal deficit;
- growth in electricity as a proportion of household energy consumption;
- significant energy losses;
- the high cost of the construction of new and renovation of existing energy facilities.

11. In view of the NDS/PRS goals and NDS priorities, and taking into consideration the energy problems that have been enumerated, the following key tasks in the sector have been identified for 2007-2009: 1) implementation of institutional reforms; 2) more effective use of available resources; 3) promotion of new and existing investment projects in the energy sector.

12. The first task, ***implementation of institutional reforms***, entails the assignment of functions to and enhancement of the potential of agencies responsible for the drafting and implementation of energy policy, as well as regulation in the energy sector. Special attention should be given in this process to promoting electricity exports to potential buyers in neighbouring countries that are experiencing shortages (Iran, Afghanistan, Pakistan, India). With a view to creating the conditions for expanded reproduction in the energy sector and increasing investments, there are plans for a steady rise in energy rates starting in 2007, bringing them up to 2.1 cents per kW by 2010. Mechanisms to offer protection to the most

vulnerable segments of the population will be put into place at the same time. A conceptual plan for the development of the energy sector up to 2025 will be drafted, which takes into account the establishment of industrial-energy and water-industrial complexes (clusters), as well as regional energy consortiums. At the same time, in light of Tajikistan's status as a water source in the region, issues related to charging a fee for water use will be studied.

13. With a view to making ***more effective use of available resources*** (task 2), measures are planned to restructure the largest energy enterprises, the Barki Tochik power company and Tajikgas. Implementation of a programme to build small hydropower plants will make it possible to improve the electricity supply in remote regions of the country with a high poverty rate. Special attention is being given to reducing energy losses, and well as losses at the consumer level.

Expanded access to the Barki Tochik distribution networks will make it possible to improve the availability of electricity to new consumers. The construction of new power-generating facilities (the Sangtuda HPPs 1 and 2, the first phase of the Rogun HPP) as part of existing investment projects will make it possible to achieve a significant improvement in the availability of energy to consumers (particularly in the winter), and also to create the conditions for summer exports of surplus power. There are plans to study the possibility of converting heating plants to coal, and also to promote an investment project to build one coal-fired electric power plant.

14. Special attention is being given to the ***promotion of new and existing investment energy projects*** (task 3). The measures being planned involve not only modernization of existing hydroelectric power installations and a corresponding increase in their efficiency, but also the construction of new HPPs and the reconstruction of coal-powered plants. The construction of the South-North electric power transmission line will reduce the dependence of Sogd Province on imported electricity, and the promotion of investment projects involving the construction of power lines for the export of electricity to other countries in the region will make it possible to expand the market for surplus electricity that is generated.

15. **Industry**. Growth in industrial output will speed up the creation of new jobs and will thereby help resolve problems associated with poverty. Tajikistan has sufficient potential for this type of growth (relatively low wages, the availability of various mineral resources and the production of significant quantities of agricultural raw materials).

16. Following independence, the country's diverse industrial sector experienced a significant slump: in 1996 industrial output in the country declined to 34.2% of the 1991 level, while the figure in 2004 was 63.6%, which certainly had an impact on the poverty rate. Industry is focused more now on the raw materials sector, which accounts for 58.0% of output. The TadAZ aluminium plant dominates industrial output, accounting for 40% of the total, and its exports are dependent on electricity rates, transportation costs and the price of alumina and aluminium in the global market. The contribution made by mining is not consistent with the existing potential due to the low level of investment, significant costs associated with developing mineral deposits, the narrow profit margin of existing enterprises, a lack of technical equipment, a weak institutional and legal base and limited access to information for investors.

At the same time, in recent years growth in industrial output has been quite rapid due to the low starting point. The main sources of growth were quite varied: while at first growth

was linked to the restoration of peace in Tajikistan, growth now is tied to migrants' remittances and higher domestic demand. Tajikistan has significant resources for industrial processing (agricultural raw materials, medicinal herbs, coal, gold, precious stones and other mineral resources) and an infrastructure for the development of new production operations at the regional level (in the future, after energy supply problems have been resolved).

17. The main reasons behind the slump in industrial production and the slow pace of reviving production are:

- the domestic market is small, former cooperative ties have been broken, there is no clearly defined industrial policy and the level of regulation is quite high;

- the country has limited experience and knowledge in the area of industrial management and the productivity of the labour force is too low (it is approximately 45% of the level in China and half of what it is seen in Poland and India);

- the sector is using aging equipment and obsolete technologies, access to capital is difficult and the quality of the goods produced is substandard;

- there has been a deterioration in transportation conditions and in the supply of gas, water, heat and electricity.

18. Proceeding from the NDS/PRS goals and the NDS priorities, and in view of the problems in the industrial sector described above, the following main development tasks have been identified for 2007-2009: 1) institutional reform in the industrial sector and 2) support for the development of priority sectors of industry.

19. The ***implementation of institutional reforms in the industrial sector*** (task 1) is aimed not only at increasing the potential of government bodies, but also at improving the management system. An inventory of existing industrial capacities and an analysis of industrial enterprises that have been privatized (restructured) will make it possible to improve the information base and to devise methods to make more effective use of state-owned property.

Improvement of the legislation pertaining to mining and better access to information for potential investors could help encourage participation by direct investors in this capital-intensive sector of industry. The country needs to have better opportunities to attract more private investors in this arena, including the updating of tax legislation and property laws; a system needs to be put into place to provide information about existing mineral deposits to potential investors; the system for the registration and transfer of mineral rights needs to be modernized; and national personnel need to be trained.

The fostering of favourable conditions for small industrial businesses will not only promote effective employment, but will also contribute to overall industrial growth and diversification of the economy.

20. A package of measures is planned within the framework of the "***support for the development of priority sectors of industry***" task to exploit Tajikistan's production advantages. These measures involve above all the promotion of major investment projects in the food industry and light industry, and in particular the construction of enterprises with an

integrated production cycle for the processing of cotton and other agricultural raw materials. Special attention is being focused on the building materials industry due to the anticipated growth in demand for building supplies resulting from the construction of energy, road and other projects, and also increased demand from private individuals. Serious efforts are planned to attract investments earmarked for the processing of aluminium and precious metals and stones, as well as investments in mining. In view of the steady demand on the part of agriculture, there are plans to promote projects to set up plants for the manufacturing of spare parts and for the assembly of new agricultural equipment. The implementation of projects to produce equipment for generating alternative energy (wind and solar power), and for the production of biogas, which is linked directly to poverty reduction in remote regions of Tajikistan, could help improve the availability of energy for small businesses, as well as for households.

21. In view of the importance of transportation and energy in supporting strong economic growth and ensuring access to social services for the population, new investment projects that are being promoted in these spheres have been included in the PRS sectoral activity matrix for 2007-2009.

22. The implementation of these measures will make it possible in 2009:

- in the infrastructure sector – to increase freight and passenger turnover by 12.6% and 4.7%, respectively, and to increase the contribution of the communications sector as a proportion of GDP to 38%;

- in the energy sector – to extend the average daily availability of electricity for all consumers from 16 hours to 20 hours, to reduce the quasi-fiscal deficit from 20.5% to 0% and to introduce a concrete schedule for the delivery of gas, electricity and heating;

- in the industrial sector – to increase industrial output through the restoration and development of enterprises by 25.6%, to boost labour productivity in industry by 16%, to expand industrial exports by 18% and to raise the number of people employed in industry by 20.5%.

5.2. Food security and development of the agricultural sector

1. Development of the agricultural sector will provide for a reliable, stable and balanced food supply for the country through a dynamic and steady increase in agricultural output, higher incomes and employment levels among the rural population, as well as the conservation of natural resources for expanded reproduction, which is directly linked to the achievement of the MDGs (Goal 1).

2. The sector encompassing food security and development of the agricultural sector covers spheres such as agriculture, land and water resources and nutrition. The principal goal of the PRS in this sector is to increase gross agricultural output and labour productivity, which in turn will contribute to the achievement of the overall goal of the PRS, which is to reduce poverty, particularly in rural areas.

3. An analysis of the current situation in this sector identified the following core problems:

- the management system in the sector is underdeveloped and the potential of bodies responsible for the drafting and implementation of sectoral policy is quite weak;

- government agencies interfere in the operations of agricultural enterprises;

- debt to investors in the cotton sector is growing, the technology is inefficient, there are long delays and high costs associated with cotton-ginning and the grading of cotton is not consistent with international standards;

- there is not enough feed due to a reduction in the planting of feed crops, the system of moving of livestock to remote pastures for grazing has been disrupted, productivity has declined and veterinary care is inadequate;

- there are high costs associated with the repair and renovation of irrigation and drainage networks and pumping stations;

- the incidence of food-related illnesses is rising, and the legislative, personnel and laboratory base for ensuring a healthy diet is weak.

4. Proceeding from the NDS/PRS goals and the NDS priorities, and in view of the problems that have been described in the sector encompassing food security and development of the agricultural sector, the following main medium-range tasks have been identified: 1) implementation of institutional reforms; 2) increased efficiency in the cotton sector; 3) providing for guarantees and securing land-use rights; 4) improving the condition and raising the effectiveness of the agricultural and water resource management infrastructure; 5) improvement of the conditions for the development of rural entrepreneurial activity; 6) ensuring a healthy diet.

5. ***The implementation of institutional reforms*** (task 1) entails reforming and boosting the potential of bodies responsible for the drafting and implementation of sectoral policy, the attraction of investment and support for entrepreneurial activity, as well as the elimination of administrative barriers related to interference by government bodies in agricultural activity. There are plans to draft and implement multisectoral programmes for food security and for developing the production and export of agricultural goods up to 2015. There are also plans to support efforts to preserve the gene pool of domestic and wild animals (the establishment of sperm banks and data bases).

6. Debts in the cotton sector are a serious obstacle to further development of agriculture. Resolution of this problem entails ***increasing efficiency in the cotton sector*** (task 2) through measures such as the progressive resolution of the cotton debt problem on the part of an independent commission, based on legal proceedings at pilot cotton farms and the introduction of bankruptcy procedures for farms that are in debt. With the aim of easing farmers' access to credit, there are plans to conduct surveys and devise and introduce effective new lending methods for cotton farming. The introduction of international standards for the grading of cotton in Tajikistan, including the establishment of a special entity to do the grading, and a simplification of commodity exchange procedures will allow *dekhan* (peasant) farmers to increase their income from cotton sales. The performance of surveys and the development of a mechanism to increase competition among cotton mills will help to reduce the amount of time required for cotton processing and to improve the quality of the

product. Access to foreign markets for cotton producers will help minimize procedures involved in the export of cotton and the import of fertilizers, equipment and other supplies.

7. In order to ***provide for guarantees and secure land-use rights*** (task 3), there needs to be legislative regulation that will help simplify and increase the transparency of procedures for the registration of land-use rights, which will ease the process and reduce the costs associated with obtaining titles. There also needs to be a complete reorganization and subsequent restructuring of farms, which will give *dekhan* farmers real land-use rights. Proposals need to be prepared for the establishment of a uniform tax on agricultural land depending on the quality of the soil and the appraised value of the land. Measures aimed at ensuring equal rights and opportunities for men and women with regard to access to land will be supported to the greatest extent possible, and this will include public information, educational and promotional measures to inform the population of their equal rights to resources; training in land-use practices; and also the development of a network of micro-credit institutions. There will be continued monitoring of the observance of equal rights to land and related guarantees. There are plans to draft proposals to ensure the proper use of agricultural land, while establishing additional sanctions for the improper use of agricultural land.

8. A significant proportion of the rural infrastructure has been left without any direct oversight as a result of reforms (including roads and irrigation systems), and the degradation of these facilities is limiting growth in production. With a view to resolving this problem, there are plans, among other things, to undertake measures to ***improve the condition and raise the effectiveness of the agricultural and water resource management infrastructure*** (task 4). There are plans to restore and renovate irrigation and drainage systems (based on preliminary studies), to develop new land and support the establishment of water users' associations. There will also be an inventory of social service, transportation, irrigation and other facilities that have been left without direct oversight, so that they can be placed under the management of other appropriate bodies. With a view to raising soil fertility and reducing erosion and desertification, there are plans to plant trees and shrubs and to employ crop rotation practices, among other things.

9. Special measures are planned to ***improve the conditions for the development of rural entrepreneurial activity*** (task 5). These measures are aimed above all at promoting investment projects, including the attraction of funds from labour migrants to: establish service businesses (leasing, etc.); develop animal husbandry at private farms; support the establishment of dairy farms, sheep farming for meat production, poultry farming, yak and goat herding in mountainous and high-elevation regions, apiculture and fish farming (phase 1); and the organization of private livestock insemination centres in *jamoats* (rural municipalities). Farms will be given better access to financial resources and support will be provided to ensure that they are supplied with seeds, fertilizers, chemicals and other materials. There are plans to improve the quality of veterinary, seed selection and seed production services through the involvement of the private sector. Research on the food market will be performed and market services will be provided, and a study will be made of the feasibility of simplified regulation and taxation of sole-proprietor, micro- and small agricultural enterprises (including service businesses and cotton sowing operations). It is also expected that economic, legal and consulting services will be provided on issues of land use and private business development in the agricultural sector. With a view to reducing interference in farmers' production-related activities, there are plans to conduct an

experiment in five or six regions, giving farmers the freedom to choose which crops to grow. Measures are planned to strengthen the potential of structures that combat insects (locusts).

10. Task 6, which calls for ***ensuring a healthy diet***, is aimed at reducing the incidence of food-related illnesses and strengthening the legislative, laboratory and personnel base. It contains the following package of measures: drafting of a law on the enrichment of flour; establishment of an alliance (group) to improve nutrition at the government level; development (adaptation) of public health regulations and standards and medical and biological requirements and public health standards for food quality and safety; drafting and implementation of a Strategy for the Prevention and Treatment of Malnutrition among Children; drafting and implementation of a scientifically based Strategy to Ensure Sound Nutrition for Schoolchildren and the performance of research studies; implementation of measures for the prevention and treatment of malnutrition; supplying iron supplements and vitamin A capsules to targeted groups; enrichment of processed flour with nutritional additives; ensuring that all salt is iodized; supplying the National Centre for Nutrition Problems under the Ministry of Health with laboratory equipment; establishment of nutrition departments at the Abuali ibn Sino State Medical University of Tajikistan and the Post-Graduate Training Institute; implementation of a comprehensive programme to raise the level of physical activity among the population; systematic assessment of the nutritional status of the population, and other medical problems related to nutrition. Implementation of these measures will reduce the incidence of food-related illnesses, particularly among vulnerable segments of the population.

11. Implementation of the measures outlined above in the sector encompassing Food Security and Development of the Agricultural Sector will make it possible by 2009 to:

- boost gross agricultural output by 16.5%;
- raise labour productivity by 8.2%.

6. DEVELOPMENT OF HUMAN POTENTIAL (SOCIAL BLOCK)

The transitional period, which was characterized by serious political and economic problems, led to a drastic deterioration of conditions in the social block (health care, education and science, social welfare, water supply, sanitation and housing and municipal services, environmental protection and gender equality), a decline in public access to high-quality social services and a lower standard of living.

This was due above all to a lack of meaningful and integrated reforms in the social block, limited ability on the part of the state to finance social sectors and a decline in their personnel potential and material and technical base. In recent years, despite a qualitative improvement in the country's financial status and an increase in the absolute amount of budget spending on the social sector, rapid population growth has made it impossible to achieve significant progress in social sectors.

Complicated regulations and difficult administrative barriers are hindering the development of the private sector, which could help meet some of the demand for social services and boost the government's ability to provide guaranteed social services.

The considerable foreign aid that is being provided to restore the potential of the social block is aimed at resolving current urgent problems and, in the absence of the proper identification of long-range priorities, is not always used in the most effective way possible.

The government intends in the future to increase the financing of measures in social sectors, while at the same time implementing market reforms in this sphere.

6.1. Development of the education system and science

The problem of holding on to the ground that had been gained in the education and science sector was a critical one during the transitional period, along with further development taking into account the new political and socio-economic conditions, as well as global development and common human values. The ability to address these tasks was complicated seriously by the consequences of the devastating civil war and the high poverty rate, as well as the lag in the implementation of serious institutional reforms and ineffective utilization of available resources.

Government spending on education in 1991 was equal to 8.9% of GDP, or 23.6% of total government spending, while in 2006 these figures were 4.2% and 16.7%, respectively. Estimates show that in order to meet the minimum needs for the maintenance and development of the education system, taking the demographic factor into account, it will be necessary to bring the annual education spending level up to 6-7% of GDP in the future. Insufficient financial support for science is slowing down the development of high-tech production operations. Total budget funding for science in 2005 was equal to US$2.7 million, or 0.1% of GDP.

1. Education

1.1. Education is a key sector for achieving the goals of the Poverty Reduction Strategy; ultimately, progress in education determines to a significant extent the outcome of all of the efforts to improve governance and to promote sustainable economic growth and the development of the country's human potential.

1.2. Tajikistan's education sector is comprised of pre-schools; primary, basic secondary and general secondary schools; and basic, secondary and higher vocational and professional education institutions. In accordance with the goals and priorities of the NDS/PRS and the National Development Strategy for Education in the Republic of Tajikistan for 2006-2015, the main goal of the PRS in the education sphere is to ensure universal and equal access to basic secondary education for all girls and boys.

1.3. An analysis of the situation in education shows that the key problems in the sector are:

- the education management system is underdeveloped and has little potential, which results, among other things, in a shortage of resources in the sector and ineffective use of the resources that are available, and insufficient participation by the private sector in providing educational services;

- the quality of education has declined as a result of: the low wages paid to teachers at general education schools; a shortage of teachers; under-qualified teaching personnel, particularly Russian and English language teachers in rural areas; outdated subject matter, teaching materials and methods; educational institutions with a physical infrastructure that is in very poor condition and does not have the capacity to meet demand; a shortage of instructional materials and textbooks in certain subjects;

- there are problems with access to education for children from poor and socially vulnerable segments of the population and the secondary education coverage for girls is inadequate;

- limited availability of electricity means that basic computer training courses cannot be offered;

- the community is not involved enough in the management of general education schools;

- the training of teaching personnel for ethnic minorities is not taken into account sufficiently in planning.

1.4. Proceeding from the goals of the PRS and the NDS priorities, and bearing in mind the problems in education that have been outlined above, the tasks of the Strategy in this sector are: 1) improvement of the education management system; 2) establishment of a more effective system for the use of available resources; 3) improvement of methodological and personnel support for the education system; 4) better access to education for girls and boys and children from socially vulnerable segments of the population; 5) upgrading of the material and technical base of the education sector.

1.5. Improvement of the education management system (task 1 in the sector) will be effected through: the clarification and assignment of functional responsibilities of various administrative bodies in the sector; optimization of the network of basic and secondary schools, which will allow for better utilization of resources, while maintaining and increasing the coverage of primary and basic secondary education; increasing the independence and responsibility of educational institutions, while involving parents and the community in the organization of the instructional process and educational quality control; strengthening the potential of school principals and other administrative personnel; improvement of information support for education and the creation of opportunities for a sounder decision-making process in the sector; study of the demand in the labour market for qualified personnel and re-focusing vocational and professional educational institutions to meet this demand.

1.6. A package of measures aimed at improving the utilization of government funding for the educational system, increasing the amount of public funding and drawing private resources into the sector is planned with a view to establishing a more effective system for the use of available resources (task 2). There are plans to adopt a Conceptual Framework for the Financing of Education in the Republic of Tajikistan to 2015 and to continue the pilot programme for a per capita financing system, aimed at increasing the transparency of the utilization of public resources, establishing a closer connection between funding and the performance of educational institutions, distributing resources taking into account the number of students and specific regional or local conditions and granting educational institutions

considerably more freedom and responsibility in the disposition of government resources. The introduction of a new salary system, one that allows for a closer correlation between employee compensation and qualifications and actual teacher labour costs and will prevent further teacher resignations, will help improve the quality of education. Proper organization of the system for the delivery of paid services by public schools and intensive efforts to support the development of private educational institutions will create opportunities for the injection of additional funding into the sector and the reallocation of some government funding to meet the educational needs of children from the poorest and most vulnerable segments of the population.

1.7. The improvement of methodological and personnel support for the education system (task 3) is needed in order to raise the overall quality of education. This task will be addressed by updating educational content, improving curricula and study programmes and preparing textbooks that reflect new approaches to education. Another important focus is the retraining and professional development of teachers, which should make it possible to both improve the quality of instruction and reduce the shortage of schoolteachers, particularly in rural areas. Local government bodies will take steps to attract young teachers to work at rural schools to help resolve this problem. An independent educational quality control system will be put into place and opportunities for connecting school performance assessments to the results of this sort of quality control will be studied.

1.8. One of the most challenging tasks in education is to provide better access to education for girls and boys and children from socially vulnerable segments of the population (task 4). Given the limited resources, which mean that large-scale government intervention is not possible, primary attention will be focused on making more effective use of the available funds and methods and on devising new mechanisms to provide support for children from vulnerable groups. In order to overcome barriers to school attendance that are linked directly to poverty, schoolchildren in the primary grades will be given hot meals, and targeted economic assistance will be provided to children from needy families, with resources being concentrated on the poorest and most isolated parts of the country (see also the "Social Welfare" section). Measures will be undertaken to ensure that young people in rural areas, particularly girls, have access to vocational, professional and higher education, which should help ease the gender imbalance in the labour market. Sound approaches will be developed for the mainstreaming of children with learning disabilities into regular educational institutions.

1.9. Systematic underinvestment over recent decades in the existing network of schools and educational institutions, and the growing number of children who need to attend school, make the adoption of measures to upgrade the material and technical base of the education sector (task 5) an urgent matter. This includes a package of measures involving the construction and major renovation of school buildings, the purchase of the necessary classroom and other equipment for schools and the publication of textbooks. Resources will be earmarked primarily for those towns and rural areas where schools do not have the capacity to meet demand due to population growth, geographical isolation and poverty.

1.10. Implementation of these measures in education will make it possible to bring the basic secondary school attendance rate up to 91% among children between 7 and 15 years of age, and to raise the percentage of girls among the total number of children attending school to 50%. At the same time, there should be an improvement in the quality of education and in its relevance to the demands of Tajikistan's socio-economic development.

2. Science

2.1. The development of science could make a serious contribution to reducing poverty through the performance of important research, and in particular applied research targeted at the development of the real sector of the economy. This could also contribute to the training of highly qualified personnel.

2.2. The country's scientific potential consists of academic and sectoral research institutes and institutions, including scientific research at higher education institutions. In accordance with the Republic of Tajikistan Science and Technology Strategy for 2007-2015, the goal of the PRS in the science and technology sector is to reform and strengthen the role of science in promoting the country's socio-economic development.

2.3. An analysis of the situation in science shows that the key problems in the sector are:

- underdevelopment of the management system and ineffective use of resources in the sector;
- limited utilization of scientific potential for the development of comprehensive national scientific and technical programmes aimed at addressing key problems in the country's socio-economic development;
- inadequate material and technical support for science;
- a lack of international scientific and technical cooperation.

2.4. Proceeding from the goals of the PRS and the priorities of the NDS, and bearing in mind the problems in science identified above, the tasks of the Strategy in this sector are: 1) to improve the institutional system of science; 2) to concentrate scientific potential in priority research areas that will contribute to the country's economic development; and 3) to improve the material and technical base of the science sector.

2.5. Reform of the management system in the science sector entails ***improvement of the institutional system of science*** (task 1). To achieve this goal, there are plans to perform a horizontal and vertical functional survey and prepare practical recommendations. Measures will also be undertaken to integrate academic, applied and higher-education science, and to provide incentives for scientists as well.

2.6. In order to increase the proportion of scientific developments that are incorporated into the real sector of the economy, the main emphasis will be on ***concentrating scientific potential in priority research areas that will contribute to the country's economic development*** (task 2). Scientific research will be carried out primarily in the high-priority areas of the natural sciences, engineering, medicine and agriculture.

2.7. Insufficient financial support for the sector, and the fact that the scientific infrastructure was partially destroyed during the civil war, mean that measures ***to improve the material and technical base of the science sector*** need to be taken without delay (task 3). There are plans to restore and update the material and technical base of scientific research institutions and to furnish them with instruments, equipment and reagents.

2.8. The implementation of these measures in the science sector will make it possible by 2009 to increase the practical relevance and introduction of scientific advancements in the real sector of the economy by 30%.

6.2. Development of the health care system

1. In the new economic environment, the health care system cannot operate effectively without significant reforms. Total government spending on health care fell from 4.5% of GDP in 1991 to 1.3% in 2005. This means that health care is increasingly dependent on unofficial private payments for medical services and on foreign aid, as the following figures show: private payments accounted for 70% and donor assistance for 14% of overall spending on health care, while budget outlays made up 16% of the total.

There is a significant gap in the distribution of material resources and budget funding between primary medical care and hospital care, as a result of which the bulk of the funding goes to secondary health care (hospitals), and the services provided are expensive and out of reach for the poor.

There is evidence of a decline in the qualifications of medical personnel, as well as a shortage of skilled medical staff, especially in rural areas. This is due to imperfect mechanisms for the management of human resources, the low wages paid to medical personnel and the resulting high turnover rate among medical personnel. These problems are aggravated by the fact that the shortage of up-to-date medical equipment and technology at medical institutions is getting worse, and the physical condition of buildings and facilities is deteriorating as well.

The network of private medical institutions, which could help to satisfy part of the unmet demand for medical services, is growing slowly due to serious administrative barriers and inadequate government support.

2. Tajikistan's health care system is a key sector in meeting the MDGs, since the efforts undertaken to improve public health will promote sustainable economic growth and development of the country's human potential.

3. In accordance with the generally accepted principles of the NDS/PRS, the main medium-term goal in the health care sphere today is to bring about a gradual reduction in the maternal and infant mortality rate and the burden of infectious diseases, and also to eradicate certain infections that can be controlled by vaccines. The top priority in health care is to strengthen the primary health care system and public health and epidemiological supervision.

4. The main problems in the health care system are:

- deficiencies in the health care management system, which in turn lead to inadequate policy analysis and planning with regard to services, health care economics and human resources, as well as poor management of information systems;

- the slow pace of reform in the health care system and limited participation by the private sector in the delivery of medical services;

- a shortage and inefficient use of available financial resources, as well as the fact that government funds account for too small a share of total health care spending. This has led to a situation in which medical institutions, particularly those in the primary health care system and state public health and epidemiological supervision centres, are significantly weakened in terms of personnel and material and technical resources, which in turn reduces the access to medical care and basic medicines for the poor;

- lack of public awareness of basic guidelines for a healthy lifestyle and a failure to follow these guidelines, which include maintaining reproductive health, protecting maternal and child health and preventing the spread of infectious diseases.

All of the problems mentioned above are associated with higher maternal and infant mortality and an increase in the incidence of infectious diseases, which in turn are "diseases of poverty" (tuberculosis, malaria, parasitic diseases, etc.).

5. In view of the problems we have described here, and the goals of the NDS/PRS, the main tasks in the sector are: 1) to increase the effectiveness of the management system and financing; 2) to expand the role of the private sector in the delivery of medical services; 3) to improve protection for maternal and child health; 4) to combat HIV/AIDS, malaria, tuberculosis and other infectious diseases; 5) to improve personnel training and reinforce the material and technical base of the health care system.

6. In order to increase the effectiveness of the management system and financing (task 1), a package of measures is planned to enhance the utilization and increase the amount of government financing, to attract additional resources and also to create favourable conditions to make better use of the potential offered by the private sector. There are plans to implement the Republic of Tajikistan Health Care Financing Strategy to 2015 (2005). It includes the introduction of mechanisms for the per capita financing of primary health care, a change in the system for the financing of hospital care using treatment-based clinical cost groups, as well as restructuring of the primary care and hospital network.

These measures are aimed above all at increasing the effectiveness and transparency of the utilization of public funds, establishing a close connection between funding and the performance of health care institutions, distributing financial resources based on the number of people enrolled at treatment and preventive care institutions and specific regional/local conditions, as well as allowing health care institutions to redistribute savings to improve their operations and provide incentives. An improvement in the quality of medical services will be achieved through the introduction of a new employee compensation programme, which in turn will prevent the further loss of medical personnel leaving health care institutions to work in other sectors. There are plans to introduce the Basic Programme for the Delivery of Medical Care with a view to carrying out the first task. This programme outlines the types, scope and procedure for the provision of guaranteed medical care within the limits of the funding allocated in the state budget. The programme establishes a payment procedure for medical care, which exceeds the amount of funding provided under the Basic Programme to cover free guaranteed health care, both at the expense of state funds and at the expense of co-financing (co-payments). The programme will be introduced in pilot regions, followed by its introduction throughout the country as a whole.

7. One of the most important tasks in health care is to expand the role of the private sector in the delivery of medical services (task 2). The establishment of tax and other benefits for enterprises in the private sector to the extent possible, combined with the development of private treatment and preventive care institutions and an analysis of the second-tier burden in order to assess privatization prospects in health care, will create the conditions for the influx of private resources into the sector and the re-allocation of government financing to meet the needs of the poorest and most vulnerable segments of the population. Simplification of licensing procedures for medical care will make a valuable contribution to the development of the private sector and health care as a whole.

8. In view of the country's high maternal and infant mortality rate, measures that are reflected in task 3 (improving protection for maternal and child health) are urgently needed. These measures include raising the qualifications of medical personnel providing health care services to mothers and infants, which includes focusing efforts on heightening public awareness about the care, development and feeding of infants, as well as reproductive health and family planning; improving the availability of medicines, contraceptives and information at primary health care institutions which are needed to provide services related to safe motherhood; the development and introduction of standard protocols for the management of the most common early childhood illnesses, including neonatal care and safe motherhood at all levels of medical care; as well as the incorporation of the basic types of perinatal and neonatal care in the list of guaranteed medical services. Another important issue, which needs to be addressed immediately, involves strengthening the potential of national and provincial reproductive health centres to perform regular monitoring, assessment and improvement of the quality of medical services provided to the public.

Public information and educational measures and the organization of a public dialogue among government employees, health care providers and the population on issues involving the survival of children, safe motherhood, reproductive health and family planning, as well as improved access and better quality urgent obstetrical and neonatal care, have an integral role to play in resolving problems related to better health care for mothers and children.

Issues involving adolescent health are also critical, since this is the most vulnerable segment of the population. The inclusion of family planning, reproductive rights and other issues in the "Healthy Lifestyle" school programme targeted at the upper grades will help raise the awareness of these issues among this age group, and this in turn will lead to an overall decline in problems related to reproductive health in the future.

9. Problems associated with task 4, combating HIV/AIDS, malaria, tuberculosis and other infectious diseases, need to be addressed without delay because there has been a sharp rise in the incidence of infectious diseases over recent years. Measures outlined as part of this effort include heightening public awareness, particularly among high-risk groups, of ways to prevent the spread of dangerous infectious diseases, including HIV/AIDS, malaria, tuberculosis and parasitic diseases; ensuring universal access to HIV/AIDS prevention and treatment measures; as well as reducing the stigma of HIV/AIDS and discrimination directed against high-risk groups, and the promotion of positive public opinion regarding prevention programmes to combat HIV/AIDS.

Improvement of the epidemiological supervision system is an integral part of efforts to prevent the spread of infectious diseases. Measures are planned to raise the qualifications

of specialists in the public health and epidemiological service, as well as those working at centres for combating tropical diseases and tuberculosis, immuno-prevention centres, centres to promote a healthy lifestyle and parasitology divisions of state public health and epidemiological supervision centres. These activities will be directed primarily at strengthening preventive measures to halt the spread and reduce the incidence of infectious diseases.

One of the most important factors in reducing infant and child mortality is to ensure that as many children as possible are regularly covered by vaccination programmes for all infections that can be controlled by vaccines. A gradual transition to government-funded immunization and its integration into maternal and child health protection programmes will be a top priority. A decline in infectious diseases is directly dependent on immunization of the population, a process which should ensure the delivery of safe vaccines for all infections that can be controlled by vaccines. Reinforcement of efforts to promote a healthy lifestyle is a key element in ensuring a healthy population. Activities in this area include public awareness campaigns on family planning, instilling hygienic habits and changing patterns of behaviour. These measures are important building blocks in promoting a healthy lifestyle.

10. Improvements in personnel training and reinforcement of the material and technical base of the health care system (task 5) will be carried out by strengthening the training and retraining system for medical personnel and general practice specialists (family doctors and nurses), through certification, the revision and inclusion in curricula of programmes that are relevant to the country's needs and improving personnel planning and management policies, which in turn will lead to a steady shrinking of geographical and organizational gaps, as well as the elimination of shortages of certain specialists. The second important issue is the adoption of measures to improve the material and technical base of the health care system. These steps include a package of measures involving the construction and renovation of treatment and preventive care institutions and the purchase of vehicles and the necessary teaching and medical equipment. These measures will be carried out in accordance with a plan for the restructuring of treatment and preventive care institutions, including activities in pilot regions, which have been identified by the government as the poorest and most vulnerable.

11. The implementation of these measures in the health care sector will make it possible by 2009 to reduce maternal and infant mortality and the incidence of infectious diseases and to eradicate some of the infections that can be controlled by vaccines.

6.3. Improvement of social welfare

1. The reform of Tajikistan's social welfare system will make it possible to carry out a package of socio-economic measures aimed at protecting the population against unemployment, rising prices and the devaluation of labour income. In light of this, the priorities in the social welfare sphere are the same factors that have a direct impact on the standard of living: employment, social insurance, pension security and targeted social assistance.

2. Tajikistan's social welfare sector includes the state social insurance and pension security system, employment and labour migration, protection of family and children's rights and targeted social assistance to vulnerable and low-income segments of the population.

3. An analysis of the situation in the social welfare system shows that the key problems in the sector are:

- continued adherence in social policies to the methodology, methods and approaches that were followed in the pre-market period;

- financial unsustainability of the social welfare system, state social insurance and pension security;

- a decline in the proportion of state budget expenditures earmarked for social welfare; lack of transparency in the movement of funds through the system;

- high administrative costs associated with management of the system;

- the complexity of the mechanism for providing targeted social assistance;

- lack of a focused demographic policy;

- inadequate social and legal protections for certain categories of the population;

- limited information support (social statistics) for the social welfare system;

- vital social services for the disabled, elderly and children with learning disabilities that do not meet generally recognized standards;

- existence of a significant shadow sector;

- poor quality and lack of competitiveness of the country's labour potential.

4. The following tasks have been identified in light of the goals and priorities of the NDS and PRS, and the problems that have been identified in the sector: 1) institutional restructuring of the social welfare system; 2) creation of a financially sustainable state social insurance and pension security system; 3) establishment of a methodological basis for the study, monitoring and regulation of the labour market and labour migration; 4) organization of employment support; 5) creation of an effective system of targeted social assistance; 6) improvement of the quality of social services provided to the public; and 7) establishment of a multi-tiered and unified system to manage the protection of children's rights.

5. The implementation of institutional reform (task 1) is based on the drafting of two key strategic documents: a conceptual framework for reform and a state strategy for development of the entire social welfare system. These documents should define the government's targeted social policies, which are intended to foster real conditions that enable citizens to exercise their rights to social protection.

6. The central problem in the reform of the state social insurance and pension security system is achieving its financial sustainability (task 2), while at the same time lowering the tax burden on taxpayers.

The existing pension system provides for a wide range of benefits and concessions, which are granted to various categories of citizens. It does not take into account the personal contribution of each worker, and this makes the social insurance system economically ineffective.

This problem can be resolved by means of:

- modification and modernization of the relevant regulatory and legislative base, to provide for the establishment of a comprehensive, motivation-based mechanism for all beneficiaries of (participants in) the state social insurance system;

- revision of the system of concessions and privileges, the differentiation of these benefits, identification of sources of financing and a reduction in financial resources that are not used for their designated purpose;

- proper recording of the pension rights of insured persons and the introduction of personal accounting technology;

- regular forecasting of the effect (impact) of socio-demographic changes on the country's state budget.

7. The lack of up-to-date methods and complete and reliable social statistics in Tajikistan is creating enormous difficulties with regard to performing a systematic analysis of the situation in the social sphere (task 3). These deficiencies mean that it is not possible to study the population's standard of living and living conditions or to forecast the possible course of socio-economic development in the immediate future and over the longer term. These problems mean that there is an urgent need to establish a methodological base for the study, monitoring and regulation of the labour market and labour migration and to set up an information support framework for the social welfare system using up-to-date technologies for the collection, processing, use and storage of information.

Long delays in the payment of wages and arrears on the payment of insurance contributions by insured persons are a serious obstacle to the performance of timely indexing of (increases in) pensions and social benefits. The resolution of this problem is linked to an examination of difficulties associated with wage arrears and arrears on social tax payments, as well as reform of the employee compensation system.

8. While performing regulatory functions, the state should encourage development of the economy by creating the conditions for the able-bodied population to receive free training (or retraining) in competitive occupations with guaranteed job placement. To achieve this goal, a package of measures is planned (task 4) which will help make the management and regulation of the labour market more effective.

Increasing the competitiveness of the unemployed in the labour market after training and retraining at employment training centres requires a reform of the basic vocational education system through the integration of basic, secondary and higher education.

At the current stage of the country's development, which is marked by rising hidden unemployment and a significant flow of illegal labour migration, a serious problem has arisen with regard to protecting the rights of labour migrants. With the aim of ensuring the safety of

labour migrants and their social adaptation when living abroad, measures have been proposed to arrange and hold short-term "survival" courses and to strengthen regulatory and legal norms.

The development of a system for the contractual regulation of social-labour relations according to a tripartite principle (a social partnership of the government, trade unions and employers) has a special role to play in the resolution of problems involving labour relations. Performance of this task will make it possible to provide protection for the rights of workers with regard to the scheduling of working hours, wages, discrimination in hiring and dismissal and social protection.

9. At the current stage of the transition to market relations, we are seeing a complicated process involving the population's adaptation to new socio-economic conditions. The establishment and development of a new system of targeted social assistance that is consistent with the needs of the market (task 5), which should provide a wide range of socio-economic, medical, psychological, educational, legal, personal and other social services to citizens who find themselves experiencing difficulties in life, is a problem of the utmost importance.

Given the severe budgetary constraints on providing funding for social support to all citizens in need, a system for the *targeting* of assistance and *verification* of real needs will make it possible to resolve the problems of those people who in are in the most urgent need of social assistance.

The development of state standards for social services and organizational-legal mechanisms (methods) for providing targeted social assistance, as well as the establishment of a legal basis for them, are aimed at addressing the following tasks:

- calculation and establishment of the minimum subsistence income;

- providing equal access to a full range of high-quality social services for various categories and groups of people;

- integrating the systems for standardization, certification, licensing, evaluation and quality control in the social services sector;

- fostering mutual understanding and effective cooperation among all participants in the social service system: personnel at social service institutions, regardless of their organizational and legal form, clients of these institutions and administrative and supervisory agencies.

Updating and simplification of the mechanism for providing targeted social assistance will make it possible to reduce the number of different benefits, concessions and beneficiaries and to raise the amount of social assistance provided to a sufficient level.

10. A weakening of government policy with regard to providing high-quality social services (task 6) today could end up costing a great deal in the future. A failure on the part of the government to take proper action due to a lack of funding is false economy, since this sort of social policy leads to social instability, social conflicts, malnutrition, disease and a rise in crime.

Improvement in the quality of social services provided by the government should be aimed, above all, at expanding the range of services offered: medical, psychological, educational, legal and personal assistance and assistance provided by social workers. Among those who are in particular need of this sort of social assistance are large families, single-parent families, families without children, families going through divorce and young families; underage parents; families with disabled members; families with an adverse psychological environment; children in a negative family environment that threatens their health and development; children who have been orphaned or abandoned by their parents; children manifesting anti-social behaviour and street children; single and elderly people; the unemployed; homeless people; young people who were raised in orphanages, and so on.

The implementation of measures to carry out this sectoral task will make it possible to provide for equal access to the range of social services guaranteed by the state, as well as social adaptation and rehabilitation services for disabled persons, families, women and children, individuals with anti-social behaviour, etc. It will also mean that citizens are able to exercise their rights to these services.

11. An analysis of the poverty risk by age and gender indicates that children are at the greatest risk of falling into poverty (task 7). According to sociological survey data, children account for more than one-fourth of the poor population. Child poverty has an irreversible impact on a child's future: his health, his opportunities to obtain an education and his social status. Children are at risk of poverty even before birth and the risk depends on what sort of medical care and social assistance the future mothers receive. In connection with this, a reduction in child poverty is one of the priorities in the reduction of social poverty.

The implementation of various programmes will make it possible to ease the impact of factors that give rise to the spread of the phenomenon of social orphans, to provide effective support for children and families that are experiencing difficulties in life, to develop a system to protect the rights of juveniles, to expand the forms of childcare within the family and to increase the scope and improve the quality of social services provided to children and families that are experiencing difficulties.

12. The implementation of a range of interconnected priority measures in the social welfare sphere over the medium term (2007-2009) will make it possible:

- to provide for more effective management of state social insurance and pension system funds as a whole;
- to increase the number of insured persons covered by the state social insurance system;
- to promote growth in the insurance contributions received;
- to reduce unemployment;
- to raise the level of social welfare for the population;
- and to increase wages, pensions and social benefits;

which will ultimately contribute to a steady decline in the poverty rate by 10-12% over the forecast period.

6.4. Expansion of access to water, sanitation and housing and municipal services

1. The goal of this sector is to establish economic and administrative mechanisms to implement the first stage in the restoration of existing water supply and sanitation systems and housing and municipal services. Civil society and the business community need to participate in the reform of housing and municipal services. The main task at this stage of the reform is to instil among the public a sense of ownership and interest in the management of the housing stock.

2. Tajikistan uses predominantly surface water and groundwater sources, half of which have elevated hardness and mineralization levels. Overall, 87% of the urban population and 20% of rural residents in Tajikistan receive their water from centralized water systems that do not meet drinking water standards. These problems arise as a result of serious difficulties associated with the delivery of water, public sanitation and housing and municipal services, which exist in both cities and rural areas.

Sewage services are available to 23% of the country's urban population and 5% of the rural population. The majority of population centres do not offer solid waste collection and recycling services.

In the process of the privatization of agricultural enterprises, some of the water supply, sanitation and housing and municipal services facilities were overlooked and left without any responsible supervision and management. A lack of interagency coordination has led to a situation in which there is little contact and interaction among various structures responsible for the drafting and implementation of policy.

3. The main goal of reforms in this sector is to provide access to the following by the end of 2009:

(1) drinking water that meets government standards, for 96% of the urban population and 51% of rural residents;

(2) basic sanitation and hygiene services for 47% of urban residents and 37% of the rural population.

4. The main problems in the water supply, sanitation and housing and municipal services sector are:

- functions related to the development of policy and regulation in the sector are not assigned to a single government body, there is no coordination among agencies responsible for policy development and implementation in the sector and there are not enough comprehensive programmes and plans aimed at the restoration of water supply and sanitation systems and housing and municipal services, among other things;

- the regulatory legal base is insufficient and limited; there are facilities in rural areas for which no one is responsible;

- there is a lack of a stable electricity supply, which hinders the uninterrupted operation of facilities;

- the technical condition of existing water, power and heating supply facilities, sanitation systems and housing and municipal services is unsatisfactory;

- there is no clearly defined and transparent policy for providing targeted social assistance related to payments for water, power and heating, and housing and municipal services;

- domestic and foreign investments are not being utilized effectively enough, there is no rate policy in place that is designed to ensure the profitability of providing these services and the institutional and functional potential of the sector with regard to collecting payment for the services is inadequate;

- the quality of housing and municipal services is declining, while inefficient spending is on the rise;

- measures aimed at development of the social sphere and the public utility infrastructure in rural municipalities (*jamoats*) are insufficient;

- rural areas have virtually no centralized sewer systems or facilities for the collection and recycling of solid household waste;

- rapid population growth is not leading to the corresponding development of the sector;

- there is a shortage of skilled personnel.

5. In view of the problems enumerated above and the NDS/PRS goals that have been set, the main tasks in the sector at this stage of the reform are: 1) implementation of institutional reforms in the sector; 2) attraction of private business and investment; 3) increased effectiveness and optimal performance of the sector's infrastructure.

6. Within the framework of the institutional reforms (task 1), there are plans to carry out a functional and institutional survey and to clarify the functions and increase the potential of agencies responsible for the development and implementation of policy and the drafting of the relevant laws, standards, programmes and regulatory documents. This will make it possible to prepare the necessary legislative and other regulatory legal acts and to raise funds for the modernization of electrical power and hydro-mechanical equipment. There are also plans to improve the system for the recording of water use, to install water meters and to renovate key facilities in centralized heating systems in towns and villages. A conceptual plan for the development of housing stock will be prepared, which provides incentives for private construction activity, and an analysis will be performed of the rate system and the mechanism for the collection of payments for municipal services. A conceptual plan for the development of housing will help coordinate efforts in this sector.

7. One of the priority tasks in the "Water supply, sanitation and housing and municipal services" sector is to strengthen private business efforts and attract investment

(task 2). In accordance with this task, there are plans to analyze the attractiveness of the sector from an investment standpoint with a view to evaluating the prospects for privatization or restructuring of facilities in the sector, and proposals will be prepared with regard to providing state support for activities in this sphere.

8. Another important task in the "Water supply, sanitation and housing and municipal services" sector is to increase the effectiveness and provide for optimal performance of the sector's infrastructure (task 3). The following measures are foreseen with a view to fulfilling this task: drafting (or revision) and implementation of general local development plans; development (restoration) of the public utility infrastructure; promotion of public housing construction projects; and increased access to housing and municipal services for low-income and socially vulnerable segments of the population. As a result of these measures, there will be an increase in the income of housing and municipal services enterprises, the technical base of the sector will be restored, there will be a rise in the collection rate for public utility payments and the quality of services provided will improve.

With the aim of doing a better job of addressing the tasks outlined above, measures will be undertaken to restore and rebuild the reservoir for daily regulation of water levels; to protect public health zones; to restore and rebuild heating and water supply networks, interior plumbing systems and the water supply systems of towns, district centres and rural localities; to restore and rebuild sewage treatment plants; to build treatment facilities; and to improve sanitation and hygiene conditions.

9. The performance of these tasks and measures in the "Water supply, sanitation and housing and municipal services" sector will make it possible to increase access by the country's urban population and rural residents to safe drinking water, sanitation services and housing and municipal services.

6.5. Promotion of environmental sustainability

1. Environmental sustainability issues are tied directly to the tasks outlined under Goal 7 of the MDGs. A group of interconnected government agencies in Tajikistan is responsible for their implementation.

The country's environmental legislation is fairly well developed, although a majority of the laws lack mechanisms for their implementation and because of limited inter-agency coordination, these laws are not harmonized with the legislation of other ministries and departments.

2. The current situation has a negative impact on both environmental quality control and on the condition of the environment. As a consequence, there has been a decline in soil quality (according to the estimates, as much as 97.9% of the nation's agricultural land is subject to erosion, and more than 15% of land under irrigation has been affected by salinization and swamping); we are also seeing deforestation, cultivation and overgrazing, and the unauthorized use of steep mountain slopes for open-pit mining. A large number of mountain lakes and reservoirs are vulnerable to breaches, which aggravates environmental instability.

3. The situation involving waste disposal and recycling is a challenging one. Tailing ponds pose a particularly serious environmental threat (there are 22 of these sites in the country, eight of which are in poor condition and are in need of immediate reconstruction). Agricultural activities are polluting the groundwater as a result of the excessive use of fertilizers and pesticides and the dumping of highly mineralized water from irrigation systems. The majority of monitoring stations and installations are not functional. Funds earmarked for the performance of environmental protection activities, which are provided for in all of the investment projects that are being implemented (up to 3% of their value), are not being used for their designated purpose.

4. There are serious difficulties associated with the performance of tasks to bring the country's environmental policies into line with the existing economic realities, to raise the potential of bodies responsible for the development and implementation of environmental policies, to implement urgent measures to contain and remediate the effects of radioactive and toxic waste burial sites in the country and to bring solid household waste disposal sites into conformity with the requirements of environmental protection legislation.

5. In light of this, the main problems in environmental sustainability are:

- insufficient potential of agencies responsible for the development and implementation of environmental policies and the system of environmental monitoring stations and installations, glacier monitoring stations, dams and reservoirs; the development and creation of environmental data bases in pilot regions;

- the fact that the majority of existing and newly drafted environmental protection laws lack mechanisms for their implementation;

- an absence of measures for the recycling and destruction of particularly hazardous chemical waste, and for the construction of toxic waste storage sites and sites for the burial of poisonous chemicals that are no longer suitable for use or are prohibited;

- inadequate implementation of priority measures aimed at the conservation and sustainable use of water resources, preventing the degradation of land resources, maintaining biodiversity and preventing air pollution;

- the lack of an environmental monitoring system in industry;

- insufficient organization of reforestation activities and inadequate attention to specially protected natural areas and to raising public awareness of the environment.

6. In light of the NDS/PRS goals and priorities, as well as the problems in the sector, the following main tasks have been identified for the "Promotion of environmental sustainability" sector in 2007-2009: 1) implementation of institutional reforms and improvement of the legislative base; 2) promotion of existing and new investment projects.

7. One should bear in mind that environmental sustainability problems cut across multiple sectors in the PRS.

8. The measures that are planned to bring environmental policy into line with the socio-economic situation in the country, to optimize the functions and strengthen the

potential of agencies responsible for the development and implementation of environmental policies, and also to reinforce the legislative framework for environmental activities, fall under task 1 "Implementation of institutional reforms and improvement of the legislative base". Proper accounting of funds earmarked for environmental needs, including those related to the implementation of investment projects, is also foreseen.

9. Task 2 entails the promotion of existing and new investment projects in the area of environmental protection. The measures planned in this arena are aimed at promoting environmental sustainability in Tajikistan and at preventing the release into the environment of hazardous substances that have a negative impact on public health and the natural environment. At the same time, measures are planned within other sectors (energy, industry, agriculture, etc.) to reduce environmental impacts. Special attention is being given to the promotion of eco-tourism in Tajikistan.

10. Implementation of the environmental protection measures planned for 2007-2009 will make it possible to achieve the following goals by the end of 2009:

- a 5% increase in the area of land covered by forests;
- a 3% increase in the area of land set aside for the purpose of preserving biological diversity;
- a 5% reduction in the area of degraded land and pastureland;
- a 7-9% reduction in the discharge of polluted waste water into surface and groundwater sources;
- a 4% reduction in the release of point and non-point air pollution;
- household solid waste disposal sites, garbage dumps and tailing ponds brought into conformity with the requirements of environmental protection legislation;
- restoration and development of the environmental monitoring system.

6.6. Promotion of gender equality

1. As a result of a whole range of social, economic and cultural factors in public life, the gender gap is widening in terms of the basic rights that are actually being exercised (the right to work, the right to education, access to means of production and the right to own property). Policies that are currently being pursued are having a negligible impact on changing the social relationship between men and women. Equality under the law does not guarantee actual equality between men and women. The practical reality is characterized by a clear inconsistency between the government's stated gender policy and the actual processes occurring in social relations among men and women.

2. A gender-based analysis of the government policy being pursued and actual social processes revealed a wide range of problems that are hindering progress in gender equality and the country's sustainable development as a whole, and the following key problems have been identified:

- an underdeveloped legislative base and insufficient institutional mechanisms to ensure observance of the norms and principles of gender equality;

- a poor understanding and application of gender-based approaches on the part of public employees at all levels of government;

- inadequate budget funding to support measures to implement gender policy;

- a weak statistical base that does not allow for a sufficient breakdown of data by gender and a data collection system that limits opportunities for gender-based analysis to promote gender equality;

- unequal access to resources, including management resources, and supervision of these resources;

- tolerance of violence against women and children on the part of society;

- an inadequate social partnership between the government, civil society and the business community in addressing gender problems.

3. The PRS is based on goals and tasks set forth in the MDGs and NDS and it calls for a range of measures that are to be carried out in all sectors, including those aimed at achieving gender equality.

It is expected that measures outlined in the gender equality matrix will help shrink the gender gap if they are fully implemented.

4. It should be noted that gender issues cut across a number of different sectors and accordingly are included in a limited way in the matrixes of other sectors in the draft PRS with the aim of taking an integrated approach to resolving the problems described above. For example, ensuring equal access for boys and girls to basic and general education is reflected in the "Education" sector, measures to promote equal access to medical services are found in the "Health care" sector, measures to support entrepreneurial activities undertaken by women are included in the "Improvement of the investment climate, development of the private sector and entrepreneurship" sector, issues concerning employment and social protection for men and women appear in the "Social welfare" sector, and so on.

5. The matrix of measures to achieve gender equality covers problems that are to be addressed on a priority basis and are aimed exclusively at the implementation of government gender policy. The measures are grouped by the problems that are being addressed and consist of the following tasks: 1) improvement of the institutional base for gender policy; 2) creation of effective mechanisms to promote equal access to resources; 3) reduction in the level of domestic violence and violence in society.

6. Improvement of the institutional base of gender policy (task 1) entails a study of the need for amendments to the law on the civil service and the drafting of the relevant sublegal acts. There are plans to establish an inter-agency coordinating body, to perform a functional survey and to define the specific functions and authorities of agencies responsible for the drafting and implementation of gender policy. The introduction of "soft" quota methods for

women in government agencies, the strengthening of female personnel potential among civil service employees and the drafting and implementation of a targeted programme to promote women to management positions are also planned.

7. The establishment of effective mechanisms to broaden women's access to resources (task 2) entails the implementation of information campaigns and expansion of the practice of setting quotas for young women and men from remote regions. Assuming that additional funds can be raised, there are plans to set up education and training centres. In order to overcome traditional stereotypes about women, there are plans to perform expert reviews of curricula and textbooks from a gender standpoint, and to carry out measures to reduce the employment of women in domestic service jobs.

8. A reduction in all types of violence (task 3) is focused on improving the information available to the public, raising the level of gender awareness among law enforcement personnel and establishing a National Analytical Centre under the Ministry of Internal Affairs.

9. It is expected that implementation of the measures outlined for 2007-2009 will make it possible:

- to boost the percentage of women employed in government bodies by 11% (in 2009) compared to 2005;

- to expand the number of women as a proportion of the economically active population from 19% (in 2005) to 25% (in 2009);

- to increase women's access to financial resources from 19% (in 2005) to 35% (in 2009).

7. FINANCING OF PRS IMPLEMENTATION

1. The programme of activities set forth in the preceding sections will require significant funding for its implementation. The ***state budget*** will provide the bulk of this funding. Internal budget resources for the implementation of key projects aimed at infrastructure development and the pursuit of institutional reforms will be supplemented by ***foreign aid*** provided to Tajikistan by international organizations and bilateral donors. ***Foreign direct investment*** has an important role to play in addressing economic development tasks that occupy a central position in this Strategy. These three main sources of financing should make it possible to mobilize resources for the implementation of the PRS.

2. The attraction and utilization of financial resources for the PRS are based on the following principles:

➢ ***Focus on long-term development***. The country has successfully carried out the task of establishing socio-economic and political stability and it has moved on to addressing fundamental tasks in its long-term development. This means that it is especially in need of long-term investments now to support the development of the private sector of the economy and to establish the foundations for the sustainable functioning of the social sector. At the

same time, this reduces the need for humanitarian assistance and other short-term methods to ease the most acute manifestations of poverty.

- ***Realism***. While the PRS financing programme is fairly ambitious, it is based on a sober assessment of the possibilities for mobilizing internal resources, attracting foreign assistance and foreign direct investment. It also takes into account the country's ability to make productive and effective use of the resources available.

- ***Prioritization of spending programmes***. The concentration of resources in the most important policy areas is an important instrument to ensure that the PRS is realistic and to promote more effective use of these resources.

3. The PRS financial programme proceeds from the scenario for the country's macroeconomic development that is presented in Table 3. It is based on realistic assumptions regarding the external environment in which Tajikistan's economy is developing. According to this scenario, in 2007-2009 the country's economy will grow steadily, GDP will increase at an average annual rate of at least 7%, inflation will be kept at around 6-7% and gross investment in fixed capital will average at least 20% of GDP. In the event that major energy and infrastructure projects are implemented, gross investment could grow considerably.

Table 3

Main Macroeconomic Indicators of Tajikistan's Development in 2007-2009*

	2006	2007	2008	2009
		Forecast		
Real GDP in 2006 prices (million somoni)	9,272.2	9,967.6	10,675.3	11,422.6
Per capita GDP (somoni, in 2006 prices)	1,311.3	1,380.4	1,447.7	1,523.1
Growth in real GDP (%)	7.0	7.5	7.1	7.0
Average annual inflation rate (%)	12.5	7.0	6.0	6.0
Exports of goods and services as a percentage of GDP	49.8	46.5	47.1	47.5
Imports of goods and services as a percentage of GDP	61.3	65.1	65.2	65.5
Broad money as a percentage of GDP	11	12	13.5	15
Gross investment in fixed capital as a percentage of GDP	17.2	22.4	21.0	20.0
State budget revenues as a percentage of GDP	17.8	19.3	19.9	20.7
State budget expenditures as a percentage of GDP (not including PIP)	17.3	20.3	20.9	21.7
State budget surplus/deficit as a percentage of GDP (not including PIP)	+0.3	-1.0	-1.0	-1.0
Broad state budget deficit indicator (%)	2.7	13.7	9.81	5.50
External government debt as a percentage of GDP	33.2	46.1	52.4	55.0
External debt service as a percentage of state budget revenues	2.6	3.0	3.2	3.2

*Forecasts prepared by the Ministry of Economic Development and Trade, the Ministry of Finance and the National Bank of Tajikistan, and indicators set down in the Republic of Tajikistan Law on the State Budget of the Republic of Tajikistan for 2007 (including data for 2008-2009) were used in the preparation of the table.

4. During the period that the PRS is to be implemented, steady growth in state budget revenues is expected thanks to economic growth, tax and customs policies and administrative measures that are being undertaken (see section 4). It is planned that state budget revenues in 2007-2009 (not including grants to support the budget) will increase by an average of 0.8% of GDP per year. Financing to cover the PRS deficit is to be provided by attracting concessional credits (with a grant component equal to at least 40%) or grant financing to the extent possible, while at the same time minimizing the risk of macroeconomic instability. As a result, the expenditure side of the budget (including the anticipated financing of the PRS deficit) could reach 29% of GDP in 2009.

5. There will be changes in the structure of budget expenditures arising from the greater emphasis on PRS priorities in government spending policy. The planned structure of budget expenditures broken down by the main items of the functional classification is shown in table 4. As one can see from the table, the government is planning an increase in spending on priority sectors in the PRS, the financing for which is to be provided primarily out the state budget. It is worth noting that the changes in budget spending policies affect both the national and local budgets. There will be an increase in the funding for PRS priorities in local budgets as well.

Table 4

Structure of state budget expenditures, %

	2007	2008	2009
	Forecast		
Expenditures – total (including CSIP and PIP)*	100	100	100
Agriculture	5.4	5.7	4.0
Transportation and communications	16.3	17.3	7.5
Mining and construction	1.0	1.0	1.0
Fuel and energy complex	17.4	10.5	11.8
Housing and municipal services	4.2	3.6	3.8
Education	15.4	16.3	18.4
Health care	5.4	5.8	6.7
Social welfare	11.1	13.1	15.4
Other components of the social sector	1.6	1.6	1.7
Public administration and other budget expenditures	22.2	25.1	29.7

*The decline in the share of transportation and communications in 2009 is due to the utilization of a large credit from China.

6. Government efforts to develop the economy will be focused on creating a favourable business and investment climate in the country (see section 4) and, as a rule, will not entail direct budget participation in the financing of production activity at enterprises. In certain cases, however, with a view to stimulating private investment, the government will allocate budget funds for the co-financing of investment projects, which are of the greatest importance in terms of the country's development, in energy, transportation and in the production, processing and sale of agricultural produce, particularly cotton. The implementation of these projects will be based on an equitable and mutually advantageous partnership between the state and investors.

7. The main instruments for implementation of the government's investment policy will continue to be the Public Investment Programme, which is financed predominantly from outside sources (see table 5), and the Centralized State Investment Programme, which is financed from internal budget funds (see table 6). The focus of these programmes on the key elements of PRS policy will also grow substantially.

8. The volume of financing within the PIP represents a fairly substantial package of investment resources: in 2006 PIP funds were used to effect investments equal to 8.5% of GDP. The projected level of investments under the PIP in 2007, 2008 and 2009 will be equal to 13.3%, 8.8% and 4.5% of GDP, respectively, or an average of 8.9% of GDP per year[1], which represents an increase over the previous period. The growth in PIP resources, which is due primarily to the attraction of additional external financing sources, will not lead to a tightening of current spending, the dynamics of which will be determined by the logic of the reforms envisioned by the PRS. The process of compiling the Public Investment Programme for 2007-2009 was coordinated closely with the process of drafting this PRS, as a result of which the PIP for 2007-2009 reflects in financial terms the priorities and sequence of measures under the PRS (see table 5). The bulk of the PIP funds will be earmarked for PRS priorities (see Chapter 3) such as: 1) development of the private sector and stimulating investment through the implementation of investment projects in the energy, transportation, agricultural and water resources sectors; and 2) development of human potential through the pursuit of structural reforms in education, health care and social welfare and growing investment in the social infrastructure. These measures within the PIP also help to improve public administration, i.e., the implementation of the third PRS priority, since measures aimed at the institutional development of the relevant sectors of the national economy are an integral component of many PIP projects.

Table 5

Projected distribution of PIP funds

	2007	2008	2009
PIP – total, as a percentage of overall state budget expenditures	45.17	45.74	38.92
of which by sector:			
Management of the economy	0.79	1.53	2.10
Agriculture, irrigation and rural water supply	5.08	6.53	4.89
Water supply and sewage services	1.68	0.83	0.45
Energy	18.07	13.58	14.93
Transportation and communications	15.29	17.74	8.82
Education	1.77	2.40	2.13
Health care	1.33	1.32	2.39
Social welfare and labour	0.84	1.26	1.81
Multisector and other sectors	0.32	0.55	1.40

9. The projected funding under the CSIP for 2007-2009 (US$230.7 million) represents an annual average of 2.5% of GDP, or 4.6% of the total cost of programme

[1] The PIP flows are not distributed evenly over the years, which is due to the implementation of a major transportation infrastructure project. It is also connected to the fact that official agreements have not yet been concluded for a number of PIP projects that are expected to be launched in 2008-2009, and they were not included in the total figure.

activities. This figure is reflected, without a breakdown by individual measures, as the contribution of the budget to the financing of the unmet need of the PRS (table 7). An approximate sectoral breakdown of the CSIP for the duration of the PRS is provided in table 6. The Government will revise the distribution of programme resources among the sectors and measures in the PRS activity matrix on an annual basis in accordance with the Strategy's priorities.

Table 6

Projected distribution of CSIP funds

	2007	2008	2009
CSIP – total, as a percentage of overall state budget expenditures	7.45	8.46	9.52
of which:			
Education	1.19	1.35	1.52
Health care	0.40	0.45	0.51
Social welfare	0.09	0.10	0.11
Agriculture	0.32	0.36	0.41
Transportation and communications	0.95	1.08	1.21
Mining and construction	0.47	0.53	0.60
Fuel and energy complex	1.31	1.49	1.68
Housing and municipal services	0.72	0.82	0.92
Public administration	1.16	1.32	1.49
Law enforcement	0.38	0.43	0.48
Other sectors	0.46	0.53	0.59

10. **Expenditures on the implementation of high-priority and priority activities in the PRS** represent the core of PRS financing. Consolidated information on the financial needs of this programme is provided in table 7, while more detailed financial information on each measure is given in Appendix 1.

11. The total demand for financing for the PRS action programme was US$5,029.4 million, including around US$1 billion in concessional external borrowing. The financing approved to date totals US$2,253.7 million, including US$239.3 million from the budget, US$1,172.9 million from the PIP and US$841.5 million in foreign direct investment.

12. The unmet need for financing for the programme as a whole is equal to US$2,775.7 million. It is assumed that in order to cover the gap in financing, concessional foreign aid will need to be attracted under the PIP in the amount of US$537.2 million (including just over US$100 million in concessional loans), in addition to US$2,007.9 million in foreign direct investment and a projected CSIP contribution of US$230.7 million. The determination of this foreign borrowing figure took into account Tajikistan's compliance with prudential criteria for fiscal stability and the sustainability of foreign debt, such as the net present value of foreign debt to GDP, for example. Foreign direct investment should be the main source used to cover the programme deficit, and the additional need for FDI is equal to 40.1% of the total programme cost.

13. It is assumed that all of the funding provided to Tajikistan by development partners for poverty reduction purposes, particularly investment funds, will be taken into

account in the state budget and will be focused on the implementation of measures outlined in the Strategy's activity matrix.

Table 7

Financing needs for priority activities in the PRS (millions of U.S. dollars)

Sector of Tajikistan's economy	Total need	Confirmed financing[2]				Unmet need				Unmet need as a percentage of total need			
		Budget	External financing		Total	Budget	External financing		Total	Budget	External financing		Short-fall - total
			PIP – total (credit/grant)	FDI			PIP – total (credit/grant)	FDI			PIP – total (credit/grant)	FDI	
Public administration	10.0	0.0	5.0 (0/ 5.0)	0.0	5.0		5.0 (0/5.0)	0.0	5.0		50.0 (0/100)	0.0	50.0
Macroeconomic policy	82.9	6.3	58.6 (42.9/15.7)	0.0	64.9		18.0 (2.1/15.9)	0.0	18.0		21.7 (2.5/19.2)	0.0	21.7
Improvement of investment climate, development of private sector	33.5	0.0	16.1 (0/16.1)	0.0	16.1		17.4 (0/17.4)	0.0	17.4		51.9 (0/51.9)	0.0	51.9
Development of regional cooperation and integration into global economy	279.4	1.7	19.7 (0/19.7)	200.0	221.3		8.1 (0/8.1)	50.0	58.1		2.9 (0/2.9)	17.9	20.8
Development of transportation	581.6	32.3	340.2 (331.4/8.8)	5.0	377.5		72.8 (11.0/61.8)	131.3	204.1		12.5 (1.9/10.6)	22.6	35.1
Development of communications	56.1	0.0	0.0	0.0	0.0		8.1 (4.5/3.6	48.0	56.1		14.4 (8.0/6.4)	85.6	100.0
Development of energy	1899.0	123.3	365.9 (328.0/37.9)	498.5	987.8		61.2 (30.8/30.4)	850.1	911.1		3.2 (1.6/1.6)	44.8	48.0
Development of industry	1024.9	0.0	0.0	138.0	138.0		6.9 (0/6.9)	880.0	886.9		0.7 (0/0.7)	85.9	86.6

[2] Includes projects that: 1) have been signed and will be implemented within the framework of the given PRS; 2) are in the development stage and are planned for implementation of the given PRS; 3) are contained in donor assistance programmes and are slated for implementation within the PRS.

Sector of Tajikistan's economy	Total need	Confirmed financing[2]				Unmet need				Unmet need as a percentage of total need			
		Budget	External financing		Total	Budget	External financing		Total	Budget	External financing		Short-fall - total
			PIP – total (credit/grant)	FDI			PIP – total (credit/grant)	FDI			PIP – total (credit/grant)	FDI	
Total for the development of infrastructure, transportation and communications, energy and industry	**3561.6**	**155.6**	**706.2 (659.4/46.8)**	**641.5**	**1503.3**		**148.9 (46.3/102.6)**	**1909.4**	**2058.3**		**4.2 (1.3/2.9)**	**53.6**	**57.8**
Food security and development of agriculture	225.8	21.1	151.7 (120.5/31.2)	0.0	172.9		37.4 (6.1/31.2)	15.5	52.9		16.6 (2.7/13.9)	6.9	23.5
Development of education	157.9	20.4	61.8 (15.4/46.4)	0.0	82.2		45.7 (8.6/37.1)	30.0	75.7		28.9 5.4/23.5)	19.0	47.9
Development of science	9.3	0.2	0.5 (0/0.5)	0.0	0.7		8.6 (0/8.6)	0.0	8.6		92.5 (0/92.5)	0.0	92.5
Total for education and science sector	**167.2**	**20.6**	**62.3 (15.4/46.7)**	**0.0**	**82.9**		**54.3 (8.6/45.7)**	**30.0**	**84.3**		**32.5 (5.1/27.4)**	**17.9**	**50.4**
Development of the health care system	160.8	26.2	82.2 (23.7/58.4)	0.0	108.5		52.4 (10.2/42.2)	0.0	52.4		32.6 (6.3/26.3)	0.0	32.6
Social welfare	46.2	0.5	11.6 (0/11.6)	0.0	12.1		34.1 (0/34.1)	0.0	38.5		73.8 (0/73.8)	0.0	73.8
Expanded access to water supply, sanitation and housing and municipal services	180.2	5.4	35.6 (20.9/14.7)	0.0	40.9		136.3 (26.9/109.4)	3.0	139.3		75.6 (14.9/60.7)	1.7	77.3
Promotion of environmental sustainability	47.8	1.8	22.5 (6.2/16.3)	0.0	24.3		23.5 (0/23.5)	0.0	23.5		49.2 (0/49.2)	0.0	49.2

Sector of Tajikistan's economy	Total need	Confirmed financing[2]				Unmet need				Unmet need as a percentage of total need			
		Budget	External financing		Total	Budget	External financing		Total	Budget	External financing		Short-fall - total
			PIP – total (credit/grant)	FDI			PIP – total (credit/grant)	FDI			PIP – total (credit/grant)	FDI	
Gender equality	3.2	0.0	1.6 (0/1.6)	0.0	1.6		1.7 (0/1.7)	0.0	1.7		53.1 (0/53.1)	0.0	53.1
Total expenditures under the PRS	**5029.4**	**239.3**	**1172.9 (888.9/284.0)**	**841.5**	**2253.7**	**230.7**[3]	**537.2 (100.3/436.9)**	**2007.9**	**2775.7**	4.6	**10.7 (2.0/8.7)**	**40.1**	**55.1**

[3] The projected total of the CSIP for 2007-2009 is shown, and a sectoral breakdown will be performed annually with a focus on PRS measures

14. In order to preserve the prioritization principle in the process of implementing the PRS, strategy measures were ranked when the document was being drafted, and measures with the highest priority were identified (the method used for determining the priorities is described in Appendix 3). The unmet need for financing of high-priority measures alone (within the framework of foreign assistance, not including the PIP) is equal to US$276.8 million, or 5.77% of the total need for financing of the PRS and 10.87% of the total unmet need for financing. The unmet financial need for high-priority measures broken down by sector is shown in table 8.

Table 8

Unmet financial need for high-priority measures

Sector of the economy	Shortfall, million U.S. dollars	% of total financial need	% of total unmet need
Public administration	5.0	50.00	100.00
Macroeconomic policy	16.8	20.23	92.96
Improvement of the investment climate, development of the private sector and entrepreneurship	6.3	18.81	36.17
Development of regional cooperation and integration into the global economy	6.7	2.41	11.58
Development of transportation	27.3	4.69	13.37
Development of communications	7.8	13.86	13.86
Development of energy	28.1	1.48	3.08
Development of industry	1.0	0.10	0.11
Total for the development of infrastructure, transportation and communications, energy and industry	**64.1**	**1.8**	**3.11**
Food security and development of agriculture	28.5	12.63	53.87
Development of education	38.0	24.10	50.27
Development of science	6.2	66.14	71.52
Total for the education and science sector	**44.2**	**26.44**	**52.44**
Development of the health care sector	41.8	25.99	79.83
Social welfare	22.3	48.18	65.29
Expanded access to water supply, sanitation and housing and municipal services	22.7	12.60	16.30
Promotion of environmental sustainability	17.4	36.36	73.89
Promotion of gender equality	1.0	30.37	59.24
Total expenditures under the PRS	**276.8**	**5.77**	**10.87**

15. The unmet need for the financing of priority measures under the PRS (within the framework of foreign assistance, not including FDI) totals US$260.4 million, or 5.43% of the total need for PRS financing and 10.23% of the total unmet need for financing. In addition to the high priority-measures, in order to achieve the goals and priorities of the PRS, the

government is hoping to attract foreign assistance for the priority measures as well so as to ensure the consistent and integrated implementation of reforms.

16. The PRS devotes a great deal of attention to the creation of favourable conditions for the development of the private sector and for the attraction of FDI, particularly in the real sector of the economy (energy, air and rail transport, communications, various sectors of industry, etc). In accordance with the PRS measures, there are plans to use US$2,849.4 million in FDI (or 57.0% of the total need for implementation of the PRS), of which, according to the available data, US$841.5 million has been confirmed. The additional need for FDI is US$2,007.9 million. It is anticipated that part of the additional need for FDI may be met through domestic private investment, assuming favourable conditions.

17. As already mentioned above, the principal financial instrument for implementation of the PRS is the state budget, which reflects its goals, tasks and measures. The Medium-Term Budget Framework has a key role to play in bringing the state budget into line with the political priorities set forth in the NDS/PRS. Since a sectoral approach is taken in the NDS/PRS, the PRS should also be based on a sectoral breakdown of budget expenditures. The state budget currently follows a regional principle for the most part, and therefore a transitional period is needed to modify the budget compilation principles and to effect the full-scale introduction of budget planning based on the MTBF. This should be fully elaborated by 2009. Active preparations are already under way, however, for the transition to the MTBF and a Republic of Tajikistan Government Resolution on the Introduction of the Medium-Term Budget Framework for State Spending in the Republic of Tajikistan has been adopted, a Regulation on the Formation and Introduction of a Medium-Term Program for State Spending has been approved and an Instruction on Per Capita Financing for General Education Institutions in pilot towns and regions has been issued, among other things. As a result, it is possible that the amount of domestic budget financing for PRS sectors will be modified somewhat.

8. MANAGEMENT OF PRS IMPLEMENTATION AND MONITORING

1. The management of the implementation of the Poverty Reduction Strategy will be organized in such a way as to ensure that the government achieves the goals set forth in the Strategy, internal and external resources are mobilized and maximum use is made of them, and all of the various segments of society are involved in the poverty reduction effort.

2. The ***National Development Council*** (NDC), which is being established under the President of the Republic of Tajikistan, will play a leading role in the implementation of the PRS. It is anticipated that its membership will include representatives of the government, Parliament and civil society. The Council will determine the overall reform strategy, it will review progress reports on implementation of the PRS and it will initiate the drafting of a new PRS. The ***NDC Secretariat*** will be responsible for the day-to-day operations related to coordinating the efforts of public and private participants in the PRS process, defining the legal status of the NDS/PRS, analyzing the results of the PRS implementation process, preparing proposals for changes in the PRS and the drafting of a new PRS and ensuring that all government programmes and strategies are subordinate to and focused on the Poverty Reduction Strategy.

3. All of the practical activities aimed at implementation of the Strategy will be coordinated by the Republic of Tajikistan government. The Ministry of Finance will ensure that the Medium-Term Budget Framework and annual budgets are consistent with the goals, tasks and measures set forth in the PRS. Sectoral ministries, departments and local government authorities will be the principal working bodies engaged in the implementation of the PRS within the relevant sectors and regions. They will be responsible for the implementation of the relevant sections of the activity matrix, which is an integral part of the PRS. The government will engage in constructive cooperation with donor organizations to ensure the coordinated and effective use of the foreign aid being provided to the country, and it will also foster a favourable environment to attract direct foreign investment and domestic investment in the economy.

4. Parliament is called upon to draft legislation that reflects the policy measures outlined in the Strategy, and also to take into account PRS goals and priorities in the review and approval of the state budget.

5. Civil society organizations will have an important role to play in the implementation of the PRS, as they are called upon to mobilize the social potential to achieve the Strategy's goals. The various forms for participation by civil society will include providing social services, disseminating information about the PRS among the public, participation in PRS monitoring and in the consultative process related to its implementation, and ensuring transparency and accountability in the implementation process. Effective cooperation and partnership between government bodies and non-governmental organizations will be an key element of this effort. The contribution by civil society organizations to involving local communities in the PRS implementation process will be particularly important.

6. The functions and responsibilities of various government agencies in the PRS implementation process, as well as the place of the NDS and PRS in the overall regulatory and legal system in Tajikistan, will be determined by a special regulatory act that is scheduled for adoption in 2007.

7. One of the most important elements of the system for the management of PRS implementation is the Poverty Reduction Strategy Monitoring and Assessment System (MAS). Its purpose is to ***track progress in achieving the goals of the PRS, identify positive experience that has been gained and current problems in the implementation of the Strategy, analyze development processes within the framework of the PRS and elaborate sound proposals to make adjustments in poverty reduction policies*** aimed at enhancing its effectiveness. The MAS allows for close and direct feedback between policy decisions that are made and the results of their practical implementation, as well as transparency and accountability in activities related to the PRS goals.

8. The fundamental principles of PRS monitoring and assessment are independence of the assessment process, transparency and accountability, a focus on results and the Strategy's priorities, use of the latest monitoring methods and involvement of Parliament, executive government authorities at all levels, local self-government bodies and development partners.

9. Structure of the Monitoring and Assessment System. The quantitatively defined ***Strategy goals*** form the foundation of the MAS. A ***system of indicators*** is used to measure the country's progress along the path toward these goals, which makes it possible to track the

effectiveness and outcome of the policy measures set forth in the PRS. The ***data collection system*** for monitoring indicator values and other quantitative and qualitative information that describes Tajikistan's socio-economic development is a key subsystem of the MAS. Other components of the MAS include:

- a ***system for the analysis of information*** collected in the monitoring process, which is intended to evaluate the effectiveness of measures aimed at the country's socio-economic development within the framework of the PRS and the drafting of proposals to improve PRS policies;

- a ***system for the dissemination of information*** on the results of the monitoring of PRS implementation and the collection of responses to this information on the part of various participants in the PRS implementation process.

The effective functioning of the entire MAS is determined by the ***institutional and financial support*** provided for monitoring and assessment processes.

10. The PRS goals, which are simultaneously intermediate goals of the NDS, are outlined in section 3 of this document. Effective monitoring and assessment of PRS implementation activities are made possible by the fact that these goals are interdependent, have been quantitatively defined and are linked to the PRS time horizon. The PRS goals fully incorporate the Millennium Development Goals, which Tajikistan adopted along with the entire international community.

11. The PRS monitoring indicators are provided in Appendix 2[4]. The system of monitoring indicators encompasses all of the PRS policy directions, all types of resources used to implement the Strategy and all of the results to be achieved in the Strategy implementation process. Four main types of monitoring indicators are employed: 1) ***input indicators***, which describe the policy for the attraction and distribution of state budget funds and other resources used for implementation of the Strategy; 2) ***output indicators***, which describe the direct results of efforts by government agencies to implement the PRS; 3) ***outcome indicators***, which show the extent to which PRS activities have changed the socio-economic situation in the country, how public access to basic government services has grown and how satisfied the public is with these services; and 4) ***impact indicators***, which reveal how the people's welfare has changed and describe directly the degree to which the Strategy goals have been met.

12. PRS monitoring will be carried out on the basis of the indicator values for the country as a whole and (when possible and appropriate) with a breakdown by regions, gender and other characteristics, with a separate look at especially vulnerable segments of the population. Sectoral and local government bodies may use additional indicators that reflect the specific development tasks facing them. Thus, the system of indicators will provide a full range of information for monitoring at all levels: at the national, sectoral, regional, project and programme levels.

13. In addition to regular monitoring of the principal PRS indicators, various types of surveys will also be employed:

[4] The set of indicators provided therein is subject to further revision in the Strategy implementation process.

- *joint monitoring and assessment* (using assessment forms, for example) will make it possible to provide valuable information on PRS implementation at the local community level;

- *tracking of government spending*, which means checking actual government spending against the approved budget;

- *tracking of services provided*, to determine the accessibility and quality of basic government services, such as education, health care and water supply;

- *impact assessment*, which is meant to provide an in-depth analysis of the design of the main programmes within the PRS and progress in their implementation.

These surveys will be ordered by the authorized government body responsible for monitoring problems and will be performed by independent research organizations and civil society organizations. Measures will be taken to boost the internal potential for the performance and use of these surveys both among government agencies and independent research organizations and consulting companies. The results of these surveys will be taken into account in evaluating the implementation of the PRS and will be included in the annual report on its implementation.

14. The information collection system will be organized in such a way as to ensure that the requirements for complete data needed to make management decisions and economical use of government resources spent on obtaining this information are both taken into account. Attention will also be given to the sustainability of information collection processes; an effort will be made to include in the monitoring system only those indicators and measurement methods for which sufficient internal government funding will be available over the long term.

15. Substantial improvements will be made in the collection of information on the welfare of households and on the level and nature of poverty in the country. This information will become the basis for PRS monitoring.

16. The periodicity of data collection for various indicators will be determined by the degree of variability in the phenomena reflected by these indicators and by the need for new data to make management decisions and elaborate policies, although data will be updated at least once a year for all of the indicators. A monitoring calendar will be prepared that ensures the timely delivery of information needed to make policy decisions. It is essential that this calendar be coordinated with the timetable for the compilation of the Medium-Term Budget Framework and annual budgets. Measures will be taken to reduce the time lag in the presentation of indicator values (in particular with regard to the poverty rate and other poverty indicators). This will allow decision-makers to base policies on actual data.

17. The State Statistics Committee (SSC), which will provide for the timely collection, processing and presentation of most of the data for all indicators, has a central role to play in the data collection system. The SSC Statistical Activities Programme will be brought fully into line with the needs of the PRS by including the measurement of indicators needed for the proper assessment of the PRS, and by excluding those indicators for which there is no demand. With the support of international development organizations, steps will

be taken to reinforce the potential of statistical agencies, including regional offices, to obtain objective, accurate and timely information on the country's socio-economic development.

18. Ministries and departments, which provide data on their own activities and on conditions in the sectors under their jurisdiction to all of the participants in the Strategy implementation process, are another important source of monitoring data (particularly with regard to input and output indicators). Information provided by the Ministry of Finance on the status of Tajikistan's state budget, which is the main source of support for implementation of the PRS, is of particular importance in the monitoring process. Budget information will be set down in sufficient detail in the process of the drafting and execution of the Medium-Term Budget Framework and annual budgets to allow for tracking of the allocation and expenditure of government funds under all elements of the PRS. To accomplish this, work will be done to adapt formats for the presentation of budget information to PRS monitoring and assessment needs, including changes in the budget classification. The State Committee on Investment and State Property Management, the Ministry of Economic Development and Trade, the National Bank, the Ministry of Foreign Affairs, the Centre for Strategic Research and other central and local government bodies will provide for the delivery of key information on the external environment (foreign aid that is being received, the external political situation, external economic and financial conditions, environmental factors, etc.) in which Tajikistan's socio-economic development is taking place, and also on the implementation of measures under the sectoral sections of the PRS and the inputs.

19. The analysis of information collected in the monitoring process and the assessment of policies within the framework of the PRS will be performed by all central executive government bodies responsible for implementation of the Strategy, within their particular scope of authority, with a coordinating role to be played by the Ministry of Economic Development and Trade. Specialists from government and independent research organizations, NGOs and other representatives of civil society will be increasingly involved in the analysis and drafting of proposals on government policy.

20. The results of the analysis and assessment will be summarized in the form of annual progress reports on implementation of the PRS, which contain an analysis of the existing problems and recommendations for making adjustments in policy directions where they are needed according to the analysis, as well as suggestions for the dissemination of positive experiences. These reports should be presented within a time frame that allows for full utilization of the information contained therein in the drafting of the annual state budgets.

21. The dissemination of information on monitoring and assessment results will be carried out by means of public information campaigns, the publication of summary and sectoral/regional progress reports on implementation of the PRS, the organization of public discussions and also through the creation of a special Internet portal that contains complete information on monitoring data and the PRS assessment results, including monitoring data obtained by civil society organizations. A great deal of attention will be given to providing feedback involving all of the interested parties, and comments and suggestions on improving PRS implementation policies and mechanisms will be collected through the Internet portal, through public debate programmes (including parliamentary hearings), seminars with NGOs and other means.

22. The institutional structure of the MAS. The Ministry of Economic Development and Trade and the public Expert Methodological Council (EMC) will be the working bodies of the NDC Secretariat in the monitoring and assessment sphere.

The principal functions of the Ministry of Economic Development and Trade in the monitoring and assessment sphere will be: to establish the legislative basis for the legal status of the NDS/PRS, to organize monitoring and assessment processes at all levels of management, to draft regulatory legal acts in the monitoring and assessment sphere, to integrate monitoring and assessment results into the scale of the entire Strategy, to prepare annual reports on PRS implementation, to coordinate the activities of other MAS participants, to maintain a dialogue with development partners and to disseminate information on monitoring and assessment processes and results. The Ministry of Economic Development and Trade will also have full access to information on foreign assistance received by the country to help in implementation of the PRS.

23. The *Expert Methodological Council* will include specialists from government agencies, civil society and international organizations. This body will review on a systematic basis methodological issues related to the performance of monitoring and assessment, including the selection of monitoring indicators and the setting of target values, it will analyze flows of information into the MAS, submit proposals for ensuring access to information that is collected and for eliminating duplication in the collection and processing of information and it will perform independent evaluations of monitoring reports prepared by ministries, departments and local government bodies. As needed, the EMC will bring in independent specialists and determine the need for research on specific issues in the implementation of the PRS.

24. As already mentioned, the ***State Statistics Committee*** will be the main source of data for monitoring purposes. In addition, it is being assigned an important role in providing expert support to other participants in the monitoring and assessment process with regard to data collection methodologies and the interpretation of the indicators that are used.

25. The ***Ministry of Finance*** will be another principal source of information needed for PRS monitoring and assessment, and it will provide all of the interested parties with complete and timely information on government funding for development programmes within the framework of the PRS, including the current budget, the PIP and the CSIP.

26. Specially identified units (monitoring and assessment divisions/analytical divisions) within each of the specialized ministries and departments will be assigned responsibility for ***monitoring and assessment of the sectoral components of the PRS***. These subdivisions will coordinate data collection activities and they will present integrated results of the monitoring of PRS implementation in the respective sectors on the basis of departmental data and State Statistics Committee data, linked to information on execution of the state budget, including the PIP and CSIP, and if available, data from independent studies performed by civil society organizations and international organizations. These units will prepare regular sectoral reports on PRS implementation. By analogy with the EMC, sectoral working groups will be established under these bodies, which will include personnel from government agencies, as well as independent experts and civil society representatives.

27. The ***Parliament*** will be actively involved in PRS monitoring and assessment. Representatives of Parliament will serve on the NDC; annual government reports on PRS

implementation (including anticipated inputs/outcomes up to the end of the respective/ reporting year) will be presented to the Parliament together with the annual state budget.

28. The role of ***local government authorities*** in the monitoring and assessment system will consist of organizing the collection of data on the implementation of government programmes being carried out within their jurisdiction, analyzing progress in the implementation of the PRS within their regions and, on the basis of this analysis, preparing proposals for improving PRS policies and implementation mechanisms. To this end, local government authorities will maintain a regular dialogue and discuss monitoring results pertaining to their region with the respective ministries (departments), local communities and civil society organizations.

29. The participation of ***civil society*** in PRS monitoring and assessment processes will be broad and varied. Representatives of civil society organizations will serve on the NDC, the EMC and as members of sectoral working groups in the capacity of experts and representatives of interest groups within the population. ***Local communities*** (*jamoats*), which are called upon to provide information about how the PRS implementation process is perceived by the population, and what sort of problems at the local level require particular attention, are being assigned an important role in monitoring processes. The public will have access to all of the results of PRS monitoring and assessment and suggestions and comments will be collected from citizens and public organizations on all aspects of PRS implementation policies and practices. Civil society organizations will be involved in conducting research on PRS problems, particularly in those areas not covered by official statistics.

30. The system for reporting on the results of PRS implementation will be organized as follows. Local government authorities will provide summary reports on PRS implementation activities within their region to the Ministry of Economic Development and Trade and sectoral reports to specialized sectoral ministries. Projects carried out under the PIP and CSIP will be reported on at the same time to the State Committee on Investment and State Property Management and to specialized ministries. Sectoral ministries will collate all of the information they receive pertaining to their specific sector and will present the summary reports to the Ministry of Economic Development and Trade, where all of the information on PRS implementation will be collected. The procedure and format for the submission of reports by all of the participants in the MAS process, which should eliminate duplication of information submitted, will be determined by the relevant regulatory legal acts adopted in early 2007 by the agency responsible for implementation of the MAS.

31. The PRS Monitoring and Assessment System will be a single system that obviates the need for parallel monitoring structures and eliminates the duplication of information collection efforts. Organization of the MAS will take into account the interests of all of the participants in the PRS implementation process. The monitoring of projects being carried out with the support of international donor organizations will be integrated into the overall monitoring system, which will increase the effectiveness of monitoring funds and will make it possible to strengthen the country's MAS.

32. Significant efforts will be made to strengthen the potential of all of the participants in the monitoring and assessment process, which includes the attraction of additional donor funds for these purposes (many international organizations are already carrying out or planning to begin technical assistance projects in this sphere), as well as an increase in government resources earmarked for monitoring needs.

33. Funding for the monitoring system (the functioning of the SSC and monitoring and assessment units within central and regional government bodies, and the performance of the necessary surveys) will be provided in the appropriate amount through the state budget. Donor funds will be allocated for investment in the human and organizational potential of the MAS. Support will be provided for donor efforts to develop the potential of civil society in the monitoring and assessment sphere.

34. The MAS structure, functions and mechanism will be spelled out in the relevant regulatory act (taking into account the provisions of Decree No. 1080 of the President of the Republic of Tajikistan of 21 May 2003 "On Monitoring and Assessment of the Implementation of the Poverty Reduction Strategy Paper").

35. The Republic of Tajikistan government, in conjunction with donor organizations, will undertake a number of measures to establish an effective MAS, including:

- analysis of weaknesses in the existing system and development of a preliminary set of indicators for this PRS;

- development of a system for the management of PRS results, including a regulatory legal base for the MAS;

- establishment of the necessary organizational structures for monitoring that are provided for under this Strategy, within sectoral and regional government bodies;

- enhancement of the monitoring potential of sectoral ministries (pilot projects at the Ministry of Education and the Ministry of Health);

- improvement of the monitoring potential at the local level.

APPENDIX 1. ACTIVITY MATRIX FOR 2007-2009

Unmet financial need broken down by high-priority measures

Sector code	Sector of the economy	Shortfall, millions of U.S. dollars	% of total financial need	% of total unmet need
1	Public administration	5.0	50.0%	100.00%
2	Macroeconomic policy	16.8	20.23%	92.96%
3	Improvement of the investment climate, development of the private sector and entrepreneurship	6.3	18.81%	36.17%
4	Development of regional cooperation and integration into the global economy	6.7	2.41%	11.58%
13	Development of transportation	27.3	4.69%	13.37%
14	Development of communications	7.8	13.86%	13.86%
15	Development of energy	28.1	1.48%	3.08%
16	Development of industry	1.0	0.10%	0.11%
	Total for development of the infrastructure, transportation, communications, energy and industry	**64.1**	**1.80%**	**3.11%**
6	Development of the agro-industrial complex and food security	28.5	12.63%	53.87%
17	Development of education	38.0	24.10%	50.27%
18	Development of science	6.2	66.14%	71.52.%
	Total for the education and science sector	**44.2**	**26.44%**	**52.44%**
8	Development of the health care system	41.8	25.99%	79.83%
9	Social welfare	22.3	48.18%	65.29%
10	Expansion of access to water, sanitation and housing and municipal services	22.7	12.60%	16.30%
11	Promotion of environmental sustainability	17.4	36.36%	73.89%
12	Gender	1.0	30.37%	59.24%
	Total PRS spending	**276.8**	**5.77%**	**10.87%**

Unmet financial need broken down by priority measures

Sector code	Sector of the economy	Shortfall, millions of U.S. dollars	% of total financial need	% of total unmet need
1	Public administration	0.0	0.00%	0.00%
2	Macroeconomic policy	1.3	1.53%	7.04%
3	Improvement of the investment climate, development of the private sector and entrepreneurship	11.1	33.19%	63.83%
4	Development of regional cooperation and integration into the global economy	1.4	0.50%	2.43%
13	Development of transportation	45.5	7.82%	22.29%
14	Development of communications	0.3	0.54%	0.54%
15	Development of energy	33.1	1.74%	3.63%
16	Development of industry	5.9	0.58%	0.67%
	Total for development of the infrastructure, transportation, communications, energy and industry	**84.8**	**2.38%**	**4.12%**
6	Development of the agro-industrial complex and food security	8.9	3.95%	16.85%
17	Development of education	7.6	4.83%	10.08%
18	Development of science	2.5	26.34%	28.48.%
	Total for the education and science sector	**10.1**	**6.03%**	**11.96%**
8	Development of the health care system	10.6	6.57%	20.17%
9	Social welfare	11.8	25.62%	34.71%
10	Expansion of access to water, sanitation and housing and municipal services	113.6	63.02%	81.54%
11	Promotion of environmental sustainability	6.1	12.85%	26.11%
12	Gender	0.7	20.90%	40.76%
	Total PRS spending	**260.4**	**5.43%**	**10.23%**

Code	Sector of Tajikistan's economy	Total need, million US$	Confirmed financing, million US$					Unmet need, million US$					Unmet need as a percentage of total need				
			Budget	External financing			Total	Budget	External financing			Total	Budget	External financing			Short-fall - total
				PIP	other sources	FDI			PIP	other sources	FDI			PIP	other sources	FDI	
	A	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**	**16**
1	Public administration	10.0	0.0	5.0	0.0	0.0	5.0		5.0	0.0	0.0	5.0	10.0	50.0%	0.0%	0.0%	50.0%
2	Macroeconomic policy	82.9	6.3	58.6	0.0	0.0	64.9		18.0	0.0	0.0	18.0	82.9	21.8%	0.0%	0.0%	21.8%
3	Improvement of the investment climate, development of the private sector and entrepreneurship	33.5	0.0	16.1	0.0	0.0	16.1		17.4	0.0	0.0	17.4	33.5	52.0%	0.0%	0.0%	52.0%
4	Development of regional cooperation and integration into global economy	279.4	1.7	19.7	0.0	200.0	221.3		8.1	0.0	50.0	58.1	279.4	2.9%	0.0%	17.9%	20.8%
13	Development of transportation	581.6	32.3	340.2	0.0	5.0	377.5		72.8	0.0	131.3	204.1	581.6	12.5%	0.0%	22.6%	35.1%
14	Development of communications	56.1	0.0	0.0	0.0	0.0	0.0		8.1	0.0	48.0	56.1	56.1	14.4%	0.0%	85.6%	100.0%
15	Development of energy	1899.0	123.3	365.9	0.0	498.5	987.8		61.2	0.0	850.1	911.2	1899.0	3.2%	0.0%	44.8%	48.0%
16	Development of industry	1024.9	0.0	0.0	0.0	138.0	138.0		6.9	0.0	880.0	886.9	1024.9	0.7%	0.0%	85.9%	86.5%
	Total for the development of infrastructure, transportation and communications, energy and industry	**3561.6**	**155.6**	**706.2**	**0.0**	**641.5**	**1503.3**	**0.0**	**148.9**	**0.0**	**1909.4**	**2058.3**	**3561.6**	**4.2%**	0.0%	**53.6%**	**57.8%**
6	Development of the agro-industrial complex and food security	225.8	21.1	151.7	0.0	0.0	172.9		37.4	0.0	15.5	52.9	225.8	16.6%	0.0%	6.9%	23.4%

Code	Sector of Tajikistan's economy	Total need, million US$	Confirmed financing, million US$					Unmet need, million US$					Unmet need as a percentage of total need				
			Budget	External financing			Total	Budget	External financing			Total	Budget	External financing			Short-fall - total
				PIP	other sources	FDI			PIP	other sources	FDI			PIP	other sources	FDI	
	A	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**	**16**
17	Development of the educational system	157.9	20.4	61.8	0.0	0.0	82.2		45.7	0.0	30.0	75.7	157.9	28.9%	0.0%	19.0%	47.9%
18	Science	9.3	0.2	0.5	0.0	0.0	0.7		8.6	0.0	0.0	8.6	9.3	92.5 %	0.0%	0.0%	92.5%
	Total for the education and science sector	**167.2**	**20.6**	**62.3**	**0.0**	**0.0**	**82.9**	**0.0**	**54.3**	**0.0**	**30.0**	**84.3**	**167.2**	**32.5%**	**0.0%**	**17.9%**	**50.4%**
8	Development of the health care system	160.8	26.2	82.2	0.0	0.0	108.5		52.4	0.0	0.0	52.4	160.8	32.6%	0.0%	0.0%	32.6%
9	Social welfare	46.2	0.5	11.6	0.0	0.0	12.1		34.1	0.0	0.0	34.1	46.2	73.8%	0.0%	0.0%	73.8%
10	Expanded access to water, sanitation and housing and municipal services	180.2	5.4	35.6	0.0	0.0	40.9		136.3	0.0	3.0	139.3	180.2	75.6%	0.0%	1.7%	77.3%
11	Promotion of environmental sustainability	47.8	1.8	22.5	0.0	0.0	24.3		23.5	0.0	0.0	23.5	47.8	49.2%	0.0%	0.0%	49.2%
12	Gender	3.2	0.0	1.6	0.0	0.0	1.6		1.7	0.0	0.0	1.7	3.2	51.3%	0.0%	0.0%	51.3%
	Total PRS spending	**4798.7**	**239.3**	**1172.9**	**0.0**	**841.5**	**2253.7**	**0.0**	**537.2**	**0.0**	**2007.9**	**2545.0**	**4798.7**	**11.2%**	**0.0%**	**41.8%**	**53.0%**

Appendix 1

ACTIVITY MATRIX FOR 2007-2009

PRS Goals	Sector tasks	Outcome indicators	Measures	Output indicators	Agencies responsible	Total need for financing, million US$	Confirmed financing, million US$			Unmet need, million US$	Expression of interest on the part of:	Priority
							Budget	External financing	Donor(s)			
1. More effective management of national development	1.1 Establish a national system for the coordination and promotion of reforms	National system for the coordination and promotion of reforms established	1.1.1 Prepare a survey of cooperation among government, business and civil society in the elaboration and implementation of government policy	Survey prepared	EAP, RTG	10.0		5.0		5	Financing of the sector as a whole	H
			1.1.2 Form the National Development Council and define its role, authorities and organization of its work	National Development Council formed, its role, authorities and organization of its work defined	EAP					0		H
			1.1.3 Establish a body responsible for reforms and development and a body responsible for administrative-territorial development within the EAP RT with a clearly defined mandate	Body responsible for reforms and development established	EAP					0		H
			1.1.4 Instruct the body responsible for reforms and development to supervise the public administration restructuring process on the basis of functional surveys that have been performed	Body responsible for reforms and development has started to supervise the public administration restructuring process on the basis of functional surveys that have been performed	EAP					0		H

			1.1.5 Draft a plan for coordinating the performance of functional surveys	Plan drafted	EAP					0		H
			1.1.6 Define the cooperation between the reform and development body and the National Development Council	Regulatory act adopted that governs cooperation between the reform and development body and the National Development Council	EAP					0		H
			1.1.7 Elaborate and introduce a project approach to the implementation of reforms	Project approach to the implementation of reforms elaborated and introduced (concentration of organizational, financial and intellectual potential on addressing the most important priority problems)	EAP					0		H
			1.1.8 Approve project management mechanisms using specific reforms as a model	Project mechanisms approved	EAP					0		H
			1.1.9 Analyze the effectiveness of the project approach to the implementation of reforms	Analysis of the effectiveness of the project approach to the implementation of reforms performed	EAP					0		H
			1.1.10 Identify persons responsible for the preparation and implementation of reforms within ministries	Persons responsible for the preparation and implementation of reforms identified	EAP					0		H
	1.2 Divide functions and responsibility for the adoption and execution of strategic decisions between the EAP RT and executive government bodies	Functions and responsibility for the adoption and execution of strategic decisions are divided between the EAP RT and executive government bodies (responsibility for	1.2.1 Carry out structural reorganization of the EAP RT	Structural reorganization of the EAP Republic of Tajikistan carried out	EAP					0		H

		the adoption and execution of strategic decisions is increased)										
			1.2.2 Perform an assessment of the reorganization's effectiveness	Assessment of the reorganization's effectiveness performed	EAP, RTG					0		H
			1.2.3 Devise and implement mechanisms for the coordination of priorities at the national, sectoral and regional levels	Mechanisms for the coordination of priorities devised and implemented	EAP					0		H
			1.2.4 Link mechanisms for the adoption and implementation of strategic decisions to the budget process at every level of government	Mechanisms for the adoption and implementation of strategic decisions linked to the budget process at every level of government. Implementation of strategic decisions supported by financial resources	EAP, RTG					0		H
			1.2.5 Define the role, functions and authorities of the Budget Commission with a view to focusing its work on achievement of development priorities coordinated at all levels	The role, functions and authorities of the Budget Commission are defined, its work is focused on achievement of development priorities coordinated at all levels	EAP, RTG					0		H
			1.2.6 Strengthen the role, functions and authorities of the Budget Commission, which in its work on drafting the medium-term public spending strategy is focused on the development	The role, functions and authorities of the Budget Commission are strengthened	EAP, RTG					0		H

			priorities adopted and coordinated at all levels of government									
	1.3 Enhance potential for the elaboration of policy within ministries	New structures created for the elaboration of policy within ministries and the potential of existing structures enhanced	1.3.1 Train management personnel within ministries in evidence-based policy making methods, improve their skills in development project management (project managers)	Management personnel within ministries trained in evidence-based policy making methods, their skills in development project management improved	EAP, RTG, CSA					0		H
			1.3.2 Create special courses/majors in development management at leading universities	Special courses/majors in development management created at leading universities	EAP, RTG, CSA					0		H
	1.4 Develop information potential and increase the use of information technologies in the elaboration and implementation of government policies at all levels of government	Number of government bodies at all levels using up-to-date information technologies in the elaboration and implementation of government policies	1.4.1 Determine basic information needs for the elaboration and implementation of government policies at all levels of government	Report submitted and practical recommendations presented	RTG					0		H
2.			1.4.2 Devise and adopt a strategy for the development of information potential, including potential for the management of information technology systems, and for evidence-based policy making and monitoring	Strategy adopted	RTG					0		H
			1.4.3 Approve methods for the collection and processing of data,	Work plan implemented	RTG					0	ITC/ SECO	H

			create an electronic data base and devise and introduce analytical instruments in key policy (development) areas									
2. Improvement of the public administration system in accordance with market economy principles	2.1 Reduce government interference in economic activity	Number of government supervisory bodies eliminated and number of inspections conducted in a year	2.1.1 Conduct detailed functional surveys of all ministries and departments: - identify duplicated and superfluous functions; - prepare a timetable for their revision; - specify a conceptual structure for the organization of government bodies; - make necessary amendments to regulatory legal acts	Report and practical recommendations presented	EAP, RTG					0		H
		Number of different activities subject to licensing	2.1.2 On the basis of functional surveys performed: (1) adopt measures to carry out their recommendations; (2) draft and adopt regulations on cooperation between ministries and the organizations supervised by them, retaining the ministries' policy-making and control functions for the most part	Relevant decision adopted	EAP, RTG					0		H
		Number of state enterprises privatized	2.1.3 Prepare a timetable for the organizational separation of ministries from state enterprises not	Timetable prepared and approved	EAP, RTG					0		H

			included in the privatization programme									
			2.1.4 Implement plans to separate ministries from state enterprises not included in the privatization programme	Relevant decision adopted	EAP, RTG					0		H
			2.1.5 Conduct a comprehensive survey of non-profit organizations under the jurisdiction of relevant ministries, prepare a programme for their restructuring and/or privatization	Report and practical recommendations presented	EAP, RTG					0		H
			2.1.6 Carry out privatization on a pilot basis and/or restructure certain non-profit entities under the jurisdiction of ministries	Work plan carried out	EAP, RTG					0		H
	2.2 Normalize government functions related to regulation	Proportion of regulatory legal acts adopted using elements of the analysis of the economic consequences of government regulation	2.2.1 Prepare a clearly defined legislative base for the main control and supervisory functions, with special attention given to inspection procedures, ensuring impartiality and protecting the economic rights of the private sector	Relevant legislative acts adopted	EAP, RTG					0	IFC/ SECO	H
			2.2.2 Adhere to procedures for the analysis of the economic consequences of government	Relevant legislative acts adopted	EAP, RTG					0	IFC/ SECO	H

			regulation and a mandatory expert assessment of newly established functions in the drafting of laws, with a view to avoiding duplication and excessive government interference in the economy, extending these norms to all levels of government and local self-government									
			2.2.3 Restructure supervisory bodies at all levels of government in accordance with the new legislation	Relevant decisions adopted	EAP, RTG					0	IFC/ SECO	H
			2.2.4 Prepare a survey of the development of administrative justice (in accordance with the code on administrative procedures that has been drafted)	Report and practical recommendations presented	RTG					0		H
			2.2.5 Draft and implement a programme for the development of administrative justice	Programme drafted and being implemented	RTG					0		H
			2.2.6 Prepare a survey of regulatory legal controls on administrative procedures in the performance of functions and interaction of executive	Report and practical recommendations presented	RTG					0		H

			government bodies and their local subdivisions									
			2.2.7 Draft and adopt regulatory legal acts governing administrative procedures	Relevant regulatory legal acts adopted	RTG					0		H
			2.2.8 Revise the functions of the body authorized to manage state property with a view to concentrating the main state property management functions within that body	Relevant decision adopted	EAP, RTG					0		H
			2.2.9. Implement the Strategic Plan for the Privatization of Large and Medium-Sized Enterprises	Strategic Plan implemented	EAP, RTG					0		H
			2.2.10 Perform an analysis of the results of the Plan's implementation	Report and practical recommendations presented	EAP, RTG					0		H
			2.2.11 Adopt measures of a legal nature aimed at eliminating interference by regional government bodies in the economic activities of organizations, particularly in agriculture	Relevant decision adopted	RTG					0		H
			2.2.12 Perform an analysis of the situation following the implementation of the relevant measures	Report and practical recommendations presented	RTG					0		H
3. Make more effective use of government finances	3.1 Strengthen the connection between the budget and development	Preparation of projected budget indicators is based on long-range plans	3.1.1 Prepare a survey of the consequences of dividing the state	Survey prepared	EAP, RTG					0		H

	priorities and government economic policy	and development forecasts	budget into a current spending budget and development budget									
			3.1.2 Divide the budget, taking into account a review of the survey results	Regulatory and other instructive materials prepared and introduced	EAP, RTG					0		H
			3.1.3 Introduce the mandatory analysis of financial consequences of political decisions	Provisions concerning the need for expert findings regarding financial consequences are included in the operating regulations for government agencies	EAP, RTG					0		H
			3.1.4 Review and integrate within a single government agency all instruments for the planning of socio-economic development	The functions and analytical potential of the MEDT for forecasting are strengthened	EAP, RTG					0		H
			3.1.5 Evaluate the effectiveness of the new mechanism	Evaluation performed	EAP, RTG					0		H
			3.1.6 Adopt an instruction on project management for investment programmes using project management methods	Instruction drafted and adopted	EAP, RTG					0		H
			3.1.7 Apply new project management regulations to all investment programmes	Regulations drafted and implemented	EAP, RTG					0		H
			3.1.8 Identify and launch pilot projects to rationalize the dual subordination system under which local finance departments (treasury offices) operate	Harmonization of the interests of central and local executive government authorities	EAP, RTG					0		H

			3.1.9 Initiate the phased-in introduction of a new accountability system for local finance departments (treasury offices)	Increase in the financial responsibility of the agency to which a finance department (treasury office) reports	EAP, RTG					0		H
			3.1.10 Link the expenditure side of the budget to (outcome-based) measures in education and health care (per capita funding) on a pilot basis	Execution of the expenditure side of the budget rationalized as a result of a change in the budget planning system	EAP, RTG					0		H
			3.1.11 Link the expenditure side of the budget to outcome-based measures for education and health care at all levels of government, taking into account the new allocation of authorities in this area (implementation in full before the end of 2015)	Execution of the expenditure side of the budget rationalized as a result of a change in the budget planning system	EAP, RTG					0		H
	3.2 Determine responsibility for financial functions	Increase in the responsibility and independence of ministries in terms of financial functions	3.2.1 Redistribute functions among ministries in the economic block and link strategies and investment programmes to the budget process	Strategies and investment programmes linked to the budget process, functions redistributed among ministries	EAP, RTG					0		H
			3.2.2 Assign the Ministry of Finance responsibility for determining the funding package and ensuring that strategies and programmes are linked to the budget	Medium-Term Budget Framework introduced	EAP, RTG					0		H

			process									
			3.2.3 Take extrabudgetary revenues and expenditures into account in the budget, with the exception of social extrabudgetary funds	Increase in budget revenues	RTG					0		H
	3.3 Improve financial decision-making processes at ministries	Financial decisions at ministries take into account an assessment of the financial consequences; more effective use of budget resources by ministries	3.3.1 Optimize the functions of ministries with regard to monitoring special funds, and increase the responsibility of ministries for the results of budget execution	Relevant decision adopted	RTG					0		H
	3.4 Introduce the performance audit concept, which would be conducted on the basis of objectives	The practice of performance auditing is introduced at ministries and departments; ministries and other government bodies have greater responsibility for the outcome of decisions that are made	3.4.1 Assign ministries functions involving internal performance auditing and assign responsibility for its performance to specific subdivisions and officials	Ministries are assigned functions involving internal performance auditing and specific subdivisions and officials are assigned responsibility for its performance	EAP, RTG					0		H
			3.4.2 Perform an analysis of internal performance audits	The analysis performed has made it possible to assess subsequent decisions for adoption	EAP, RTG					0		H
	3.5 Build up the potential of government bodies to perform internal and external financial audits	Structures have been established within government agencies to perform internal and external financial audits, and the potential of existing structures has been strengthened; the	3.5.1 Prepare an action plan to increase the effectiveness of internal and external auditing and launch its implementation	Plan prepared and its implementation launched	EAP, RTG					0		H
			3.5.2 Implement the plan to improve the system of external	Plan implemented	EAP, RTG					0		H

		volume of services provided per unit of expenditures	and internal financial auditing of the public sector									
	3.6 Increase the effectiveness of the public procurement system	The public procurement system operates in accordance with international requirements	3.6.1 Pursuant to the new law on public procurement, draft, adopt and implement sublegal acts on public procurement that are consistent with international requirements	Sublegal acts adopted. Procurement system is more transparent. Improvements in competitive environment	EAP, RTG					0		H
	3.7 Increase the effectiveness of the distribution of revenue sources among various levels of government	Revenues are distributed among different levels of government taking into account the assignment of functions among them	3.7.1 Rationalize the mechanism for the distribution of revenue sources taking into account the assignment of functions among various levels of government	Financial authorities strengthened and financial independence of local government authorities increased	RTG					0		H
			3.7.2 Introduce a mechanism for the distribution of revenue sources taking into account the assignment of functions among various levels of government		RTG					0		H
4 Creation of a modern professional civil service	4.1 Improve the process for the collection and processing of data and devise mechanisms for the effective determination of the wage scale (linked to responsibilities and the nature of work performed)	A mechanism for the effective determination of the wage scale, automation of the process for the collection and processing of data on civil service employees	4.1.1 Create a registry and data base of civil service employees	A functioning register and data base of civil service employees	EAP, RTG, CSA					0		H
			4.1.2 Establish an effective personnel management system within government agencies, including the central administration and regional government bodies	The functions of personnel and human resources departments at all government agencies revamped. A personnel registry and a professional development and continuing education system for employees established	EAP, RTG, CSA					0		H
	4.2 Make the civil service more	Increase the number of	4.2.1 Implement a short-term	Wage reform for civil service employees	EAP, RTG, CSA					0		H

	attractive as an employer in the labour market	personnel recruited to join the civil service	programme for the full-scale reform of wages paid to civil service employees, taking into account experience from pilot programmes	implemented so as to create incentives for professional development and career advancement								
			4.2.2 Monetize all types of payments	Payments fully monetized	EAP, RTG, CSA					0		H
			4.2.3 Establish an incentive system, with funding to help the Government retain/attract qualified specialists from high-tech fields (lawyers, accountants, information technology specialists)	The number of qualified personnel participating in competitions to fill vacant civil service positions increased. The number of qualified specialists leaving the civil service for other employment reduced	EAP, RTG, CSA					0		H
			4.2.4 Devise and approve a strategy for reform of the wage system for public employees	A strategy for reform of the wage system for public employees approved	EAP, RTG, CSA					0		H
			4.2.5 Implement the strategy for reform of the wage system for public employees	Strategy for reform of the wage system for public employees implemented	EAP, RTG, CSA					0		H
	4.3 Develop key human resources management skills in the civil service system	Proportion of civil service employees with mastery of (trained in) new management principles; Proportion of civil service employees who have raised their qualifications through the Civil Service Administration Professional Development Institute (PDI)	4.3.1 Develop and strengthen the potential of the Civil Service Professional Development Institute	PDI provided with an up-to-date material and technical base, PDI employees fully trained in and utilizing key skills	EAP, RTG, CSA					0		H
			4.3.2 Train civil service employees in new management principles, develop the relevant training courses for all categories of civil service employees	Relevant training courses developed, civil service employees at all government bodies trained in new management principles, proportion of civil service employees who have received gender	EAP, RTG, CSA					0	OSCE	H

				training								
			4.3.3 Prepare, regularly update and ensure implementation of a plan for the professional development of civil service employees of as part of the annual process of compiling budget requests at every ministry, department, local government body and self-government body	Existence of a plan for the professional development of civil service employees	EAP, RTG, CSA					0		H
			4.3.4 Devise an economical and open mechanism for the selection of applicants and for funding studies by students from the Republic of Tajikistan at foreign higher education institutions, including the development of the requisite legal and organizational base	Existence of regulatory acts, an organizational base and mechanisms for the selection and funding of studies by students from the Republic of Tajikistan at foreign higher education institutions	EAP, RTG					0		H
			4.3.5 Launch the mechanism for the funding of studies	Number of students whose studies are being funded using the mechanisms that have been developed	EAP, RTG					0		H
			4.3.6 Devise and introduce new market-oriented human resources management mechanisms in civil service	Existence of a simplified, transparent mechanism for human resources management	EAP, RTG, CSA					0		H
			4.3.7 Introduce a new mandatory procedure for	Number of vacancies filled following the new procedure. Civil	EAP, RTG, CSA					0		H

			holding open competitions to fill civil service vacancies	service positions filled by qualified personnel								
			4.3.8 Develop a new system for evaluating the performance/ certification of civil service employees	New evaluation (certification) system	EAP, RTG, CSA					0		H
			4.3.9 Improve mechanisms for the organization of personnel reserves	Number of civil service employees placed in the personnel reserve on the basis of new mechanisms	EAP, RTG, CSA					0		H
			4.3.10 Devise a Programme and Conceptual Framework for the Development of the Civil Service in the Republic of Tajikistan for 2007-2015	Conceptual Framework and corresponding Programme for the Development of the Civil Service in the Republic of Tajikistan for 2007-2015 adopted and being implemented	EAP, RTG, CSA					0		H
	4.4 Separate political and administrative positions	Stabilization of the personnel makeup of administrative civil service employees and an increase in their professionalism	4.4.1 Draft relevant regulatory legal acts based on the Law on the Civil Service	A new Law on the Civil Service and relevant regulatory legal acts adopted and being implemented	EAP, RTG, CSA					0		H
			4.4.2 Strengthen control functions (monitoring and assessment) with regard to development of the civil service	A regulatory act on the transfer of control functions drafted and adopted	EAP, RTG, CSA					0		H
			4.4.3 Transfer all necessary authorities with regard to the development of the civil service to the Civil Service Administration	A regulatory act on the transfer of the necessary authorities to the CSA drafted and adopted	EAP, RTG, CSA					0		H

			under the President of the Republic of Tajikistan and concentrate these authorities within the CSA									
	4.5 Increase motivation and transparency of activities by civil service employees	Level of corruption among civil service employees at all levels of government	4.5.1 Improve the Code of Ethics for Civil Service Employees and the regulations for the resolution of conflicts of interest	A new Code of Ethics for Civil Service Employees and regulations for the resolution of conflicts of interest drafted and adopted	EAP, RTG, CSA					0		H
			4.5.2 Enforce the Instruction on the Resolution of Conflicts of Interest, establish commissions to deal with professional ethics issues	The Instruction on the Resolution of Conflicts of Interest enforced, commissions to deal with professional ethics issues established	EAP, RTG, CSA					0		H
			4.5.3 Strengthen institutional mechanisms for combating corruption at all levels of government and local self-government	Regulatory act on the strengthening of institutional mechanisms for combating corruption adopted. Level of corruption at all levels of government and local self-government	EAP, RTG, Office of the Prosecutor General, CSA					0		H
			4.5.4 Draft and introduce legislation on access to information about the activities of government agencies and local self-government bodies	A regulatory act on access to information drafted and adopted. Access to information about the activities of government agencies and local self-government bodies ensured	EAP, RTG, CSA					0		H
5. Elaboration of issues involving administrative and territorial management	5.1 Optimize the system of local government by granting the relevant authorities to local government	Expansion of the competence of the local government system by granting authorities in accordance with the classification of functions for each level of	5.1.1 Conduct a functional survey at all levels of local government to identify redundancies and define new functions (coordinate local	Functional survey performed	EAP, RTG					0		H

		government	functional surveys with functional surveys at ministries)									
			5.1.2 Begin the implementation of recommendations from the functional survey of all levels of local government and local self-government for a clear definition of functions	Functions of local government expanded and clearly defined	EAP, RTG					0		H
			5.1.3 Develop a classification of functions for each level of local government	Classification of functions developed	EAP, RTG					0		H
			5.1.4 Hold regular consultations with ministries and representatives of local government and local self-government	Consultations held regularly (harmonization of interests of various levels of government, improvement in the quality of government services provided)	EAP, RTG					0		H
			5.1.5 Perform a survey of the current legislation to identify amendments needed in accordance with the functional survey recommendations	Survey of the current legislation performed, amendments made in accordance with the functional survey recommendations	EAP, RTG					0		H
			5.1.6 Make the necessary amendments to current legislative acts pertaining to functional responsibilities and authorities	Necessary amendments made to current legislative acts. Scope of functional responsibilities and authorities of local government and local self-government bodies expanded	EAP, RTG					0		H
			5.1.7 Transfer functions to each	Functions transferred	EAP, RTG					0		H

			level of local government in accordance with the principle of subsidiary responsibility									
	5.2 Improve the quality of services provided, especially in the social sector	Relevant regulatory legal acts adopted	5.2.1 Perform reorganization of the service delivery system on a pilot basis at the Ministry of Labour and Social Welfare (MLSW)	Reorganization of the service delivery system at the MLSW (reduction in unemployment and arrears on pensions and benefits)	EAP, RTG					0		H
			5.2.2 Undertake necessary measures to expand the experience of the MLSW to other pilot ministries and departments	The experience of the MLSW expanded to other pilot ministries and departments	EAP, RTG					0		H
			5.2.3 Streamline and update the system for the subordination of units responsible for providing services at the local level	Quality of services delivered at the local level improved	EAP, RTG					0		H
			5.2.4 Streamline and optimize the system for providing services to the public taking into account the new division of authorities among various levels of government and local self-government	Relevant action plan implemented	EAP, RTG					0		H
			5.2.5 Develop a uniform register of public services	Register developed	EAP, RTG					0		H
			5.2.6 Within the framework of increasing information potential, draft and	Mandatory lists approved	EAP, RTG					0		H

			approve mandatory lists of information on the activities of government authorities, to which the public has free access									
			5.2.7 Develop a list of information freely available on the Internet	List approved	EAP, RTG					0		H
			5.2.8 Introduce monitoring and dissemination of best practices	Relevant action plan implemented	EAP, RTG					0		H
			5.2.9 Draft and adopt a programme to develop mechanisms for the out-of-court settlement of disputes between government authorities and consumers of services, and well as entities subject to supervision	Programme approved	EAP, RTG					0		H
			5.2.10 Introduce on a pilot basis a system for the out-of-court settlement of disputes	System being implemented	EAP, RTG					0		H
	5.3 Bring order to administrative and territorial division, taking into account the potential of local government authorities and self-government bodies	Relevant regulatory legal acts adopted	5.3.1 Create a structure for administrative and territorial development within the EAP	Relevant structure created	EAP, RTG					0		H
			5.3.2 Perform a survey of administrative and territorial division	Survey presented	EAP, RTG					0		H
			5.3.3 Develop objective criteria for	Criteria developed	EAP, RTG					0		H

			administrative and territorial division, together with the functional responsibilities of local government									
			5.3.4 Prepare and adopt a new draft law on administrative and territorial division	Law adopted	EAP, RTG					0		H
			5.3.5 Consider expansion of the level of local self-government following adoption of the draft law on administrative and territorial division	Relevant decision adopted	EAP, RTG					0		H
6. Develop the local self-government system	6.1 Strengthen the role of the level of government closest to the population in accordance with the principles of local self-government	Relevant regulatory legal acts adopted	6.1.1 Prepare a new draft law on local self- government and hold consultations on the draft law, which will define functions, finances and ownership rights	Draft law prepared	EAP, RTG					0	SDC	H
			6.1.2 Implement the new Republic of Tajikistan Law on Local Self-Government	Law being implemented	EAP, RTG					0	SDC	H
			6.1.3 Perform monitoring of its implementation	Monitoring being performed	EAP, RTG					0	SDC	H
	6.2 Develop the potential of local self-government	Number of employees of local self-government bodies who have received training	6.2.1 Develop a national programme to increase the potential of *jamoats* in a self-government environment	Programme developed	EAP, RTG					0		H
			6.2.2 Develop and implement a national programme to strengthen the potential of local	National programme developed and being implemented	EAP, RTG					0	SDC	H

			self-government									
			6.2.3 Support an initiative to establish local self-government associations	Relevant decision adopted	EAP, RTG					0	SDC	H
	6.3 Revise the functions and authorities of local self-government with regard to issues of local significance	Relevant regulatory legal acts adopted	6.3.1 Define the functions and authorities of local self-government for the initial phase of the development of local self-government	Functions and authorities defined	EAP, RTG					0		H
			6.3.2 Define and transfer new functions and authorities to local self-government within the framework of structural reforms being carried out	New functions and authorities transferred	EAP, RTG					0		H
	6.4 Devise a new system for the financing of local self-government bodies in order to increase the financial potential of local government with regard to issues of local significance	Relevant regulatory legal acts adopted	6.4.1 Devise a new system for the financing of local self-government, including local taxes and fees, property income, as well as a formula for government transfers	Financing system devised	EAP, RTG					0		H
			6.4.2 Conduct a survey of the current legislation and prepare the amendments necessary for the introduction of a new system for financing the functions of local self-government in *jamoats*	Report and practical recommendations presented	EAP, RTG					0		H
			6.4.3 Make the amendments	Relevant decision adopted	EAP, RTG					0		H

			necessary for the introduction of a new system for financing the functions of local self-government									
			6.4.4 Introduce the new system for the financing of local self-government	Financing system introduced	EAP, RTG					0		H
	6.5 Grant local self-government bodies the right to own property	Relevant regulatory legal acts adopted	6.5.1 In addition to the transfer of functions to *jamoats*, conduct an inventory of property in *jamoats* and transfer to them the necessary property	Inventory performed, property owners identified	EAP, RTG					0		H
	6.6 Expand the role of civil society in resolving issues of local significance	Relevant regulatory legal acts adopted	6.6.1 Devise and implement a national programme to strengthen the role of civil society in addressing local self-government issues	Programme developed and being implemented	EAP, RTG					0	SDC	H
			6.6.2 Establish a legislative base for volunteer organizations (such as *makhalla*, etc.)	Relevant draft laws prepared	EAP, RTG					0	SDC	H
Total						**10.00**	**0.00**	**5.00**	**0.00**	**5.00**		
		2. Macroeconomic policy										
Maintenance of macro-economic stability	1. Improvement of fiscal policy	Budget deficit equal to no more than 1% of GDP (not including PIP)	1.1 Phase in the Medium-Term Budget Framework (MTBF) and make amendments and additions to the relevant regulatory legal acts	MTBF introduced in education and health care; amendments made to legal acts	MOF	0.5	0	0		0.5	WB DFID	H
			1.2 Improve the public investment management process: link the process used in the formation of the PIP	Analysis performed and link established	MOF, MEDT	0.3	0	0		0.3	WB, DFID	H

			and CSIP to the state budget compilation and MTBF process and PRS priorities. Consider ways to integrate the PIP and CSIP; include the PIP (external financing) in the expenditure side of the budget									
			1.3 Restructure the budget process in the education sector and make the MOE responsible for formulation of the sector's budget within the limits established by the MOF	The 2008 education budget is managed by the MOE in accordance with PRS priorities	MOF, MOE	0.05				0.05	WB DFID	H
			1.4 Develop a spending plan for the education sector within the limits established for the sector	Plan developed	MOE, MOF	0.01				0.01	WB DFID	H
			1.5 Create an education sector working group (WG) for the preparation of medium-range sectoral spending plans, which identify the sector's tasks, expected results and spending priorities	WG is functioning	MOE, MOF	0.01				0.01	WB DFID	H
			1.6 Restructure the budget process in the health care sector and make the MOH responsible for formulation of the sector's budget within the limits	The 2008 health care budget is managed by the MOH in accordance with PRS priorities	MOF, MOH	0.05	0	0		0.05	WB DFID	H

			established by the MOF									
			1.7 Develop a spending plan for the health care sector within the limits established for the sector	Plan developed	MOH, MOF	0.01	0	0		0.01	WB DFID	H
			1.8 Create a health care sector WG for the preparation of medium-range sectoral spending plans, which identify the sector's tasks, expected results and spending priorities	WG is functioning	MOH, MOF	0.01	0	0		0.01	WB DFID	H
			1.9 Determine medium-range sectoral limits for all sectors	The 2008-2009 budget prepared in light of sectoral limits	MOF, other bodies	0.06	0	0		0.06	WB DFID	P
			1.10 Carry out wage reform for public employees	Relevant regulatory act adopted	MLSW, MOF, MOE, MOH	0.1	0	0.1	WB, ABD, USAID	0		
			1.11 Introduce into practice a mechanism for the analysis and accounting of budget costs from tax and customs concessions being granted	New accounting system introduced	MOF, TC, CS, MEDT	0.04	0	0		0.04		H
			1.12 Perform an assessment of governing spending and the financial reporting system (PFA)	Assessment prepared	MOF, ACEC	0.17	0	0.17	WB/ SECO	0		
			1.13 Carry out reform of state purchasing and institutional management	Tender documentation and guidelines adopted	MEDT	0.22		0.22	WB	0		
			1.14 Draft and begin implementation of a Strategy for State	Strategy drafted	MOF, other bodies	0.3				0.3	EC	H

			Internal Financial Control									
			1.15 Approve and implement an institutional development plan for the ACEC	First phase of plan implemented	ACEC	0.5				0.5	WB	H
			1.16 Devise a strategy to ensure a safe level of public debt for Tajikistan	Strategy devised	MOF, MEDT, NBT	0.05				0.05		H
			1.17 Implement an external debt management project	External debt management procedures strengthened	MOF	0.6	0	0.6	SECO	0		
			1.18 Improve the coordination of foreign aid and management of the borrowing portfolio	Foreign aid coordination procedures strengthened	SCI, other bodies	0.625	0.125	0.5	ADB	0		
			1.19 Carry out the recapitalization of nonperforming credits issued to publicly-owned enterprises	Mechanism devised and regulatory act adopted	NBT, MOF	0.02				0.02		P
		Tax receipts equal to 18.5% of GDP	1.20 Perform an analysis of existing tax concessions and preferences with the aim of ensuring fiscal sustainability and stimulating the private sector	Analysis performed and practical recommendations prepared	MOF, TC, CS, SCI	0.01				0.01		H
			1.21 Perform an analysis of the number of taxes and the tax collection mechanism from the standpoint of optimizing expenditures on their administration	Analysis performed and practical recommendations prepared	MOF, TC, CS					0		
			1.22 Develop and introduce a depreciation policy that provides for the renewal of fixed	Regulatory act adopted; depreciation fund resources accumulated	MOF, TC, SCI, MEDT	0.02				0.02		P

			capital of publicly-owned enterprises									
			1.23 Modernize tax administration	Tax receipts as a proportion of total revenues increased by 5%	TC	9.35	0.85	8.5	ADB	0		
			1.24 Accelerate the introduction of computer systems at tax authorities, focusing special attention on the dissemination of systems for the registration and enrolment of taxpayers	System introduced; number of registered taxpayers increased	TC, local government authorities, other bodies	0.05				0.05		P
			1.25 Perform an analysis of internal inspection and auditing systems of tax authorities, improve the regulatory legal base	Analysis performed and practical recommendations prepared	TC, MOF	0.06				0.06		P
			1.26 Consider the feasibility of granting customs concessions on the importation of equipment for the establishment of a payment card infrastructure	Regulatory acts on lowering rates adopted	NBT, MOF, SCI	0.01				0.01		P
			1.27 Implement a project to modernize the MOF Treasury	Treasury modernized	MOF	2.2	0.2	2	WB	0		
			1.28 Implement a project to modernize the government finance management system	Necessary measures implemented	MOF	4	0	0		4	WB	H
	2. Improvement of monetary policy	An average annual inflation rate of 6%	2.1 Restructure the debt of the RTG to the NBT in the form of long-term MOF bonds to reflect market terms	The rate of long-term MOF bonds brought up to the market level	NBT, MOF	0.02				0.02	IMF/ SECO	P

			2.2 Strengthen the Tojkord National Processing Centre systems	Expansion of services offered in various regions of the country	NBT	0.5				0.5		P
			2.3 Introduce a single system for electronic trading in foreign exchange in the interbank currency market	Daily trading sessions held	NBT	0.2				0.2		P
			2.4 Develop and promote projects to attract foreign investment in the credit sector	Number of investment projects prepared; meeting held with donors	NBT, SCI	0.05				0.05		H
			2.5 Improve the regulatory base for operation of the interbank lending market	Relevant regulatory acts adopted	NBT	0.04				0.04		H
			2.6 Perform an analysis and prepare proposals regarding the possibility of expanding long-term lending by banks to small and medium-sized businesses	Analysis performed and practical recommendations prepared	NBT, SCI	0.02				0.02	EBRD/ IFC/ SECO	P
			2.7 Introduce international internal auditing standards into banking practice and prepare audit reports in accordance with these standards	Banking supervision requirements fulfilled	NBT	0.1				0.1	EBRD/ IFC/ SECO	P
			2.8 Ensure transparency in the operation of lending institutions through the improvement of reporting requirements	Percentage increase in deposits	NBT	0.05				0.05		P
			2.9 Simplify the system for issuing licenses to financial	Percentage increase in the proportion of foreign capital in the	NBT	0.01				0.01		P

			institutions; raise the minimum capital requirement	banking sector and foreign investment								
			2.10 Simplify the procedure for issuing licenses to micro-finance institutions	Percentage increase in the number of micro-finance institutions	NBT	0.01				0.01		P
			2.11 Develop micro-financial institutions	Percentage of credits issued to small and medium-sized businesses	NBT, MEDT	9.4		9.4	KfW	0	EBRD/ SECO	
			2.12 Bring prudential requirements into line with international standards (Basel-1)	Regulatory legal acts on banking supervision adopted	NBT	0.05				0.05	EBRD/ SECO	H
			2.13 Implement a project to develop micro-financing systems	Easier access to micro-credits	NBT	7.947	1.478	6.469	ADB	0		
			2.14 Implement a micro-financing project in Tajikistan	Easier access to micro-credits	NBT	0.44	0.04	0.4	IDB	0		
			2.15 Implement a project to provide micro-loans to small businesses	Easier access to micro-credits	NBT	2.622	0			2.622		H
	3. Implementation of institutional reforms	Regulatory legal acts aimed at the implementation of coordinated macroeconomic policy adopted	3.1 Perform a functional survey of government structures and the NBT, which are responsible for the implementation of macroeconomic policy	Functional survey conducted and practical recommendations prepared	EAP	0.5				0.5	WB	H
			3.2 Revise existing programmes, conceptual frameworks, strategies and plans, taking into account NDS/PRS norms	Practical recommendations prepared and being implemented in accordance with the established timetable	RTG	1				1		H
			3.3 Perform an analysis of the regulatory legal	Analysis performed and the relevant amendments made to	MEDT, MOF, MOJ	0.3				0.3	WB DFID	H

			base and an institutional survey with a view to the optimal integration of the NDS and PRS into the national system	regulatory legal acts								
			3.4 Account for all PRS financial resources, including foreign aid, attracted and used for the implementation of sectoral measures	Volume of internal and external funds used for the PRS within sectors	EAP, SCI, other bodies	0.2				0.2		H
			3.5 Perform an annual assessment of expenditures, including foreign aid, and results from the implementation of PRS measures. Develop recommendations for adjustments in the measures being carried out	Assessment performed; recommendations prepared and implemented	EAP, RTG, SCI, MEDT	0.3				0.3		H
			3.6 Perform an estimate of financial resources (broken down by source) needed for the implementation of NDS measures	Financial expenditures needed for the implementation of NDS measures determined	MOF, MEDT, SCI	1	0	0		1	ADB DFID	H
			3.7 Establish and strengthen the potential of the central monitoring and assessment structure for tracking the implementation of NDS/PRS processes. Provide assistance in the creation of a regulatory legal base for monitoring and assessment	Structure established; the necessary regulatory legal base created; coordination with other monitoring structures ensured; reports on monitoring and assessment prepared in accordance with the established timetable	EAP	0.1				0.1		H

			3.8 Establish and provide for the functioning of sectoral and regional monitoring and assessment structures for tracking the implementation of NDS/PRS processes (within ministries, departments, local government bodies)	Structures established; coordination arranged; reports on monitoring and assessment prepared in accordance with the established timetable	EAP, MEDT, MOF, other bodies	1	0	0		1	ADB, DFID	H
			3.9 Implement a project to strengthen national statistics: improve poverty and employment statistics and the system of national accounts (SNA)	Standard of living survey conducted in accordance with the established methodology; employment survey conducted in accordance with the established methodology; improved methodology for SNA compilation, including calculation of the GDP	SSC, MEDT	4.395	0.792	3.603	IDA (0.838); DFID, SIDA (2.765)	0		H
			3.9.1 Improve the institutional and legislative basis for the national statistics system	Relevant regulatory acts adopted	SSC, MEDT					0		H
			3.9.2 Upgrade the statistics infrastructure, including development of a uniform set of questionnaires for statistical surveys	New system of surveys introduced into practice	SSC, MEDT					0		
			3.9.3 Increase the personnel potential of the national statistics system	Percentage of employees in the statistics system who have received training	SSC					0		
			3.9.4 Restore printing facilities of the SSC	Printing facilities restored	SSC	0.6	0	0		0.6		H

			3.9.5 Develop a methodology for measuring the unobserved economy	Methods developed and proposed	SSC	0.091	0	0		0.091		H
			3.9.6 Strengthen reporting potential in the public sector	Additional reporting measures introduced	SSC	0.295	0	0.295	Govern-ment of Japan	0		
			3.10 Improve the macroeconomic forecasting system	System of indicators created and optimized; socio-economic development forecasts developed in accordance with the established methodology	MEDT, MOF, NBT, SSC	0.25	0.01	0		0.24	EC	H
			3.11 Increase the potential of government structures responsible for the implementation of macroeconomic policy	Percentage of specialists working in government structures and the NB who have received training	MEDT, MOF, TC, CS, NBT	0.745	0	0.455	IDA (0.21), IDB (0.245)	0.29	SDC/ SECO	H
			3.12 Provide training in the sectoral management principle for government spending for responsible officials of organizations supported by the budget	Budgeting potential created in sectors	MOF	0.3				0.3		H
			3.13 Increase the potential of purchasing organizations	Percentage of specialists at purchasing organizations who have received training	MEDT	0.1				0.1	WB	H
			3.14 Strengthen the potential for inspection of major taxpayers	Percentage of inspection employees who have received training	TC, MOF	0.1				0.1		H
			3.15 Promote a project to increase the potential of the	Percentage of ITC employees who have taken professional	NBT	2				2		H

			Interbank Training Centre	development courses								
			3.16 Implement a project to modernize customs authorities and develop infrastructure, phases 1, 2 and 3	Effective operation of customs posts	CS, MEDT	28.496	2.618	25.878	ADB (25.578)	0		
			3.17 Draft and adopt laws on credit histories, on mortgage lending, on combating money laundering and the financing of terrorism	Laws adopted	NBT, MOF, MEDT, MOJ	0.1	0.05			0.05	IFC/ SECO	P
			3.18 Draft and adopt a law on investments (new version)	Law adopted	SCI, MOF, MOJ	0.05	0.01			0.04		P
			3.19 Draft and adopt laws on joint-stock companies (new version) and on state registration of real estate and real estate transactions	Laws adopted	MOJ, MOF, MEDT	0.1	0.05			0.05		P
			3.20 Make amendments to the Law on Banks and Banking (with regard to improving corporate governance at banks and establishing stricter requirements for bank management personnel) and the Law on Guarantees for Personal Deposits (with regard to expanding the role of the deposit guarantee fund); and to the Civil, Tax and Criminal Procedural	Relevant amendments made to the current legislation	NBT, MOF, TC, MEDT, MOJ	0.1	0.05			0.05	EBRD/ IFC/ SECO	H

			Codes (with regard to the disclosure of bank secrets to third parties only on the basis of a court ruling)									
Total						**82.906**	**6.273**	**58.59**	**0**	**18.043**		
3. Improvement of the investment climate, development of the private sector and entrepreneurship												
1. Increase the contribution of the private sector to GDP to 55% 2. Increase the volume of gross private investment attracted (with the exception of investments in the primary sector) by 10% per year	1. Implementation of institutional reforms in the investment and entrepreneurial sector	Institutional base of investment and entrepreneurial activity improved	1.1 Establish a permanent government interagency commission on entrepreneurial and investment policy	Decision to establish commission adopted	EAP							
			1.2 Identify an agency responsible for the development and implementation of entrepreneurial policy and for the attraction of investments (SCI)	Decisions adopted	EAP					0.000		
			1.3 Support implementation of a private sector development strategy	Percentage of SCI staff covered by training, percentage of material and technical support provided to said agencies	SCI	1.00	0.00	1.00	ADB	0		
			1.4 Provide assistance in increasing the personnel and material and technical potential of other administrative bodies in attracting investments and supporting the	Percentage of employees covered by training	SCI, other bodies	0.50	0.00	0.00		0.5		P

			private sector (stage 1)									
			1.5 Create a mechanism for the independent monitoring of the entrepreneurial and investment policy being implemented	Methods and principles for the monitoring of investment policy developed and being implemented	EAP	0.30	0.00	0.00		0.3	ITC/ SECO	H
			1.6 Perform research for the annual calculation of indicators used to determine the international rating of the country's business and investment climate	Report presented and recommendations made for the calculation of indicators	SCI, SSC	0.20	0.00	0.00		0.2	WB	P
			1.7 Identify a list of industrial sites that could be used to set up new production operations (in addition to measures in the Industry sector)	List of industrial sites identified, conceptual plans for investment projects prepared for them	SCI, other bodies	0.05	0.00	0.00		0.05		P
			1.8 Devise a transparent mechanism for dealing with complaints from entrepreneurs and investors, including the creation of a website (as part of 1.3)	Proposals presented, website created and functioning	SCI, other bodies	0.00	0.00	0.00		0		H
			1.9 Perform full-scope statistical surveys of small businesses once every five years and establish for them a simplified procedure for the compilation of statistical reporting during the period between censuses (in	Relevant regulatory legal acts adopted	SSC, SCI, local authorities	0.00	0.00	0.00		0		H

			addition to measures under the Macroeconomics sector)									
			1.10 Develop proposals on key principles and approaches for the organization of public-private partnerships (as part of 1.3)	Proposals presented, including those of a regulatory nature	SCI, MEDT	0.00	0.00	0.00		0		H
			1.11 Devise and introduce a mechanism for the accounting of gross domestic and foreign private investments attracted (as part of 1.3)	Mechanism devised and put into practice	SCI, MEDT	0.30	0.00	0.00		0.3	ADB	H
	2. Reduce overall investment and business risks	Increase in the volume of FDI by 10% Growth in the number of businesses by 10%	2.1 Improve the mechanisms for protecting property rights and related rights	Package of measures to improve protection for property rights implemented								
			2.1.1 Perform an analysis of court cases involving accounts payable, property disputes and contract rights. Identify specific problems with judicial authorities	Report and recommendations presented. Decision adopted on the publication of court rulings	EAP, SCI, MOJ	0.12	0.00	0.00		0.12		H
			2.1.2 Perform an analysis of situations involving various forms of extra-legal property seizures, including so-called "voluntary" transfers of property by entrepreneurs	Report presented. Proposals for amendments to legislative acts prepared and adopted	SCI, MOJ	0.12	0.00	0.00		0.12		H
			2.1.3 Perform an analysis of	Report presented. Proposals for	MAEP, SCI, ALGC, MOJ	0.02	0.00	0.00		0.02		H

			situations involving the seizure of parcels of land. Prepare proposals for amendments to the Land Code (in addition to measures in the Agricultural sector)	amendments to legislative acts prepared and adopted								
			2.1.4 Study land, housing and other legislation with regard to forced resettlement and present proposals to ensure fair compensation in these cases	Report presented. Proposals for amendments to legislative acts prepared and adopted	SCI, MOJ	0.02	0.00	0.00		0.02		H
			2.1.5 Strengthen the potential of the agency responsible for the maintenance of single state registry of legal entities and a single state registry of real estate titles and real estate transactions	Percentage of staff covered by training Percentage of material and technical support provided to said agency	MOJ, SCI	0.20	0.00	0.00		0.2		H
			2.1.6 Study the status of inventory records of real property owned by individuals and legal entities. Develop measures necessary to improve accounting	Report and recommendations, including on property appraisal, presented, drafts of necessary regulatory acts prepared	MOJ, SCI, ALGC	0.20	0.00	0.00		0.2		H
			2.1.7 Strengthen the potential of agencies responsible for the registration of property mortgages. Simplify mortgage lending and mortgage registration procedures	Report and regulatory proposals presented	RTG, SCI	0.20	0.00	0.00		0.2		H
			2.1.8 Increase	Guarantees included	SCI, MOJ,	0.05	0.00	0.00		0.05		H

			investment guarantees (legislative reinforcement of the regulation requiring that investment conditions remain unchanged for 10 years)	in the new version of the law on investments, and in tax and customs legislation	MOF, TC							
			2.1.9 Study the legislation and current corporate governance practices (including in agriculture). Develop proposals to improve legal protections for minority stockholders (shareholders)	Report and regulatory proposals presented	SCI, MAEP, MOJ, MOF	0.40	0.00	0.00		0.4		H
			2.2 Improve state property management procedures, including property owned by public enterprises							0		
			2.2.1 Devise and implement measures to ensure the effective restructuring of public enterprises	Proposals to improve procedures developed and implemented	SCI, other bodies	0.10	0.00	0.00		0.1		P
			2.2.2 Draft and adopt the decisions necessary to organize effective use of forestry resources	Decisions adopted	ALGC, SCI, MAEP	0.05	0.00	0.00		0.05		P
			2.2.3 Study opportunities for the long-term leasing of premises owned by public institutions to private entities on a competitive basis	Report and practical recommendations presented	SCI, local authorities, other bodies	0.01	0.00	0.00		0.01		P
			2.2.4 Study the need	Decisions adopted	SCI, MOJ	0.05	0.00	0.00		0.05		P

			for and adopt a decision to discontinue the review of privatization results (adoption of a draft law on reducing the statute of limitations)									
			2.2.5 Study the possibilities and consequences of legislative introduction of a mechanism for the purchase and sale of land titles while ensuring the use of arable land for its designated purpose	Report and recommendations presented	SCI, ALGC, MOJ	0.30	0.00	0.00		0.3		P
			2.3 Improve the procedure for the granting and revocation of licenses, permits and other authorization documents							0		
			2.3.1 Include provisions in laws and other regulatory legal acts related to licensing in accordance with an amended law on licensing	Proposals of a regulatory nature presented and adopted	EAP, MOJ, SCI, other bodies	0.20	0.00	0.00		0.2		H
			2.3.2 Study and develop proposals to eliminate time limits on licenses and to ensure the transparency of procedures involving the issuing and revocation of licenses	Proposals of a regulatory nature presented and adopted	MOJ, SCI, other bodies	0.02	0.00	0.00		0.02		H
			2.3.3 Adopt and	Proposals of a	EAP, SCI,	0.03	0.00	0.00		0.03		H

			enforce new sublegal acts on the implementation of an updated law on licensing	regulatory nature presented and adopted	MOJ							
			2.3.4 Perform an analysis of laws and other regulatory legal acts regarding permits, consents, etc. Present proposals for the elimination of unnecessary permits, provide for a simplified and transparent procedure for issuing permits, consents, etc.	Proposals of a regulatory nature presented and adopted	SCI, MOJ, other bodies	0.12	0.00	0.00		0.12		H
			2.4 Implement measures to ensure fulfilment of contracts							0		
			2.4.1 Study the legislation and current practices in the fulfilment of contracts. Prepare legislative proposals to the extent possible, including those that provide for better fulfilment of contracts	Report and legislative proposals presented	EAP, SCI, MOJ	0.60	0.00	0.00		0.6		P
			2.4.2 Study the possibilities and present proposals to accelerate the introduction of arbitration tribunals into economic practice	Report and legislative proposals presented. Training courses set up for arbitration judges	EAP, MOJ, SCI	0.50	0.00	0.00		0.5		P
			2.4.3 Study the possibilities and if necessary also carry out measures to accede to the	Necessary procedures being implemented	EAP, MOJ, SCI	0.10	0.00	0.00		0.1		P

			Convention on the Recognition and Enforcement of Foreign Judgments									
			2.5 With a view to creating a competitive investment climate, adopt and implement a law and sublegal acts on investments	Law and relevant sublegal acts adopted	SCI, MOJ	0.40	0.00	0.00		0.4		P
	3. Lower barriers that prevent investors and entrepreneurs from entering the market	Increase in the number of new registered legal entities by 25%	3.1 Improve the mechanism for the state registration of businesses, and ensure equal opportunities for men and women to enter the market									
			3.1.1 Study the feasibility and develop and introduce a system for the "one-stop-shop" registration of businesses in all categories	Amendments made to the relevant regulatory and legal framework. "One-stop-shop" state registration system established and functioning on a pilot basis	SCI, MOJ, other bodies	1.00	0.00	0.00		1		H
			3.2 Ensure access to information resources							0		
			3.2.1 Prepare and implement proposals for the dissemination of legal information	Easier access for entrepreneurs and investors to regulatory legal acts, including departmental documents. Improved DOJ website	MOJ, SCI, other bodies	0.01	0.00	0.00		0.01		P
			3.2.2 Study the possibility of establishing 4 or 5 information and analytical centres (IACs) around the country to meet the need for information (possibly based on subdivisions of	Report presented. Location and number of IACs determined. Access provided to general economic information, including economic surveys.	SCI, MTC, NASMB	0.50	0.00	0.00		0.01		P

			commercial communications enterprises or business associations)									
			3.2.3 Develop and post brief descriptions of investment projects on the website	Investment projects accessible	SCI, MEDT, other bodies	0.01	0.00	0.00		0.01		P
			3.3 Expand the use of insurance methods for foreign investments (in addition to measures under the Regional Cooperation sector)	Negotiations held and MIGA representative office established in Tajikistan	SCI, MEDT	0.30	0.00	0.00		0.3	MIGA	P
	4. Reduction in costs associated with entrepreneurial and investment activity	Improve the ranking of ease of doing business in Tajikistan to 122 (based on business climate rating indicators)	4.1 Reduce the time and costs for entrepreneurs and investors in dealing with government entities									
			4.1.1 Prepare regulatory legal acts arising from the draft code on administrative procedures	Law adopted and implemented. Relevant sublegal acts adopted, instruction provided to public employees	MOJ, SCI	0.70	0.00	0.00		0.7		H
			4.1.2 Devise and adopt a package of measures for a planned reduction in unnecessary administrative procedures in laws and other regulatory acts	Work plan approved by an interagency commission and being implemented	EAP, SCI, MOJ	0.30	0.00	0.00		0.3		H
			4.2 Reduction in the number and duration of audits of entrepreneurs							0		
			4.2.1 Make amendments to current legislative acts in connection with the adoption of	Amendments made to provisions of current laws governing audits	all auditing bodies	0.30	0.00	0.00		0.3	IFC/ SECO	H

			a law on audits, assign responsibility for audits to employees of bodies not directly responsible for audits									
			4.2.2 Prepare departmental instructional materials taking newly adopted law into account	Provisions and responsibility in sublegal acts of the law on audits revised	SCI, MOJ	0.20	0.00	0.00		0.2	IFC/SECO	H
			4.2.3 Study the possibilities for acceleration and simplification of customs processing and tax payment procedures	Report and practical recommendations presented	SCI, CS, TC, MEDT	0.20	0.00	0.20	USAID	0		
			4.2.4 Study the possibilities for a reduction in the collection of tolls on domestic roads not established by law by conducting control audits, introducing telephone hotlines, etc.	Report and practical recommendations presented	SCI, MIA, MOJ	0.30	0.00	0.00		0.3		H
			4.2.5 Cooperate with neighbouring transit countries to eliminate discrimination against national passengers and freight (taking into account measures under the Regional Cooperation sector)	Negotiations held	MEDT, SCI, CS	0.20	0.00	0.20	USAID	0		
			4.2.6 Devise and introduce an audit monitoring system, including tax and customs audits	System introduced	SCI, TC, CS	0.20	0.00	0.00		0.2	IFC/SECO	H
			4.2.7 Study the	Report and	SCI	0.10	0.00	0.00		0.1	IFC/SECO	H

			possibilities of introducing a temporary moratorium on audits of micro- and small businesses	recommendations presented								
			4.3 Retain only essential certification standards and procedures							0		
			4.3.1 Study the possibility of reducing the list of products, work and services subject to mandatory certification (in accordance with requirements established by the Law on Protection of Consumers' Rights	Government decision adopted and new mandatory certification list approved	MEDT, ASMC, SCI	0.05	0.00	0.05	EC	0		
			4.3.2 Draft and adopt a new Law on Technical Regulation	Law drafted and adopted	MEDT, ASMC, SCI	0.50	0.00	0.50	EC	0	ITC/ SECO	
			4.3.3 Prepare and adopt new sublegal acts in accordance with the updated law on technical regulation	Relevant regulatory proposals drafted and adopted	ASMC, MEDT, SCI	0.10	0.00	0.10	EC			
			4.3.4 Bring existing laws and other regulatory legal acts into conformity with the new law	Relevant regulatory proposals drafted and adopted	ASMC	0.05	0.00	0.05	EC	0		
			4.3.5 Study the possibility of reducing unnecessary standards and certificates and the recognition in Tajikistan of international	Report and practical recommendations presented	MEDT, ASMC, SCI	0.30	0.00	0.30	EC	0		

			standards for goods, including recognition on a unilateral basis									
			4.3.6 Perform an analysis and carry out the institutional reorganization of certification and standardization agencies, increase their potential	Report and practical recommendations presented	RTG, ASMC, MEDT, SCI	0.40	0.00	0.40	EC	0		
			4.3.7 Provide for the organization of a monitoring process to track changes in certification and standardization	Monitoring organized and functioning	MEDT, ASMC, SCI	0.30	0.00	0.30	EC	0		
			4.4 Study the possibility of improving access to financial resources by increasing the creditworthiness of entrepreneurs, including organization of credit bureaus, simplification of mortgage lending, registration of personal and real property, etc., as well as the performance of a comprehensive survey of the financial sector (as part of measures under the Macroeconomic sector)	Report and practical recommendations presented	SCI, NBT, MOJ, other bodies	0.30	0.00	0.00		0.3		P
			4.5 Introduce a transparent and clear schedule for the delivery of electricity, gas, heat and water to	Schedule adopted and being implemented. Deliveries made according to the contracted timetable. Fines imposed when	MEI, KhMK, SCI	0.05	0.00	0.00		0.05		P

			economic entities given limited potential and monitor compliance with the schedule (in addition to measures under the Energy and Water Supply sector)	schedule is violated.								
			4.6 Develop proposals to expand access to the national services market for foreign transportation and communications companies and banking and insurance organizations (as part of measures under the Infrastructure and Macroeconomics sectors)	Proposals presented	SCI, MTC	0.05	0.00	0.00		0.05		P
			4.7 Study and present proposals to improve conditions for comfortable visits by investors to Tajikistan (airline service, taking into account measures under the Transportation sector, hotel services and simplification of visa requirements, taking into account measures under the Regional Cooperation sector)	Survey and practical proposals presented	SCI, MEDT, MTC, MFA	0.10	0.00	0.00		0.1		P
			4.8 Bring labour legislation into line with market conditions	Relevant regulatory legal acts adopted	SCI, MOJ, MLSW	0.20	0.00	0.00		0.2		P
			4.9 Study the	Draft laws presented	MOF, SCI	0.05	0.00	0.00		0.05		P

			possibility of establishing the presumption of a taxpayer's innocence in the tax legislation	and adopted								
			4.10 Study and prepare proposals on simplification of the closing of a business, including a reduction in and simplification of bankruptcy procedures and tax audits	Regulatory proposals, including suggestions for amendments and additions to the legislation on bankruptcy and the Tax Code, presented and adopted	MOJ, MEDT, SCI, TC	0.10	0.00	0.00		0.1		P
	5. State support for entrepreneurial activity and investments (improvement of the business and investment climate)	Improve the country's business climate rating by 10 points. Improve the country's investment climate rating by 10 points. Increase the number of enterprises with between 10 and 50 employees as a proportion of the total number of enterprises with up to 50 employees	5.1 Provide training and services to the business community									
			5.1.1 Provide legal education and training in small business skills	Number of training courses held Records kept of the number of women and men receiving training	SCI, CFWA, CYST, local authorities	1.50	0.00	0.00		1.5	EC, OSCE UNDP	P
			5.1.2 Provide monitoring of and support for privatized enterprises	Recommendations to provide support to privatized production facilities presented	SCI, other bodies	0.50	0.00	0.00		0.5	WB	P
			5.1.3 Reform accounting practices/Certified International Professional Accounting (A/CIP) (in addition to measures under the Macroeconomics sector)	Medium-sized and large enterprises employ accounting and reporting practices in accordance with IAS, simplified accounting and reporting forms introduced for individual entrepreneurs and small business	MOF, SCI	0.40	0.00	0.40	USAID (amount to be deter-mined)	0		
			5.1.4 Improve the business environment	Practical recommendations presented	SCI	4.00	0.00	4.00	USAID (amount to be	0		

									deter-mined)			
			5.1.5 Facilitate the establishment of various business associations	Business associations established for various types of entrepreneurial activity and various regions	SCI, MOJ	0.10	0.00	0.00		0.1	ITC/ SECO	P
			5.1.6 Consider the possibility of granting business associations the right to file suit in courts (without payment of a duty) to protect micro- and small businesses and investors	Decision adopted and being implemented	SCI, MOJ	0.10	0.00	0.00		0.1		P
			5.1.7 Prepare a package of measures to develop women-owned businesses, including plans for the reinvestment of earnings from labour migration	Measures prepared and being implemented Training courses held	SCI, CYST, CFWA	0.30	0.00	0.00		0.3		P
			5.1.8 Improve the business climate	Business climate improved in the relevant regions	SCI, other bodies	1.50	0.00	1.50	UNDP (DFID, IDA, EC)	0		
			5.1.9 Increase the potential of micro-financing for Zerafshan Valley	Reduction in poverty, including poverty among women, through the provision of micro-financing services	SCI, CFWA, other bodies	2.00	0.00	2.00	UNDP	0		
			5.1.10 Improve the entrepreneurial climate	Support for business development, including efforts that are part of the Zerafshan Initiative and the Silk Road project	SCI, other bodies	0.70	0.00	0.70	UNDP	0		
			5.2 Ease access to markets								ITC/ SECO	
			5.2.1 Implement	Practical proposals	SCI, MTC,	0.10	0.00	0.00		0.1		P

			measures related to the restructuring of major communications, transportation and energy enterprises (as part of the Infrastructure and Energy sectors)	presented	MEI							
			5.2.2 Prepare a package of measures to stimulate the development of cotton farming, including measures related to debt issues, simplification of taxation and financing of production (in addition to measures under the Agriculture sector)	Proposals presented	SCI, MAEP, ALGC, MOF	0.10	0.00	0.00		0.1	IFC/ SECO	P
			5.2.3 Study the comparative advantages of different types of entrepreneurial activity in Tajikistan and prepare recommendations to turn them into competitive advantages (Initial goal: agrarian sector with cotton farming and light industry; mining; building materials industry; Energy and nonferrous metallurgy; Energy and land reclamation), phase 1	Report and recommendations presented	SCI, MEDT, other bodies	0.30	0.00	0.00		0.3	ITC/SECO	P
			5.2.4 Based on the	Draft programme	SCI, other	0.30	0.00	0.00		0.3		P

			results of 5.2.3, develop a targeted programme to attract FDI. Perform an analysis of the programme's effectiveness, not including investments in the mining industry	prepared	bodies							
			5.2.5 Strengthen the potential of on-the-job training at secondary schools by providing training for students in the basic principles of the most popular occupations (construction worker, driver, plumber, etc), and also expand Russian- language classes (in addition to measures under the Education sector)	Training organized, material and technical base of pilot schools strengthened	MOE, MLSW, SCI	0.25	0.00	0.00		0.25		P
			5.2.6 Provide services to entrepreneurs and encourage investments, including assistance to young people to start their own businesses, establish an Enterprise Development and Business Consulting Centre, provide assistance to the tourism business	Recording of persons covered by services with a breakdown by gender	SCI, CYST, MEDT	2.65	0.00	2.65	TACIS	0		
			5.2.7 Prepare and make amendments to legislation on mineral resources	Amendments to the Law on Mineral Resources and the Law on Concessions	MGA, SCI	0.30	0.00	0.00		0.3		P

			and concessions, bringing it into line with leading international practice, including improvements in information available to potential investors	and related sublegal acts Potential of the subdivision of the Main Geology Administration for potential investor relations strengthened								
			5.2.8 Develop conditions that encourage entrepreneurial and investment activity in industry, transportation, communications, education, science, health care, housing and municipal services, environmental protection, etc., through public administration reform in these sectors (in addition to measures in other sectors)	Proposals presented and approved	SCI, MOJ, other bodies	0.30	0.00	0.00		0.3		P
			5.2.9 Study conditions for connecting entrepreneurs to the infrastructure networks of natural monopolies and present recommendations	Recommendations presented	SCI, other bodies	0.10	0.00	0.00		0.1		P
			5.2.10 Devise and introduce simplified tax forms for individuals working at home, craftspeople, micro- and small businesses	Draft laws presented and adopted. Mechanism introduced for the registration of entrepreneurs operating under the simplified system, with a breakdown by gender	MOF, TC, SCI	0.20	0.00	0.00		0.2		P

			5.2.11 Promote investment projects to conduct market research in the domestic market for goods, work and services, in order to improve the information available to entrepreneurs and investors	Negotiations held and assistance provided in the establishment of structures, in obtaining financing, in training and in conducting market research in the domestic market	MEDT, SCI	0.30	0.00	0.00		0.3	FAO USAID	H
			5.3 Provide direct support to the private sector							0		
			5.3.1 Prepare proposals to expand direct participation by civil society institutions in the development of draft regulatory legal acts pertaining to entrepreneurial activity and investment, and in their implementation and monitoring at the central and local government levels	Proposals presented Amendments made to the Law on Regulatory Legal Acts	MOJ, SCI	0.10	0.00	0.00		0.1		P
			5.3.2 Study the possibility of reducing insurance contribution payments by employers (25%). Pass legislation that provides for social insurance for individual entrepreneurs and hired workers (in addition to measures under the Macroeconomics sector)	Proposals presented	SCI, MLSW, MOF	0.10	0.00	0.00		0.1		P
			5.3.3 Specify in	Proposals presented	SCI, MEDT	0.10	0.00	0.00		0.1		P

			legislation on government purchasing a 15% quota for micro- and small businesses for goods, work and services produced in Tajikistan	and approved Quota for micro- and small businesses in government purchasing set at 15%								
			5.3.4 Prepare proposals for the granting of guarantees by the SCI on credits to micro- and small businesses	Amendments made to the relevant NBT regulations. 30% increase in credits to micro- and small businesses as a proportion of total credits granted	SCI, NBT	0.50	0.00	0.00		0.5		P
			5.3.5 Promotion of investment projects to improve the regulatory base and methods for the organization and regulation of entrepreneurial activity in tourism (in addition to measures under the Regional Cooperation sector)	Negotiations held and assistance provided in improving the legislation, in obtaining financing for tourism projects and training for tourism operators	CYST, SCI	0.30	0.00	0.00		0.3		P
			5.3.6 Creation of effective economic incentives for development of the private sector in the personal services sphere (public baths, laundries, dry cleaners), especially in rural areas	Number of private sector enterprises established in the personal services sphere	SCI, CFWA	0.128	0.000	0.000		0.128		H
			5.3.7 Implementation of an enterprise development project	Support provided for development of the private sector	SCI	1.745	0.000	1.745	USAID	0		
Total						**33.53**	**0.00**	**16.10**	**0.00**	**17.44**		
4. Development of regional cooperation and integration into the global economy												
Increase in the volume of the Republic of	1. Improve the system for the management of	Institutional reforms carried out	1.1 Perform a functional survey of institutions that	Functional survey prepared	MEDT, CS, TC, NBT, MOF	0.05	0	0		0.05		H

Tajikistan's foreign trade by 25% by 2009, including through the diversification of exports	foreign economic activity		determine policy in the area of foreign economic and foreign trade activity									
			1.2 Prepare concrete recommendations for harmonization of the current legislation governing foreign economic and foreign trade activity with internationally recognized norms of international law	Practical recommendations prepared	MEDT, MOJ, CS, TC, MFA	1.43	0	0		1.43	TACIS USAID SECO SDC	H
			1.3 Prepare a draft law on technical regulation (in addition to measures under the Improvement of the Investment Climate sector	Law adopted that defines the procedure for the application of technical regulations, including those pertaining to trade	MEDT, ASMC, other bodies	0.1	0	0		0.10	USAID EC ITC SECO	P
			1.4 Adopt a law on special protection, anti-dumping and compensation measures	Law adopted. Mechanism established for the application of special protection, anti-dumping and compensation measures in trade	MEDT, other bodies	0.03	0	0		0.03		P
			1.5 Introduce three draft laws pertaining to intellectual property (on trademarks, on geographical designations, on the protection of integrated circuit topologies)	Legislative framework established for the regulation of relations involving the commercial aspects of intellectual property rights	MEDT, other bodies	0.03	0	0		0.03	WIPO	P
			1.6 Implement measures to ensure access to regulatory	Preparation of a new version of the Republic of Tajikistan	MOJ, MEDT, CS	0.10	0	0		0.10		P

			legal documents, instructions and other materials related to foreign economic activity (in addition to measures under the Development of the Private Sector and Entrepreneurship section	Law on Regulatory Legal Acts								
			1.7 Study the possibilities for gaining access to foreign markets and make changes in the structure of foreign trade	Analysis of the absolute and relative advantages of the Republic of Tajikistan in international trade performed regularly, comprehensive programme for the development of export-oriented sectors of the economy prepared	MEDT, SCI, MEI, MAEP	0.10	0	0.00		0.10	GTC, ITC SECO	P
			1.8 Establish information and marketing centres to promote trade	WTO Information Centre and centre to support entrepreneurial initiative established	MEDT, CCI	0.10	0	0		0.10	ITC, SECO USAID	P
			1.9 Make further improvements in measures for the non-tariff regulation of foreign trade activity involving exports as part of legislation on government regulation of foreign trade activity	Non-tariff measures in trade restricted	MEDT, CS, other bodies							
Completion of the Republic of Tajikistan's accession to the WTO before the end of 2009	2. Strengthening of the Republic of Tajikistan's participation in global trade	Accession to the WTO	2.1 Prepare a comprehensive analysis of the consequences of Tajikistan's accession to the WTO, taking into account different scenarios and	Report and practical recommendations presented	MEDT, other bodies	0.50	0	0.00		0.50		H

			conditions for accession, and prepare recommendations									
			2.2 Prepare proposals for gaining access to the goods and services market taking into account the economic interests of the Republic of Tajikistan and further liberalization of foreign trade	Updated proposals for gaining access to the goods and services market presented	MEDT, MAEP, MEI, MTC, MOJ, MOH, MOE						SDC SECO	
			2.3 Organize meetings of working groups to discuss the Republic of Tajikistan's accession to the WTO in Geneva	Systematic issues related to harmonization of the Republic of Tajikistan's current trade regime with norms of the multilateral trade system resolved	MEDT, MFA	0.50	0.2	0.20	SECO	0.10	SDC SECO	H
			2.4 Organize bilateral negotiations with WTO member countries regarding the conditions for the Republic of Tajikistan's accession to the WTO	Signing of final protocols on the conditions for accession	MEDT, MFA	0.30	0.1	0		0.20	SDC SECO	H
			2.5 Strengthen the potential of bodies that deal with protection of intellectual property rights	Continuation of reform	MEDT, MOC	0.50	0	0		0.50		H
			2.6 Increase the potential of bodies that implement policy pertaining to technical trade barriers and sanitary and phytosanitary requirements in	Control system established, personnel trained and material base strengthened	MEDT, MAEP, MOH	13.60	1.0	10.00	ADB	2.60	ITC SECO	H

			accordance with new legislation									
			2.7 Prepare and introduce into the curriculum at higher education institutions "International trade and law" as a course of study	Implementation of projects to support the Republic of Tajikistan's accession to the WTO, financed by SECO and USAID	MEDT, MOE	0.50	0	0.20	SECO, USAID	0.30	SDC ITC	H
			2.8 Establish a representative office of the Republic of Tajikistan at the WTO Secretariat in Geneva with a view to playing a larger role in the decision-making process related to international trade	Proposal presented to the Republic of Tajikistan Government	MEDT, MOF	0.75	0.35	0.00		0.40	SDC SECO	H
			2.9 Promotion and implementation of a project to develop regional trade and support the customs system, including support for Tajikistan's accession to the WTO, reform of trade and customs policies to reduce barriers in transit, transportation, crossing of borders and customs clearance, as well as cooperation in the collection and exchange of data	Relevant regulatory legal acts adopted	MEDT, CS	4.25	0	4.25	USAID (amount to be deter-mined)	0.00		
			2.10 Obtain preferential conditions for exports of goods as part of the generalized system of preferences for	The Republic of Tajikistan will enjoy preferential trade conditions	MEDT	0.05	0	0.00		0.05	SDC SECO	H

			WTO countries									
	3. Develop regional cooperation	Increase in bilateral trade with countries in the region	3.1 Develop cooperation in the effective utilization of water and energy resources and hydrocarbon reserves, resolve issues related to transit and transmission of electricity to countries in the region	Increase in the output of electricity and its export to countries in the region	MEI, MEDT, MFA	0.05	0	0.00		0.05	(China, Russia, Iran)	H
			3.2 Improve the regulatory-legal and institutional framework for the development of regional trade and the harmonization of trade procedures	Growth in intra-regional trade	MEDT, CS, TC	0.20	0	0.00		0.20	USAID ITC GTC	H
			3.3 Complete the process of the formation of a Customs Union within the framework of EurAsEC	Free movement of goods within the Community	MEDT, CS	0.10	0	0.00		0.10		P
			3.4 Develop more active relationships within the SCO and complete the process of the formation of the SCO Development Fund with a view to ensuring implementation of the Action Plan to implement the Multilateral Cooperation Programme	Implementation of pilot projects of regional significance	MEDT, MOF, NB, MEI, MTC							
			3.5 Develop relationships within the ECO with the aim of addressing	Resolution of the transit issue	MTC, MEDT, MFA							

			issues involving the transit of goods across the territory of ECO member countries and simplifying trade procedures									
			3.6 Create an international transportation and expediting company with the participation of foreign investors	Simplification of freight shipments	MTC							
			3.7 Complete the process of joining the Asian Highway network and develop transportation corridors	Simplification of the transit of goods and preparation of transportation and transit documentation	MTC, MEDT, MFA							
			3.8 Establish a transportation consortium within Central Asia	Transit problems resolved	MTC							
			3.9 Establish an International Energy Consortium	Effective utilization of the Republic of Tajikistan's energy potential	MEI	0.50	0	0		0.50		P
			3.10 Increase the potential for the transmission of electricity to countries in the region through the construction of electric power lines	Increase in electricity exports	MEI, MEDT, MOF	0.05	0	0		0.05	China	P
			3.11 Develop bilateral trade and economic ties	Development of bilateral trade and economic ties	MEDT, MEI, MAEP, MTC, CCI							P
	4. Diversification of the commodity and sectoral structure of trade and simplification of trade procedures	Growth n the export base for non-traditional export items	4.1 Growth in the country's foreign trade turnover through sound implementation of a policy to develop export-oriented sectors of the	Increase in foreign trade	MEDT							

			economy									
			4.2 Develop a strategy for exports of fruit and vegetable products	Strategy developed	MAEP, MEDT	0.05	0	0		0.05	ITC	H
			4.3 Promote and implement a project to develop agro-business through support for the development and implementation of modern methods for the processing and packaging of agricultural products, improve the transport, storage and marketing of products and promotion of these products in foreign markets	Growth in exports of fruit and vegetable products	MEDT, MAEP	5.00	0	5.00	USAID	0.00		
			4.4 Update customs and tariff policies, taking into account the country's international commitments and WTO requirements and conditions	Optimization of customs tariff and non-tariff measures in trade	MEDT, CS, TC, MOF	0.10	0	0		0.10	SECO	H
			4.5 Establish an Advisory Commission on trade procedures	Barriers to growth in trade identified in a timely manner	MEDT	0.10	0	0		0.10		H
			4.6 Eliminate the procedure requiring payment of a deposit when goods transit the territory of Kazakhstan, Uzbekistan and Russia	Increase in freight flows across the territory of Russia, Uzbekistan and Kazakhstan	MEDT							
			4.7 Study and present proposals on the conversion of the Tajik Universal	Reports presented and practical recommendations prepared	MEDT	0.10	0	0		0.10		H

			Commodity and Raw Materials Exchange into a commodity-stock exchange									
			4.8 Improve the mechanism for issuing licenses and quotas for the production, handling and sale of alcohol products	Mechanism for issuing quotas for alcohol products improved	MAEP, MEDT							
			4.9 Improve the insurance system for legal entities and individuals	Proper system of insurance against commercial risks established	MOF							
			4.10 Resolve the question of establishing free economic zones on the territory of the Republic of Tajikistan	Free economic zone established in Dangara District	MEDT							
	5. Development of tourism	Number of tourists, growth in revenue from tourism	5.1 Prepare a survey of Tajikistan's tourism opportunities and proposals for improving its tourism opportunities	More effective use of opportunities to develop tourism	CYST	0.10	0	0		0.10		P
			5.2 Prepare an advertising and public information programme to develop international tourism, including the production of television and radio programmes for foreign audiences	More information available on tourism opportunities, including information posted on websites	CYST, MEDT	0.10	0	0		0.10		P
			5.3 Publish catalogues, booklets, posters, maps and other advertising and informational	Greater awareness abroad of the Republic of Tajikistan's tourism resources	CYST, MOF							

			materials									
			5.4 Provide for more active participation by domestic tourism operators in international tourism exhibitions and trade fairs abroad through the organization of a single display for the country as a whole, accompanied by participation by government authorities	Advertising of the Republic of Tajikistan's tourism products abroad	CYST, CCI							
			5.5 Set up tourism offices abroad, which perform the functions of advertising and public information offices, as part of the operation of Republic of Tajikistan trade representative's offices abroad	More effective implementation of tourism policies	CYST							
			5.6 Arrange for the presentation of Tajikistan's tourism opportunities in the main countries that send tourists to our country	Increase in the flow of tourists to the Republic of Tajikistan	CYST, MEDT, MOF							
			5.7 Compile tourism statistics that are consistent with international requirements within the framework of decisions of the World Tourism Organization, taking into account indicators of tourism-related	Increase in the reliability of statistical information	SSC, CYST							

			sectors									
			5.8 Promote investment projects to develop the tourism infrastructure, including hotel networks, infrastructure facilities that help develop tourism, etc.	Projects prepared	CYST, SCI	0.10	0	0		0.10		P
			5.9 Implement investment projects to develop the tourism infrastructure, including hotel networks, infrastructure facilities that help develop tourism, etc. (FDI)	Construction of hotels, development of the tourism infrastructure and increase in employment	CYST	250.00	0	200.00	Russia, Turkey, India, Aga Khan Fund	50.00		
			5.10 Develop the air transport sector and allow foreign air carriers access to the domestic market	Improvement in the quality of air transport services	SCI, MTC, MEDT							
			5.11 Simplify the procedure for granting visas to nationals of certain foreign countries. Introduce the practice of granting tourist visas right at the Dushanbe airport for a period ranging from two weeks to one month	Increase in the number of foreign tourists visiting Tajikistan	CYST, MFA							
	6. Regulation of the labour migration process	Growth in the proportion of legal labour migrants	6.1 Improve the mechanism for the regulation and normalization of foreign labour migration, step up the political dialogue with the	Protection of the rights of labour migrants outside the country and guarantees for these migrants	MLSW, MFA							

			aim of protecting the rights and interests of Tajik migrants living in foreign countries (in addition to measures referred to under the social welfare section)									
Total						**279.44**	**1.65**	**219.65**		**58.14**		
5. Development of infrastructure, transportation and communications, energy and industry												
Growth in freight turnover by 12.5% Growth in passenger turnover by 4.7%	1.1 Implementation of institutional reforms in the transportation sector	Optimization of functions of government structures involved in the regulation of the transportation sector, adoption of a comprehensive strategy for development of the transportation sector	1.1.1 Perform a functional survey of government agencies responsible for the development and implementation of transportation policy	Report and practical recommendations prepared	EAP	0.5	0	0		0.5		H
			1.1.2 Increase the potential of central and local government agencies responsible for the development and implementation of transportation policy	Percentage of employees who have received training	MTC	0.4	0	0.4	ADB	0		
			1.1.3 Organize monitoring and assessment of the transportation policy that is being implemented (as part of measure 1.1.2)	A monitoring and assessment unit is organized to track activities that are being carried out, all of its staff has received training	MTC	0	0	0.00		0		H
			1.1.4 Grant the Association of International Carriers independent status	The Association of International Carriers functions independently of government bodies	MTC	0	0	0.00		0		H
			1.1.5 Provide incentives for the establishment of private transportation and expediting companies	Measures developed and introduced to provide support for private transportation and expediting companies	MTC, MOF, TC	0.1	0	0.00		0	0.1	P

			1.1.6 Increase the number of foreign air carriers operating in Tajikistan	The number of foreign air carriers operating in Tajikistan increased by 5.	MTC, SUAE	0.1	0	0.00		0	0.1	P
	1.2 More effective use of available resources in the transportation sector	Key directions identified for optimal activities involving transportation facilities	1.2.1 Perform an inventory (certification) of existing roads and transportation routes. Define in specific terms rights and responsibilities related to the operation and maintenance of roadways	Inventory performed, rights and responsibilities related to the operation of roadways defined	MTC	0.3	0	0.00		0.3		H
			1.2.2 Perform an analysis of the financial stability of the highway system, including parking zones, new roads and tunnels	Analysis performed and practical recommendations proposed	MTC, MOF, MEDT, local authorities	0.3	0	0.00		0.3		P
			1.2.3 Prepare and approve a strategic plan for the restructuring of Tajik Railway	Restructuring plan prepared and approved	MTC, TRW	0.5	0	0.00		0.5	ADB	H
			1.2.4 Prepare and approve a strategic plan for the restructuring of Tajik Air SUAE	Restructuring plan approved and being implemented	MTC, SUAE	0.40	0	0.00		0.4	EBRD	H
			1.2.5 Modernize the financial management system of Tajik Air SUAE; modernize the airline ticketing system	Annual independent audit performed. Airline ticketing system improved	MTC, SUAE	0.10	0	0.00		0.1	EBRD	P
	1.3 Promote existing and new investment projects in the transportation sector	Increase the number of roadways in satisfactory condition as a proportion of the total length of	1.3.1 Implement the Shagon-Zigar highway construction project, phase 2	9.750 km of highway completed	MTC	8.973	1.105	7.87	IDB (7.87)	0		
			1.3.2 Implement the Pyandzh River	Completion of a bridge 672 metres in	MTC	21.700	0	0.00		21.7	USAID (21.7)	P

		roadways to 7.2% Attract US$192 million in investments for the implementation of transportation projects	bridge construction project	length								
			1.3.3 Implement the Dusti-Lower Pyandzh highway construction project	Completion of 23.7 km of highway. Access to Afghanistan's transportation network	MTC	5.000	0	5.0	Govt. of Japan	0		
			1.3.4 Restore the Dushanbe-Aini-Shakhristan-Istravshan-Khudjand-Buston-Uzbekistan border highway	Restoration of 354.1 km of highway, increase in the turnover of goods with Uzbekistan	MTC	240.8	9.8	231.00	China (231)	0		
			1.3.5 Promote the Shar-shar tunnel construction project (US$34.3 million)	Preparation of a feasibility study and negotiations held with investors	MTC	0.2	0	0.00		0.2	China	H
			1.3.6 Promote the Chormagzak tunnel construction project (US$51 million)	Preparation of a feasibility study and negotiations held with investors	MTC	0.2	0	0.00		0.2	Iran	H
			1.3.7 Implement the Dushanbe-Kyrgyzstan border highway construction project, phase 1	Increase in the volume of freight carried by motor transport to Kyrgyzstan. Completion of 73 km of highway	MTC	13.232	1.179	12.05	ADB (8.594) OPEC (3.459)	0		
			1.3.8 Implement the Dushanbe-Kyrgyzstan border highway construction project, phase 2	Increase in the volume of freight carried by motor transport to Kyrgyzstan. Completion of 89 km of highway	MTC	35.584	9.11	26.47	ADB	0		
			1.3.9 Develop and implement methods to select the most important investment projects	New methods being used in management activity	MTC	0.10	0	0.00		0.1		P
			1.3.10 Promote a project to convert motor vehicles to alternative energy sources	Investment projects developed and presented to potential investors. Negotiations held	MTC, MEI	0.5	0	0.00		0.5		P
			1.3.11 Promote	Negotiations held	MTC	33	0	0.00		33		

			investment projects to increase the fleet of freight cars (600 units) (FDI)	with investors on financing for the acquisition of railcars. First set of railcars purchased								
			1.3.12 Promote investment projects to carry out major repairs on 142 km of railroad tracks and lay 135 km of communications lines, phase 1 (FDI)	Negotiations held with investors on construction financing. First phase of planning work completed	MTC, TRW	8.5	0	0.00		8.5		
			1.3.13 Promote investment projects to electrify the Bekabad-Kanibadam railway route	Negotiations held with investors on construction financing. First phase of planning work completed	MTC, TRW	0.3	0	0.00		0.3		H
			1.3.14 Promote investment projects to build the Kokhozabad-Lower Pyandzh railroad, phase 1 (FDI)	Negotiations held with investors on construction financing. First phase of planning work completed	MTC, TRW	55	0	0.00		55		
			1.3.15 Implement railroad upgrading projects	Investment projects developed and presented to potential investors. Negotiations held	MTC, TRW	0.5	0	0.5	ADB	0		
			1.3.16 Develop and promote investment projects involving the restructuring of Tajik Air SUAE (in addition to 1.2.4)	Investment projects developed and presented to potential investors. Negotiations held	MTC, SUAE	0.1	0	0.00		0.1		P
			1.3.17 Promote investment projects involving reconstruction of the Khudzhand and Dushanbe airports (FDI)	Negotiations held with investors on construction financing. First phase of planning work completed	MTC, SUAE	15	0	0.00		15		
			1.3.18 Promote investment projects to strengthen the	Investment projects developed and presented to potential	MTC, SUAE	0.5	0	0.00		0.5		P

			potential of domestic airports	investors. Negotiations held								
			1.3.19 Promote investment projects to develop structures for the handling of motor, rail and air freight (FDI)	Negotiations held with investors on construction financing. First phase of planning work completed	MTC, SUAE, TRW	10	0	0.00		10		
			1.3.20 Promote an investment project to modernize the Tajik Air aircraft fleet (FDI)	Negotiations held with investors on financing for the purchase (leasing) of airplanes. First phase of planning work completed	MTC, SUAE	5	0	5.00	EBRD	0		
			1.3.21 Promote a project to rehabilitate the Kurgantyube-Dusti highway, which provides access to Afghanistan's transportation network	Negotiations held with investors on construction financing. First phase of planning work completed	MTC	22	0			22	Govt. of Japan	P
			1.3.22 Promote a project to rehabilitate the Andzhirobi Poyen-Shagon section of the Kulyab-Kalaikhumb highway	Negotiations held with investors on construction financing. First phase of planning work completed	MTC	7.15	1.15	6.00	IDB (6)	0		
			1.3.23 Promote a project to rehabilitate the Dushanbe-Kyrgyzstan border highway, phase 3	Feasibility study prepared	MTC	30	5	25.00	ADB (25)	0		
			1.3.24 Promote investment projects to modernize the trolleybus fleet and restore trolleybus lines (FDI)	Negotiations held with investors on financing of construction and purchases. First phase of planning work completed	MTC, other bodies	4.8	0	0.00		4.8		

			1.3.25 Promote investment projects to build two modern freight and passenger terminals (FDI)	Negotiations held with investors on construction financing. First phase of planning work completed	MTC, other bodies	4.00	0	0.00		4		
			1.3.26 Prepare a feasibility study on the establishment of an aviation and radio-electronic equipment laboratory to service foreign airplanes, and on the introduction of a centralized fuelling system (FDI)	Investment projects developed and presented to potential investors. Negotiations held	MTC, SUAE	1.00	0	0.00		1		
			1.3.27 Implement investment projects to build bridges in Vanch and Shurabad districts	Bridges built	MT	1.70	0	1.70	Aga Khan Fund	0		
			1.3.28 Implement a project to rebuild the Dushanbe-Tursunzade highway	54 km of highway rebuilt	MT	10.50	2	8.50	ADB	0		
			1.3.29 Implement a project to build the Shagon-Zigar section of the Kulyab-Kalai-Khumb highway (phase 3)	Highway built	MT	10.80	1.0	9.00	IDB	0		
			1.3.30 Rehabilitate the Khorog-Roshtkala-Tukuzbulok highway	Highway rebuilt	MT	3.89	0	0.00		3.89		H
			1.3.31 Rehabilitate the Vakhdat-Dangara highway	Highway rebuilt	MT	11.00	0	0.00		11		H
			1.3.32 Build the Kafarnigan-Yavan railway line	Railway line built	MT	7.51	1.15	6.36	IDB	0		
			1.3.33 Prepare a	Feasibility study	MTC	0.36	0	0.36	IDB	0		

			feasibility study for construction of the Dzhirgatal-Karamik highway	prepared								
			1.3.34 Purchase equipment and provide training for rehabilitation of the country's highways	Established list of work performed	MTC	10.00	0	0.00		10		H
Total						**581.599**	**32.294**	**345.215**	**0**	**204.09**		
			Development of communications									
Growth in the communications sector as a proportion of GDP to 1.56%	2.1 Implementation of institutional reforms in the communications sector	Functions of government structures involved in regulating the communications sector optimized	2.1.1 Perform a functional survey of agencies responsible for the development and implementation of policy in the communications sector	Report and practical recommendations prepared	EAP	0.3	0	0		0.3		H
			2.1.2 Increase the potential of agencies responsible for the development and implementation of policy in the communications sector	Percentage of employees who have received training	MTC	0.5	0	0		0.5		H
	2.2 More effective use of available resources in the communications sector	Growth in the number of licensees in the communications sector by 5 units	2.2.1 Implement the Tajiktelecom restructuring plan	Company restructuring completed	MTC	0.3	0	0.0		0.3		H
			2.2.2 Approve and implement the Teleradiocom restructuring plan	Company restructuring completed	MTC	0.2	0	0.0		0.2		H
			2.2.3 Perform an analysis of the functions and develop a plan for reform of the Pochtai Tochikiston Department with the aim of increasing its profitability	Analysis performed and practical recommendations presented	MTC	0.3	0	0.0		0.3		P
	2.3 Promote investment projects in the communications sector	Increase telephone density by 1.4%	2.3.1 Develop and promote the Electronic Government strategy based on	Electronic Government strategy approved by the Government, feasibility study	MTC	0.1	0	0.00		0.1		H

			the approved Conceptual Framework (stage 1)	prepared and negotiations held with investors								
			2.3.2 Implement the "Electronic Government" strategy (FDI)	Electronic Government strategy being implemented on a pilot basis	MTC	11.3	0	0.00		11.3		
			2.3.3 Promote the Telecommunica-tions Transportation Network investment project	Project proposal prepared and negotiations held with investors	MTC	0.1	0	0.00		0.1		H
			2.3.4 Implement the Telecommunica-tions Transportation Network investment project (FDI)	Number of users of main transmission network has reached 744 units	MTC	8	0	0.0		8		
			2.3.5 Promote the Organization of an IP National Data Network investment project	Project proposal prepared and negotiations held with investors	MTC	0.1	0	0.00		0.1		H
			2.3.6 Implement the Organization of an IP National Data Network investment project (FDI)	First phase of work completed	MTC	6.99	0	0.0		6.99		
			2.3.7 Promote the Organization of Rural Network Access investment project	Project proposal prepared and negotiations held with investors	MTC	0.1	0	0.0		0.1		H
			2.3.8 Implement the Organization of Rural Network Access investment project (FDI)	First phase of work completed	MTC	21.7	0	0.0		21.7		
			2.3.9 Modernize cable networks of the national telephone system	Established list of work performed	MTC	4.488	0	0.0		4.488		H
			2.3.10 Modernize the telephone networks in Khatlon Province	Established list of work performed	MTC	1.2	0	0.0		1.2		H
			2.3.11 Strengthen the material and	Established list of work performed	MTC, State Television	0.379	0	0.0		0.379		H

			technical base of the film archive		and Radio, other bodies							
Total						**56.057**	**0**	**0**	**0**	**56.057**		
1. Increase in the average daily availability of electricity from 16 hours to 20 hours	3.1 Implementation of institutional reforms in the energy sector	Functions optimized and restructuring of the energy sector performed	3.1.1 Perform a functional survey of agencies responsible for the development and implementation of policy in the energy sector	Report and practical recommendations prepared	RT EAP	0.25	0	0.00		0.25		H
			3.1.2 Increase the potential of agencies responsible for the development and implementation of policy in the energy sector, including establishment of a system for monitoring the policy implementation process	Monitoring unit established. Percentage of staff who have received training	MEI	0.25	0	0.00		0.25		H
			3.1.3 Devise and implement a plan for the restructuring of Barki Tochik, which provides for the division of the company into generating, transmission and distribution units	Restructuring plan adopted and being implemented	MEI	0.45	0.00	0.00		0.450		H
			3.1.4 3 Devise and implement a plan for the restructuring of Tochikgas	Restructuring plan adopted and being implemented	MEI	0.30	0.00	0.00		0.300		H
			3.1.5 Develop a programme to protect vulnerable segments of the population in connection with higher rates for electricity and gas	Mechanisms devised and approved	MEI, MLSW, MOF, MEDT	0.40	0.00	0.00		0.400		P
			3.1.6 Devise a long-range conceptual framework for the	Conceptual framework approved	MEI	0.20	0.00	0.00		0.20		P

			development of the energy sector to 2025. Include in the plan the formation of industrial- and water-energy complexes (clusters), regional energy consortiums, and a gradual transition to electricity supply in place of gas supply systems									
Reduction in the quasi-fiscal deficit	3.2. More effective use of available resources	1. Decline in energy losses from 14% to 10% 2. Increase in electricity rates from 0.65 cents to 1.65 cents	3.2.1 Implement a strategy aimed at a gradual increase in electricity rates in 2007-2010	Annual increase in rates in accordance with the Strategy	MEI							
			3.2.2 Implement a programme to build small hydropower plans	8 small hydropower plants built	MEI	10.40	2.20	8.20	IDB	0.00		
			3.2.3 Implement and monitor an investment project to reduce energy losses	Furnish 100% of consumers in the city of Dushanbe with electricity meters, furnish 100% of consumers throughout the country with gas meters	MEI	15.60	2.60	13.00	WB (5.7) Switz-erland (7.3)	0.000	2.6 – contri-bution by Barki Tochik	
			3.2.4 Study opportunities for and promote investment projects involving the conversion of thermal electric power plants to coal (in addition to measures under the Water Supply sector)	Report and recommendations presented. Negotiations held with investors on financing the conversion of power plants to coal	MEI	0.05	0.00	0.00		0.050		H
			3.2.5 Promote an investment project to build coal-fired electric power plants	Feasibility study prepared for the construction of one coal-fire power plant. Negotiations held	MEI	0.05	0.00	0.00		0.050		H

				with investors and construction work begun								
	3.3 Promotion of investment projects in the energy sector	Increase electricity generating capacities from 4070 megawatts to 6169.5 megawatts. Increase coal production from 98,800 tonnes to 148,100 tonnes, oil production from 16,000 tonnes to 29,300 tonnes and gas production from 23.8 million cubic metres to 30.5 million cubic metres.	3.3.1 Implement the Development of the Regional Electricity Market project	Agreements signed Electricity market identified	MEI	0.60	0.00	0.60	USAID	0.000		
			3.3.2 Perform an analysis and devise measures to reduce the energy-intensiveness of production and household consumption (first stage)	Analysis performed and practical recommendations presented	MEI, other bodies	0.45	0.00	0.00		0.450		P
			3.3.3 Improve the potential for electricity regulation at Barki Tochik	Number of consumers supplied by Barki Tochik	MEI	0.50	0.00	0.50	ADB	0.00		
			3.3.4 Establish and ensure unconditional compliance with a schedule for heat, electricity and gas supply to consumers, especially during the winter months	Schedule for the delivery of heat, electricity and gas to consumers adopted and being implemented Penalties established for suppliers who fail to meet the delivery schedule	MEI, MEDT	0.30	0.00	0.00		0.300		P
			3.3.5 Implement a project to identify gas deposits and to establish a network of liquefied gas filling stations (by agreement with Gazprom) (FDI)	Increase in extraction of natural gas	MEI	6.00	0.00	6.00	Gaz-prom (DI, 6)	0.000		
			3.3.6 Implement an investment project to build a 220 kV electric power line between Lolazor and Kulyab, and the	Reduce technical losses by 4-5%	MEI	42.32	1.92	40.40	China	0.000		

			Khatlon 220 kV substation									
			3.3.7 Implement an investment project to build Sangtuda HPP-1 (FDI)	Additional output of 2.7 billion kWh	MEI	300.00	50.00	250.00	UES RAO	0.000		
			3.3.8 Implement an investment project to build Sangtuda HPP-2 (FDI)	Additional output of 1 billion kWh	MEI	256.00	40.00	216.00	Iran	0.000		
			3.3.9 Launch an investment project to build the first stage of the Rogun HPP, phase 1 (FDI)	Project launched	MEI	280.00	0.00	0.00		280.00	RUSAL	
			3.3.10 Perform an independent expert assessment of the feasibility study prepared for the Rogun HPP project	Report and practical recommendations prepared	MEI	0.70	0.00	0.00		0.700		P
			3.3.11 Implement an energy network concession project in GBAO (next stage) (FDI)	Technical losses reduced, agreement on exports of electricity to Afghanistan signed	MEI	26.50	0.00	26.50	Aga Kahn Fund	0.000		
			3.3.12 Comply with the requirement for a mandatory environmental impact assessment of large projects under construction with the participation of experts from national scientific organizations	Environmental impact assessments performed for all major new projects	MEI, AS, MAEP	0.00	0.00	0.00		0.000		
			3.3.13 Promote an investment project to modernize the Nurek HPP	Negotiations held with potential investors, feasibility studies prepared	MEI	0.10	0.00	0.00		0.100		H
			3.3.14 Restore/ rebuild the Nurek 500/220 kV distribution units (as part of measure 3.3.13)	Restoration/ reconstruction of the distribution units will make it possible to provide for the long-term and reliable	MEI	49.00	4.00	45.00	ADB (20) KfW (25)	0.000		

				delivery of electricity								
			3.3.15 Implement an investment project to modernize the Nurek HPP (FDI)	Expected extension of service life by 35 years, 10% increase in capacity	MEI	321.00	0.00	0.00		321.000		
			3.3.16 Promote an investment project to modernize the Kairakkum HPP	Negotiations held with potential investors, feasibility studies prepared	MEI	0.10	0.00	0.00		0.10		H
			3.3.17 Implement the investment project to modernize the Kairakkum HPP (FDI)	Expected extension of service life by 44 years, increase in capacity by 30 megawatts	MEI	53.40	0.00	0.00		53.40	Czech Republic	
			3.3.18 Promote an investment project to modernize the Varzob HPP cascade	Negotiations held with potential investors, feasibility studies prepared	MEI	0.20	0.00	0.00		0.20		H
			3.3.19 Implement the investment project to modernize the Varzob HPP cascade (FDI)	Expected extension of service life by 25 years, increase in capacity by 5 megawatts	MEI	10.20	0.00	0.00		10.20		
			3.3.20 Promote an investment project to modernize the Vaksh HPP cascade	Negotiations held with potential investors, feasibility studies prepared	MEI	0.30	0.00	0.00		0.30		H
			3.3.21 Implement the investment project to modernize the Vaksh HPP cascade (FDI)	Expected extension of service life by 50 years, increase in capacity by 30 megawatts	MEI	57.00	0.00	0.00		57.00		
			3.3.22 Promote an investment project to build the Eastern open-pit facility at the Fon-Yagnob mine	Negotiations held with potential investors, feasibility studies prepared	MT	0.10	0.00	0.00		0.10		H
			3.3.23 Implement the investment project to build the Eastern open-pit mine at the Fon-Yagnob deposit (FDI)	Additional production output of up to 300,000 tonnes of coal per year expected	MT	63.20	0.00	0.00		63.20		
			3.3.24 Promote an investment project	Negotiations held with potential	MEI	0.10	0.00	0.00		0.10		H

			to build open-pit and underground mines at Ziddi	investors, feasibility studies prepared								
			3.3.25 Implement the investment project to build open-pit and underground mines at Ziddi (FDI)	Additional production output of up to 400,000 tonnes of coal per year expected	MEI	63.50	0.00	0.00		63.50		
			3.3.26 Promote an investment project to rebuild mine No. 8 at the Shurab deposit	Negotiations held with potential investors, feasibility studies prepared	MEI	0.10	0.00	0.00		0.10		H
			3.3.27 Implement the investment project to rebuild mine No. 8 at the Shurab deposit (FDI)	Increase in the production of coal expected	MEI	1.78	0.00	0.00		1.78		
			3.3.28 Implement an investment project to build the South-North 500 kV electric power line	Delivery of electricity to the northern part of the country expected	MEI	236.38	9.28	227.10	China	0.00		
			3.3.29 Implement an investment project to build the Sangtuda HPP-Main HPP-Afghanistan border electric power line	Establishment of conditions for the export of electricity during the summer months	MEI	31.00	0.00	0.00		31.00	ADB	P
			3.3.30 Rehabilitate the energy sector, phases 1 and 2	Established list of work performed	MEI	45.28	8.16	19.82	ADB, IDB, Govt. of Switz-erland	17.30	ADB, Japan	H
			3.3.31 Build the Lolazor-Obi Mazor 220 kV electric power line and a 220 kV substation	Established list of work performed	MEI	7.20	1.20	0.00		6.00		H
			3.3.32 Implement a project for the trading of electricity among countries in Central and South Asia	Established list of work performed	MEI, MEDT, MFA	3.00	0.50	0.00		2.50	WB	H

			3.3.33 Implement a regional project to improve gas transmission	Established list of work performed	MEI	6.41	2.08	4.33	ADB	0.00		
			3.3.34 Implement a regional project for an intersystem electric power transmission line	Establishment of conditions for the export of electricity during the summer months	MEI	8.40	1.40	7.00	ADB	0.00		
Total						**1899.07**	**123.34**	**864.45**	**0.00**	**911.29**		

APPENDIX 1 Part 2

			Development of industry									
1. Increase in industrial output by 25.6% 2. Growth in labour productivity in industry up to 16% 3. Growth in industrial exports by 18% 4. Increase in number of people employed in industry by 20.5%	4.1 Carry out institutional reforms in the industrial sector	Functions of government structures involved in regulating the industrial sector optimized, industrial development strategy adopted	4.1.1 Perform a functional survey of the system of agencies involved in policy implementation in the sector	Analysis performed and practical recommendations presented	EAP	0.50	0.00	0.00		0.50		H
			4.1.2 Increase the potential of agencies responsible for the development and implementation of industrial policy	Percentage of employees of the relevant agencies who have received training	MEI	0.50	0.00	0.00		0.50		H
			4.1.3 Prepare and adopt a programme to modernize the system for the management of large public industrial enterprises	Programme adopted and being implemented	MEI	0.40	0.00	0.00		0.40		P
			4.1.4 Revise the statistical register of existing industrial capacities for the purpose of preparing proposals for their development, including the establishment of industrial-energy complexes, the creation of a register of industrial sites based on unpromising enterprises (in addition to measures under the Macroeconomics sector)	Register of existing industrial capacities revised Register of industrial sites created	MEI	0.50	0.00	0.00		0.50		P
			4.1.5 Support the creation of sectoral	At least three associations created	MEI, MEDT	0.10	0.00	0.00		0.10		P

			manufacturers' associations, involve these associations in the development of decisions									
			4.1.6 Create conditions for diversification of the economy through development of the mining industry			0.10	0.00	0.00		0.10	EC	P
			4.1.6.1 Update the existing legislation (on taxes, property, licensing, state-owned enterprises, etc.)	Legislative proposals prepared and adopted	MEI, MGA	0.20	0.00	0.00		0.20		P
			4.1.6.2 Organize a system to provide information to potential investors on existing mineral deposits	Information system created	MEI, MGA	0.10	0.00	0.00		0.10		P
			4.1.6.3 Modernize the data base for registration and transfer of mineral rights	Data base created	MEI, MGA	0.10	0.00	0.00		0.10		P
			4.1.6.4 Increase the education potential of national personnel specializing in mining	Decisions on forms of personnel training adopted and being implemented	MEI, MOE	0.20	0.00	0.00		0.20		P
			4.1.7 Devise and implement a programme to develop the building materials industry (taking into account major construction projects that are planned)	Programme approved and launched	MEI	0.30	0.00	0.00		0.30		P
			4.1.8 Perform monitoring and assessment of	Monitoring and assessment structures created and	MEI	0.30	0.00	0.00		0.30		P

			activities in the industrial sector by public enterprises and joint ventures with state participation	functioning								
	4.2 Support for the development of priority sectors of industry	Growth in the proportion of domestic raw materials that undergo processing	4.2.1 Develop and promote investment projects to establish production facilities for the intensive processing of cotton	Feasibility studies prepared, negotiations held with potential investors	MEI	0.50	0.00	0.00		0.50		P
			4.2.2 Implement investment projects to establish production facilities for the intensive processing of cotton (FDI)	Growth in gross output in the sector by 120%	MEI	73.00	0.00	23.00	Turkey (23)	50.00		
			4.2.3 1 Develop and promote investment projects to establish production facilities for the intensive processing of leather, wool, tobacco, silkworms and other raw materials	Feasibility studies prepared, negotiations held with potential investors	MEI	0.50	0.00	0.00		0.50		P
			4.2.4 Implement investment projects to establish production facilities for the intensive processing of leather, wool, tobacco, silkworms and other raw materials (FDI)	Growth in gross output in the sectors	MEI	180.00	0.00	0.00		180.00		
			4.2.5 Develop and promote a programme to increase the processing of aluminium and monitor its implementation, including the setting	Programme developed and adopted. Feasibility studies prepared and negotiations held with potential investors	MEI	0.30	0.00	0.00		0.30		P

			of quotas for domestic processing									
			4.2.6 Implement the programme to increase the processing of aluminium (FDI)	Increase in the proportion of aluminium being processed Growth in investments in the aluminium processing sector	MEI	200.00	0.00	0.00		200.00		
			4.2.7 Prepare and promote investment projects to develop the building materials industry	Feasibility studies prepared, negotiations held with potential investors	MEI	0.30	0.00	0.00		0.30		P
			4.2.8 Implement investment projects to develop the building materials industry (FDI)	Growth in gross output in the sector. Increase in investments in the sector	MEI	200.00	0.00	105.00	Czech Republic (105)	95.00		
			4.2.9 Develop and promote a programme to increase the processing of precious metals and stones	Feasibility studies prepared, negotiations held with potential investors	MEI	0.20	0.00	0.00		0.20		P
			4.2.10 Implement the programme to increase the processing of precious metals and stones (FDI)	Growth in gross output in the sector. Increase in investments in the sector	MEI	100.00	0.00	0.00		100.00		
			4.2.11 Prepare and promote investment projects to create production facilities for the assembly of agricultural equipment	Feasibility studies prepared, negotiations held with potential investors	MEI	0.50	0.00	0.00		0.50		P
			4.2.12 Implement investment projects to create production facilities for the assembly of agricultural equipment (FDI)	Growth in gross output in the sector. Increase in investments in the sector	MEI	75.00	0.00	10.00	Iran (25)	65.00		
			4.2.13 Prepare and	Feasibility studies	MEI	0.50	0.00	0.00		0.50		P

			promote investment projects to produce equipment for alternative energy (wind and solar, biogas production)	prepared, negotiations held with potential investors								
			4.2.14 Implement investment projects to produce equipment for alternative energy (wind and solar, biogas production) (FDI)	Growth in gross output in the sector. Increase in investments in the sector	MEI	15.00	0.00	0.00		15.00		
			4.2.15 Prepare and promote investment projects in the mining industry	Feasibility studies prepared, negotiations held with potential investors	MEI, MGA	0.40	0.00	0.00		0.40		P
			4.2.16 Implement investment projects in the mining industry (FDI)	Growth in gross output in the sector Increase in investments in the sector	MEI, MGA	120.00	0.00	0.00		120.00		
			4.2.17 Prepare and promote investment projects in the chemical industry, including projects involving the processing of table salt	Feasibility studies prepared, negotiations held with potential investors	MEI	0.50	0.00	0.00		0.50		P
			4.2.18 Implement investment projects in the chemical industry, including projects involving the processing of table salt (FDI)	Growth in gross output in the sector. Increase in investments in the sector	MEI	55.00	0.00	0.00		55.00		
Total						**1025.00**	**0.00**	**138.00**	**0.00**	**887.00**		
Total for the development of infrastructure, transportation and communications, energy and industry												
6. Food security and development of the agricultural sector												
1. Growth in gross output of agricultural products by 20% 2. Growth in labour productivity by	1. Implementation of institutional reforms in the sector	1. Reform and revision of functions and authorities of government agencies 2. Gradual	1.1 Reform agencies responsible for the development and implementation of sectoral policy (MAEP, ALGC, MRWR, TTSB and	Revision of functions and authorities of government agencies. Change in the structure of these agencies	MAEP, ALGC, MRWR, local authorities	0.6	0	0.3	EC	0.3		H

25%		transition from direct to indirect methods for the regulation of agriculture	local councils)									
			1.2 Increase the potential of agencies responsible for the development and implementation of sectoral policy, including attraction of investments and support for entrepreneurial activity	Number of specialists trained. Growth in the number and increase in the volume of fixed capital of owner-operated farms	MAEP, ALGC, MOH	0.6	0	0.3	EC	0.3		P
			1.3 Prepare proposals to eliminate administrative barriers related to interference by government agencies in the activities of agricultural enterprises (make amendments to laws)	Amendments to laws adopted	MAEP	0.6	0	0.3	EC	0.3		P
			1.4 Devise and implement a Food Security Strategy	Decisions adopted are sounder and more comprehensive	MAEP, other bodies	0.3	0			0.3	FAO EC	H
			1.5 Prepare and implement a programme for the development of production and exports of agricultural products up to 2015	Development of new sales markets. Increase in exports of agricultural products	MAEP, other bodies	0.3	0			0.3		P
			1.6 Support the Livestock Biotechnology structure to preserve the gene pool of domestic and wild animals (creation of a seed bank and data base) (FDI)	Improvement of livestock breeding. Increase in services for farmers. Higher profitability in livestock production. Seed bank created	MAEP	2.0	0.0	0.0		2	WB	
	2. Increase in the effectiveness of the cotton sector	1. Resolve cotton debt problems 2. Boost cotton	2.1 Implement a project to ensure the sustainability of the	Adjustment of the amount of debt owed by farms.	NBT, MAEP, other bodies	13.054	2.779	10.275	ADB	0		

		yields 3. Increase the domestic processing of raw cotton to 30%	cotton sector	Reduction in the level of debt owed by farms								
			2.2 Provide assistance in raising the standard of living and the management of land resources in Khatlon Province	New methods introduced	MAEP, NBT, other bodies	4.785	0.185	4.6	Inter-national Fund for Agri-cultural Devel-opment	0		
			2.3 Implement a project to develop cotton farming	All assessments performed in accordance with the international standard. Growth in income earned by peasant farmers on each tonne of cotton sold	12	0.8	11.2	WB	0			
			2.4 Perform research and devise a mechanism to increase competition among cotton mills	Increase in cotton output	MAEP	0.3	0	0		0.3		H
			2.5 Minimize procedures involved in the export of cotton and import of fertilizers, equipment and other materials for cotton production	Amendments to laws adopted. Number of contracts and agreements	MAEP, other bodies	0.1	0	0		0.1		H
	3. Implementation of land use guarantees and rights	1. Issuance of land registry certificates granting land-use rights: for peasant farms (10,000 in 3 years); household farming plots (180,000); private subsidiary farms of individuals (9,000); non-agricultural facilities (9,000); 2. Land share certificates (30,000); 3. Introduction on a pilot basis of a uniform approach	3.1 Make amendments to the legislation on simplification and enhanced transparency of procedures for the registration and strengthening of land-use rights	Amendments to the Land Code adopted. Lower costs associated with the preparation of documents granting land-use rights. Reduction in the seizure of land from peasant farmers	ALGC, MAEP, other bodies	0.2	0	0.2	WP, ADB, FAO, USAID	0		
			3.2 Devise and establish a uniform mechanism for the registration of land-use rights	A uniform land-use register established and updated. Reduction in the seizure of land from peasant farmers	ALGC, MAEP, other bodies	5.0				5.0		H

		to the registration of land and real property										
			3.3 Complete the total reorganization of farms and the subsequent restructuring	Peasants enjoy all land-use rights. Increase in production output	ALGC, MAEP, other bodies	0.3		0.3	WB, ADB, FAO, USAID	0		
			3.4 Perform soil studies and land assessment and prepare proposals for a uniform land tax rate	Fair taxation depending on soil productivity	ALGC, MAEP, MDS	11.8	0.6	0.0		11.2		H
			3.5 Perform regular monitoring of compliance with equal land-use rights and related guarantees	Number of peasant farms broken down by gender of the head of the farm. Average size of owner-operated farms, broken down by gender of the head of the farm. Production output of peasant (owner-operated) farms as a whole and by administrative territories (thous. somoni) with a breakdown by the gender of the farm manager	ALGC, CFWA	1.9	0	0.0		1.9	UNIFEM FAO, Canadian Intern-ational Develop-ment Agency	H
			3.6 Conduct public information and educational campaigns to promote equal access to resources and equal economic rights	Improvement in the legal and economic literacy of the rural population. Establishment and development of local information and consulting centres	ALGC, CFWA							H
			3.7 Prepare proposals to ensure the use of agricultural land for agricultural purposes, establishing	Agricultural land used for its designated purpose	ALGC, MAEP	0.1	0	0		0.1		H

			sanctions for its improper use									
			3.8 Assist in the establishment of voluntary associations for the management of land resources and the protection of farmers' land-use rights	Farmers provided with the necessary information on land-use rights	ALGC, MAEP, other bodies	0.3	0	0.3	WB, ADB, FAO, USAID	0		
	4. Improvement in the condition and increase in the effectiveness of the agricultural infrastructure and management of water resources	1. Restoration of agricultural land that has been taken out of use (thous. hectares) 2. Reduction in the degree of salinization and swamping of soils (%) 3. Determination of responsibility for the use and maintenance of the agricultural infrastructure at all levels	4.1 Rehabilitate and restore irrigation and drainage systems (based on a preliminary survey), develop new land and provide support for the establishment of WUAs for the management of water resources	Improvement in the quality of water supply services. Length of restored irrigation systems. Number of WUAs	MRWR, ALGC	2.2	0	0		2.2		P
			4.2 Conduct an inventory of unsupervised facilities in the social sphere, transportation, irrigation, etc., so they can be placed under the authority of other appropriate agencies	Number of new owners. All property has owners	MAEP, MRWR, local authorities, other bodies	0.6	0	0		0.6		P
			4.3 Plant trees and shrubs and utilize crop rotation, etc., to improve soil quality and reduce erosion and desertification	Increase in the area of land in use and improvement of soil fertility	ALGC, MAEP, local authorities	0.9	0	0.00		0.9		P
			4.4 Rehabilitate the agricultural sector	• Investments attracted.	MRWR, local authorities	29.4	4.4	25	ADB	0		

				• Water supply for agricultural land restored								
			4.5 Restore irrigation systems	• Irrigation systems restored and functioning normally	MRWR, local authorities	21.21	4.21	17	ADB	0		
			4.6 Establish proper organization of water resources management in the Fergana Valley	• Proper use of water resources ensured	MRWR, local authorities	14.174	1.174	13	WB	0		
			4.7 Provide for irrigation of the Dangara Valley (phase 2)	Second phase of the irrigation of the Dangara Valley completed	MRWR, local authorities	4.95	0.45	4.5	IDB	0		
			4.8 Provide for irrigation of the Dangara Valley (phase 3)	Third phase of the irrigation of the Dangara Valley begun	MRWR, local authorities	3.3	0.3	3	IDB	0		
			4.9 Prepare feasibility study for the Chubek canal project	Feasibility study for the Chubek canal project prepared	MRWR, local authorities	0.36	0	0.36	IDB	0		
			4.10 Prepare feasibility study for the Dagana-Gumysh-Yasuman irrigation canal project	Feasibility study for the canal project completed	MRWR, local authorities	0.36	0	0.36	IDB	0		
			4.11 Implement the Dagana-Gumysh-Yasuman farm irrigation project in Rasht District	Planned list of measures carried out	MRWR, local authorities, other bodies	2.3	0.12	0		2.18	IDB	H
			4.12 Implement a flood control and restoration project in Khatlon Province	Planned list of measures carried out	MRWR, MAEP, other bodies	10.8	1.8	9	ADB	0		
			4.13 Develop community farming and watershed management	Planned list of measures carried out	MRWR, other bodies	6.188	0.18	6.008	WB	0		
			4.14 Implement a project to develop irrigated land in the Rasht Valley	Planned list of measures carried out	MAEP, MRWR, local authorities, other bodies	4.25	0.25	0		4		H
	5. Improvement of conditions for the	1. Increase in income among	5.1 Implement the Rural Development	Volume of material and financial	MAEP	21.8	1.6	20.15	ADB	0.0		P

	development of rural entrepreneurial activity	rural households 2. Growth in agricultural output 3. Increase in productivity in agriculture	project	resources turned over to peasants. Increase in labour productivity								
			5.2 Improve the quality of veterinary, selection and seed production services through the involvement of the private sector	Number of private companies providing services and volume of private services provided	MAEP, AAS	0.1	0.00	0.00		0.1		H
			5.3 Perform market research for foodstuffs and provide marketing services	Growth in marketing services. Goods for which market research is performed	MEDT, MAEP	0.35	0	0.35	FAO	0		
			5.4 Study the feasibility of establishing simplified regulation and taxation for individual, micro- and small agricultural enterprises (including service enterprises and cotton farms)	Report and practical recommendations presented	MAEP, MOF, TC, SCI	0.1	0	0		0.1		P
			5.5 Implement an agricultural entrepreneurship project	Improvement in the quality and volume of services. One or two leasing companies established in the provinces	MAEP, other bodies	21	2	19	ADB	0		
			5.6 Facilitate the implementation of investment projects to develop animal husbandry at the level of individual and owner-operated farms (first stage)	Increase in production output and productivity in animal husbandry	MAEP	0.22	0	0		0.22		H
			5.7 Facilitate the implementation of investment projects to establish dairy farms, sheep farms,	Increase in production output in: animal husbandry, apiculture, poultry farming and fish-farming.	MAEP	13.5	0	0		13.5		

			poultry farms, yak and goat herding in mountainous and high-altitude regions, apiculture and fish-farming (FDI)	Growth in exports and reduction in imports. New jobs created								
			5.8 Promote investment projects to set up private livestock insemination facilities in *jamoats*	Increase in livestock productivity. Improvement in the quality of services	MAEP	1.3	0	0		1.3		P
			5.9 Provide economic-legal and consulting services related to effective land use and the development of private business in the agricultural sector	Increase in the stability and efficiency of peasant farms	ALGC, MAEP	1.1	0	0		1.1	FAO	P
			5.10 Conduct an experiment in 5-6 districts granting farmers the freedom to choose which crops to grow	Freedom to choose which crops to grow. Information on prospects for making the transition to a system based on free choice in the production of agricultural crops	MAEP, local authorities	0.7	0	0		0.7		P
			5.11 Increase the potential for combating locusts	Number of specialists trained	MAEP	0.36		0.36	IDB	0.0		
			5.12 Implement a project to improve the productivity of owner-operated farms	Planned list of measures carried out	MAEP	5.40	0.195	5.20	ADB	0.0		
			5.13 Implement the Introduction of Information Technology in the Agricultural Sector project	Planned list of measures carried out	MAEP	2.19	0.09	0.00		2.1		H

	6. Measures to promote a healthful diet	1. Reduction in the incidence of food-related illnesses, strengthening of the legislative-regulatory, laboratory and personnel base	6.1 Prepare a draft law on the enrichment of flour 6.1.1 Establish an alliance (group) at the Government level to improve public nutrition	Draft law prepared	MOH	0.01		0.01	ADB	0.00		
			6.2 Draft (adapt) public health regulations and standards and medical and biological requirements and public health standards for food quality and safety	Document approved	MOH	0.02				0.02		H
			6.3 Draft and implement a Strategy for the Prevention and Treatment of Malnutrition among Children	Reduction in the incidence of acute malnutrition among children to 6.2%	MOH	0.01				0.01		H
			6.4 Draft and implement a scientifically based Strategy to Ensure Sound Nutrition for Schoolchildren. Perform research studies	Document approved	MOH	0.01				0.01		H
			6.5 Implement measures for the prevention and treatment of malnutrition	Reduction in the incidence of acute malnutrition among children to 6.2%	MOH	0.5				0.5		H
			6.6 Provide iron supplements and vitamin A capsules to targeted groups	Reduction in iron-deficiency anaemia among children to 29.5% and among women to 45%	MOH	0.5		0.5	UNICEF	0.0		
			6.7 Enrich processed flour with additives	Reduction in iron-deficiency anaemia among children to 29.5% and among	MOH, MEI, MAEP, other bodies	0.186	0.00	0.168	UNICEF ADP	0.018		H

				women to 45%								
			6.8 Provide for universal iodization of salt	Reduction in the incidence of goitre among children to 50.5% and among women to 40.8%	MOH, MEI, other bodies	0.168				0.168		H
			6.9 Supply the National Centre for Nutrition Problems under the Ministry of Health with laboratory equipment	Equipment supplied	MOH	0.6				0.6		P
			6.10 Establish nutrition departments at the Abuali ibn Sino State Medical University of Tajikistan and the Post-Graduate Training Institute	Organization of departments and training of graduate nutrition specialists	MOH	0.07				0.07		P
			6.11 Implement a comprehensive programme to raise the level of physical activity among the population	Reduction in the incidence of disease	MOH	0.31				0.31		P
			6.12 Perform systematic assessments of the nutritional status of the population, and other medical problems related to nutrition	Regular collection and publication of representative data on nutrition issues	MOH	0.16				0.16		P
Total						**225.813**	**21.133**	**151.738**	**0**	**52.942**		
7. Development of the education system and science												
Increase the percentage of girls and boys covered by basic secondary education to 98%	1. Improve the management system in education	RTG decision on improvement of the education system adopted	1.1 Perform a functional survey of the MOE. Reform the structure of central and local educational administration bodies based on survey recommendations	Functional survey performed and its recommendations reflected in regulatory legal acts	MOE, local authorities	0.027	0.000	0.027	WB	0.000		

			1.2 Perform mapping of educational institutions at all levels and prepare proposals for the more efficient organization of the network of educational institutions	Mapping performed and data obtained with a breakdown by each educational institution	MOE, local authorities	0.900	0.000	0.300	CF, ADB	0.600		H
			1.3 Develop the organizational and legal foundations for institutional autonomy and financial independence of public secondary educational institutions	Regulatory legal acts adopted	MOE, MOF, MEDT	0.020	0.000	0.000		0.020		P
			1.4 Include parents and the community in the management of secondary educational institutions	Proportion of schools that have the relevant parents' associations	MOE, local authorities	0.045	0.000	0.022	WB, ADB	0.023		H
			1.5 Gradually introduce a system for studying the demand in the labour market for skilled personnel and make changes in the number of specialists and in the structure of training for specialists graduating from the public basic, secondary and higher vocational education system	Projections and demand reports published. Additions made to study plans and curricula of educational institutions on a pilot basis	MOE, MEDT, MLSW	0.030	0.000	0.000		0.030		H
			1.6 Arrange for the professional development of employees of agencies responsible	Increase in the proportion of management personnel (men and women) in the sector	MOE, local authorities	0.027	0.000	0.027	WB	0.000		

			for educational administration	who have attended professional development and continuing education courses								
			1.7 Raise the qualifications of school principals	Increase in the proportion of school principals (men and women) who have attended professional development and continuing education courses	MOE	0.192	0.096	0.096	CF OSI GTC	0.000		
			1.8 Develop and introduce on a pilot basis an information system for the management of education and educational resources (EMIS)	Conceptual framework prepared. Pilot project set up within the MOE	MOE, MOF	0.028		0.028	ADB, CF, GTC	0.000		
			1.9 Increase the availability of information on the education system and educational institutions via the Internet for interested parties (including updating of the MOE's public portal)	Increase in the number of visitors to the MOE website	MOE	0.058				0.058	ADB	P
	2. Increase the effectiveness of the system for utilizing available resources	Spending on secondary education as a proportion of the total volume of budget funding for the education sector raised to 80%	2.1 Revise and approve the Conceptual Framework for the Financing of the Republic of Tajikistan's Education System to 2015	Conceptual Framework approved	MOE, MOF	0.010				0.010		P
			2.2 Continue the pilot project for a per capita funding system in secondary education	Proportion of funding based on the per capita method in the overall financing of education	MOE, MOF	0.500	0.000	0.250	CF, WB	0.250		H
			2.3 Devise and implement a new	New system for paying teachers'	MLSW, MOE, other	0.010	0.000	0.010	WB	0.000		

			financially sound system for the remuneration of employees in the education sector	wages introduced	bodies							
			2.4 Introduce on a pilot basis a medium-term budgeting process for the education sector (see the Macroeconomics sector for more detail)	Financing of the education sector in 2008 on the basis of medium-term budgeting	MOE, MOF, MEDT	0.200	0.000	0.000		0.200		H
			2.5 Increase the fiduciary potential of the MOE for the implementation of government investment projects in the education sector	Plan to Increase the Fiduciary Potential of the MOE prepared and implemented	MOE	0.300	0.000	0.300	WB, CF	0.000		
			2.6 Upgrade the institutional, regulatory-legal and personnel base with regard to purchasing, financial management, reporting and monitoring of financing in the education sector	Plan to Increase the Fiduciary Potential of the education sector prepared and implemented	MOE	0.760	0.000	0.300	WB, CF	0.460		P
			2.7 Provide for the systematic organization of additional fee-based services at public secondary educational institutions with the aim of improving the quality and accessibility of education	Regulatory act adopted and implementation mechanism in place to regulate the delivery of fee-based services at secondary educational institutions	MOE, MOF	0.010	0.000	0.000		0.010		P
			2.8 Promote the development of	Number of private pre-school institutions	MOE, MOF, SCI, MEDT,	0.050	0.000	0.000		0.050		H

			private pre-school and other educational institutions through the creation of a conducive regulatory and legal environment, including improvement of the licensing and accreditation system	established. Proportion of children attending pre-school institutions (as a % of total number of pre-school age children). Increase in the number of children attending private educational institutions by level of education	MOJ, local authorities, CFWA							
			2.9 Attract investments to develop private pre-school and other educational institutions (FDI)	Negotiations held with potential investors and necessary funds raised	MOE, CFWA, local authorities	30.000	0.000	0.000		30.000		
	3. Improve methodological and personnel support for the educational system	Scientifically based study plans and curricula which meet the needs of the national economy in use at secondary educational institutions. Increase in the proportion of teachers with higher education in the field of teacher training	3.1 Devise and optimize national state educational standards based on international experience, as well as study plans and curricula for all levels of education, taking into account available resources and the demographic factor (stage 1)	Proportion of updated state standards, study plans and curricula for schools Number of newly developed and approved standards, programmes and methods	MOE, AS, Academy of Pedagogical Sciences (APS)	2.000	0.000	2.000	WB, CF, UNICEF (1.0), ADB (1.0)	0.000		
			3.2 Improve the system for the preparation and publication of textbooks from the standpoint of transparency, effectiveness and quality	Relevant legal act adopted and being implemented	MOE, MOF	0.009	0.000	0.000		0.009	OSI	P
			3.3 Prepare and publish 70 new textbook titles in various school subjects, with a press run of 4.7	Percentage of students supplied with new textbooks, based on need	MOE, MOF	11.840	0.640	11.200	ADB, WB (4.0) CF (7.2)	0.000		

			million units									
			3.4 Prepare a programme for teacher retraining and update the programme for the training of teaching staff	Programme approved and being implemented	MOE, APS	0.020		0.015		0.005	0.5 – GTC contribution under items 3.4-3.7	P
			3.5 Provide retraining of teachers to enable them to teach two or more subjects	Number of teaching staff (men and women) in urban and rural areas who have received retraining	MOE	0.210	0.010	0.200	GTC	0.000		
			3.6 Raise the qualifications of schoolteachers	Number of teachers (men and women) in urban and rural areas who have attended professional development and continuing education courses	MOE	2.370	0.530	1.840	OSI, GTC (0.24), CF (1.6)	0.000		
			3.7 Establish the Independent National Centre for Quality Assessment in General Secondary Education state institution and perform systematic assessments of the quality of instruction	Educational quality assessment institution established and certified	MOE, MOF	3.010	0.000	0.305	GTC (0.29), UNICEF (0.015)	2.705		P
			3.8 Study the conditions for and feasibility of introducing a standard state examination	Report prepared	MOE	0.300	0.000	0.015	UNICEF	0.285	UNDP OSI	P
			3.9 Create incentives for attracting young specialists (up to the age of 30) with higher and secondary specialized pedagogical	Percentage of young specialists with higher pedagogical education (men and women) in urban and rural areas for whom incentives have been established. Percentage of young specialists with	Local authorities	0.010	0.000			0.010		P

			education to educational institutions (providing housing, parcels of land, etc.)	secondary pedagogical education (men and women) in urban and rural areas for whom incentives have been established								
			3.10 Prepare a conceptual framework for the development of rural schools and outline a plan for its implementation	Conceptual framework prepared and being implemented in accordance with the approved plan	MOE	0.010	0.000			0.010		P
			3.11 Improve on-the-job training programmes in accordance with the conceptual framework for specialized training, stage 1	Additions made to study plans and curricula based on a decision by the MOE board	MOE	0.200	0.000			0.200		H
			3.12 Prepare and implement an educational programme for parents (including the use of the mass media) on caring for, rearing and educating pre-school age children and alternative methods for educating children	Programme and concrete plan for its implementation approved by a decision of the MOE board. Number of publications, organization of special radio and television programs, etc.	MOE	0.040	0.000	0.030	UNICEF	0.010		P
	4. Improve access to education for girls and boys and children from socially vulnerable segments of the population	Attendance at secondary educational institutions raised to 91%	4.1 Conduct a survey to determine coverage by basic and secondary education, and also to identify reasons for declining school attendance by boys and girls (in urban and rural areas); devise and implement a strategy to promote	Proportion of boys and girls in urban and rural areas who do not attend school	MOE, local authorities	1.700	0.000	1.500	UNICEF	0.200	OSI	H

			the education of girls									
			4.2 Conduct a survey to determine the effectiveness of school meals, design a targeted programme to organize school meals taking into account specific regional conditions and arrange for a daily hot meal for students in the elementary grades	Proportion of students (boys and girls) in elementary grades in urban and rural areas who receive hot meals at school	MOE, MOH, local authorities	14.800	5.600	7.100	WFP	2.040	WFP contribu-tion in 2007	H
			4.3 Provide material assistance to children from needy families so they can obtain school and writing supplies, shoes and clothing	Percentage of children (boys and girls) receiving material assistance. Percentage of children (boys and girls) who dropped out of school but have returned	MOE, MOF, MLSW	1.800	0.000	0.500	UNICEF	1.300		H
			4.4 Ease access to basic, secondary and higher vocational and professional education for orphans and children from socially vulnerable segments of the population by setting quotas	Percentage of orphans and children from socially vulnerable segments of the population (girls and boys) in urban and rural areas who have enrolled in school under a quota, broken down by level of education	MOE, MOF, MLSW	1.700	0.000	1.500	UNICEF	0.200		H
			4.5 Improve the mechanism for the admission of young women and men from rural areas to higher education institutions under the Presidential quota and create the conditions for subsequent work at educational institutions in the	Young women and men from rural areas as a percentage of the total number of students admitted to higher education institutions. Percentage of young women and men working at educational institutions in the respective district	MOE, higher education institutions, local authorities	0.010	0.000			0.010		P

			respective district									
			4.6 Establish social scholarships for young women from poor families who are have good or excellent marks at higher education institutions in the RT	Percentage of young women from poor families receiving social scholarships	MOE, MOF, MLSW	0.058	0.029			0.029		P
			4.7 Develop a conceptual framework and carry out a package of measures aimed at inclusive education (inclusion of children with physical disabilities in the educational process) (stage 1)	Percentage of disabled children with access to secondary education	MOE, MOF, MLSW	1.700	0.000	1.500	UNICEF	0.200		H
	5. Improve the material and technical base of the education sector	Increase in the proportion of capital investments in the structure of total spending, including external financing. Proportion of secondary educational institutions with equipment, furniture and vehicles that meet established standards	5.1 Establish new schools	Number of schools built and equipped. Amount of additional capacity created for students	MOE, MOF, local authorities	30.4	4.8	19.6		6.031		H
			- construction of school buildings			23.904	2.650	17.370	ADB WB SFD IDB CF KfW	3.884		H
			- purchase of classroom furniture			3.840	0.084	2.240	ADB, WB, SFD, IDB, CF	1.516		H
			- purchase of equipment for cafeterias			0.300	0.011		ADB, WB, SFD, IDB, CF	0.289		H
			- purchase of classroom and laboratory equipment			2.400	2.058		ADB, WB, SFD, IDB, CF	0.342		H
			5.2 Rehabilitate and renovate existing schools	Capacity for students at schools after renovation	MOE, local authorities	9.450	0.990	3.650	ADB, WB, CF, KfW	4.810		H
			5.3 Add classrooms	Amount of additional	MOE, local	9.000	0.900	2.100	ADB,	6.000		H

			to schools	capacity created for students	authorities				WB, KfW			
			5.4 Purchase classroom and laboratory equipment for schools	100% of curriculum-based equipment needs met	MOE, local authorities	2.520	1.000	1.500	CF	0.020		H
			5.5 Provide more schools with computers	Computers purchased as a proportion of the curriculum-based need	MOE, local authorities	0.760		0.760	ADB	0.000		
			5.6 Purchase classroom furniture for schools	Proportion of schools provided with new furniture	MOE, local authorities	3.587	0.156	2.946	ADB, WB, CF, KfW	0.485		H
			5.7 Supply schools with water and pumps	Proportion of schools supplied with water	MOE, local authorities	1.500		1.500	UNICEF	0.000		
			5.8 Take heat conservation measures at schools (partial glazing of buildings, etc.)	Proportion of schools supplied with heating	MOE, MOF, local authorities	4.000				4.000		P
			5.9 Build separate toilets at schools	Proportion of schools with separate toilets	MOE, MOF, local authorities	0.600	0.030	0.570	ADB, WB, CF	0.000		
			5.10 Purchase equipment for cafeterias	Proportion of schools provided with cafeteria equipment	MOE, local authorities	0.960	0.000	0.050	CF	0.910		H
			5.11 Implement the Computerization of Secondary Schools project	Planned list of measures carried out	MOE, local authorities	16.587	5.587			11.000		H
			5.12 Implement the Comprehensive Sectoral Approach project	Planned list of measures carried out	MOE, other bodies	3.500	0.000	0.000		3.500	WB	H
Total						**157.861**	**20.431**	**61.751**	**0.000**	**75.680**		
			SCIENCE									
Increase in the impact of science and technology on the country's socio-economic development	6. Improve the institutional system of science	Scientific management system reformed. Regulatory-legal acts adopted	6.1 Perform a horizontal functional survey of state institutions involved in the scientific process with the aim of avoiding redundancy and increasing the	Report prepared and practical recommendations adopted	AS, MOE	0.027	0.000	0.000		0.027		H

			effectiveness of scientific research									
			6.2 Based on the results of the horizontal survey, perform a vertical survey of state institutions involved in the scientific process with the aim of optimizing their functioning and encouraging them to be (partially) self-supporting	Report prepared and practical recommendations adopted	AS, MOE	0.027	0.000	0.000		0.027		H
			6.3 Integrate academic, applied and higher education science	Increase in the number of joint developments completed	AS, MOE	0.250	0.000	0.000		0.250		H
			6.4 Consider the possibility of providing career and financial incentives for the most cited scientists	Regulatory legal acts on incentives adopted	AS, MOE	0.100	0.000	0.000		0.100		H
	7. Concentrate scientific potential in priority fields of research that promote the country's economic development	Increase in the proportion of scientific developments introduced in the real sector of the economy	7.1 Distribute funds and financing for scientific research on a competitive basis	Research financed on a competitive basis as a proportion of the number of current scientific research projects	AS, MEDT, MOF	0.100	0.000	0.000		0.100		H
			7.2 Create favourable conditions and provide tax and customs concessions to encourage investment in science	Extrabudgetary financing as a proportion of total funding for scientific activity	AS, MEDT, MOF	0.100	0.000	0.000		0.100		H
			7.3 Selection of new high-yield adaptive varieties and hybrids of agricultural crops	Number of new varieties, hybrids, etc. developed	AS, AAS	0.500	0.000	0.000		0.500		H
			7.4 Experimental introduction of biotechnology methods in	New varieties developed	AS, AAS, MAEP	0.800	0.000	0.000		0.800		H

			agriculture									
			7.5 Development and/or adaptation of environmentally safe, resource-saving intensive technologies in the cotton, grain and potato sectors of agriculture	Number of new technologies	AAS, MAEP	0.700	0.000	0.000		0.700		H
			7.6 Develop methods for the prevention and treatment of especially hazardous diseases among livestock using new drugs	New drugs in use	AAS, MAEP	0.600	0.000	0.000		0.600		P
			7.7 Prepare practical recommendations for the comprehensive and efficient use of Tajikistan's water resources and trans-border water resources	Recommendations prepared	AS, MRWR	0.120	0.000	0.000		0.120		P
			7.8 Prepare an inventory of the use of non-traditional renewable environmentally clean energy sources (solar, wind energy, hydropower on small rivers, geothermal sources and biomass), and new methods for their conversion and storage	Inventories prepared	AS, MEI	0.540	0.000	0.000		0.540		H
			7.9 Develop environmentally clean technologies for the comprehensive processing of mineral raw	Proposals prepared and presented to the Government	AS, MP	0.330	0.000	0.000		0.330		H

			materials and waste recycling, and technologies for waste water treatment and the neutralization of industrial waste									
			7.10 Introduce developments aimed at creating modern chemical technologies and materials, and their application in industry	Use in industry	AS, MP	0.580	0.000	0.000		0.580		P
			7.11 Develop methods and technologies for the production of drugs based on local raw materials	Two methods and technologies developed	AS, MOH	0.220	0.000	0.000		0.220		H
			7.12 Continue monitoring of biological diversity and biological security	Practical recommendations presented regularly to the Government	AS, MOH, MAEP	0.160	0.000	0.000		0.160		H
			7.13 Perform monitoring of the radiation safety of the biosphere, the population and the environment	Practical recommendations presented regularly to the Government	AS, MOH, MAEP	0.580	0.000	0.000		0.580		H
	8. Improve the material and technical base of the science sector	Increase in capital investments as a proportion of total spending, including external financing	8.1 Repair, renovate and modernize priority scientific research institutes	Proportion of facilities renovated	AS, MOF, MEDT	0.700	0.200	0.500	IAEA	0.000		
			8.2 Repair and modernize the Astrophysics Institute's astronomical observatories for joint use (Gissar Astronomical Observatory, Sanglokh International Astronomical	Proportion of facilities renovated and rehabilitated	AS, MOF, MEDT	0.150	0.000	0.000		0.150		H

			Observatory, Pamir Solar Astronomical Complex									
			8.3 Restore the national network of seismic monitoring stations (stage 1) and creation of a continuous system for real-time monitoring of major HPPs	Stations restored as a percentage of the total	AS, MOF, MEDT	0.600	0.000	0.000		0.600		H
			8.4 Perform a comprehensive analysis of the seismic safety of the Nurek, Rogun and Sangtuda HPPs and other major infrastructure facilities	Analysis performed and practical recommendations presented to the Government	AS	0.800	0.000	0.000		0.800		P
			8.5 Rebuild the Dushanbe, Khorog, Khudzhand and Kulyab botanical gardens, zoos and geological museums and the botanical herbarium of the Academy of Sciences	Number of facilities rebuilt	AS, MOF, MEDT	0.350	0.000	0.000		0.350		P
			8.6 Provide instruments, equipment and reagents for high-priority areas of scientific research	Percentage of need met	AS, MOF, MEDT	0.570	0.000	0.000		0.570		H
			8.7 Ensure that high-priority scientific research institutes are connected to the Internet	Number of institutions connected to the Internet	AS, MOF	0.400	0.000	0.000		0.400		H
Total						**9.303**	**0.200**	**0.500**	**0.000**	**8.603**		
Total for the education and science sector						**167.165**	**20.631**	**62.251**	**0.000**	**84.283**		
8. Development of the health care system												
Reduction in maternal and	1. Increase in the effectiveness of the	1. Increase in the proportion of state	1.1 Prepare a medium-term	Effective use of budget funds	MOH, MOF, MEDT					0		

child mortality and in infectious diseases, and elimination of certain infections that can be controlled by vaccination	management and financing system	budget spending on health care to 7.5% 2. Expenditures on primary health care as a proportion of total state budget spending on health care (%) 3. Introduction of universal free primary health care on a pilot basis	budget for the sector within the framework of the introduction of medium-term budgeting									
			1.2 Introduce the Basic Programme to Provide Medical and Public Health Care in pilot regions	Percentage of population covered by the Basic Programme	MOH, MOF, MEDT	2.08		2.08	WB, ADB, Health Plus SDC	0		
			1.3 Introduce per capita financing of primary health care and clinical cost groups in pilot regions within the framework of the implementation of a long-term strategy for health care financing	Per capita financing introduced at primary health care institutions and clinical cost groups at hospitals in pilot regions	MOH	0.12		0.12	WB, SDC	0		
			1.4 Introduce the family practice model, update the regulatory legal base and raise the qualifications of primary health care personnel (on a pilot basis)	• Family practice model introduced in pilot regions • All employees responsible for management in the primary health care system have received training	MOH	3.64		3.64	WB, ADB, Aga Khan Fund, SDC	0		
			1.5 Set up a unit within the MOH for policy analysis and maintaining a dialogue with all interested parties, including international organizations and civil society organizations	Existence of a structural unit within the ministry that is responsible for the development and analysis of health care policy	MOH	0.34		0.34	WB, SDC, SIDA	0		

			1.6 Create a system of interconnected health care data bases in pilot regions	• System introduced and being used in pilot regions • Number of specialists who have attended special training courses	MOH	0.10		0.10	WB, ADB, WHO, Health Plus	0		
			1.7 Study the pharmaceutical market and the sale of medicines	Analytical report and practical recommendations prepared	MOH, MOF	0.5	0	0		0.5	ADB	P
			1.8 Provide for the purchasing and distribution of medicines on a tender basis as part of implementation of the universal free primary health care programme	First- and second-tier institutions in pilot regions supplied with medicines for implementation of the universal free primary health care programme	MOH	0.96		0.96	ADB, ECO/ ICPWB	0		
			1.9 Optimize the functions of the MOH at the central and local levels in the context of implementation of the strategy to reform the public administration system	Amendments and additions made to regulatory legal acts governing the activities of the MOH	MOH, MOJ, MEDT, MOF					0		
			1.10 Develop standardized clinical protocols for the delivery of universal free primary health care services	Protocols developed and introduced	MOH					0		
			1.11 Introduce a system to protect the rights of consumers of medical services	Number of complaints resolved	MOH, MOJ	0.015		0.01	Health Plus	0.005		P
	2. Increase in the role of the private sector in the delivery of medical services	1. Patients receiving fee-based private services as a percentage of the total number of patients served 2. Increase in the number of private	2.1 Simplification of the licensing system for medical services	Changes made in the relevant regulatory legal base	MOH, MOF, MOJ	0.06		0.06	ADB	0		
			2.2 Consider the possibility and feasibility of establishing new tax and other	Analytical report prepared and practical recommendations made	MOH, MOF, TC					0		

		medical institutions	concessions for enterprises in the private sector									
			2.3 Perform an analysis of the second-tier burden to evaluate the prospects for privatization with the aim of providing medical services	Analytical report and practical recommendations prepared	MOH, SCI					0		
1. Lower the mortality rate among children up to the age of 5 to 75 per 1,000 live births 2. Lower the infant mortality rate to 62 per 1,000 live births 3. Lower the maternal mortality rate to 70 per 100,000 people	3. Improvement in the care of mothers and children	1. Proportion of births with qualified medical personnel in attendance (%) 2. Proportion of the population of reproductive age with knowledge about reproductive health, reproductive rights and family planning, as a percentage (with a breakdown by gender) 3. Percentage of women who die in childbirth (hospital and at-home births) 4. Proportion of children up to the age of five who receive medicines under the programme for the integrated management of childhood diseases 5. Proportion of the population with knowledge and practical parental experience in caring for young children 6. Proportion of	3.1 Raise the qualifications of medical personnel and improve the material and technical base and supply of medicines for primary health care institutions that are needed to provide safe motherhood services	• Over 75% of the specialists at the primary health care level trained in safe motherhood issues and in the principles of emergency obstetrical care • Number and percentage of medical institutions supplied with the necessary equipment and medicines for providing pre-natal and urgent obstetrical care • Number of fully functioning national and regional referral centres • Number and percentage of pregnant women and newborns who receive skilled neonatal and urgent obstetrical care • Maternity and neonatal care institutions in Khatlon Province that are supplied with the necessary equipment	MOH	0.79	0.016	0.77	ADB UNICEF WHO Aga Khan Fund, UNFPA Germany (KfW)	0		
			3.2 Develop and introduce protocols for safe motherhood and neonatal care at	• Number and percentage of medical personnel trained in the use of protocols	MOH	0.45		0.45	UNICEF WHO Aga Khan	0		

		children's health care institutions that use clinical protocols for the main childhood diseases and infections	all levels of health care	for the delivery of Safe Motherhood services at various levels of the health care system • Existence of a monitoring mechanism and assessment system for the use of SM protocols • Number of monitoring processes at various levels of the health care system • Existence of a regulation (instruction) on assessing the quality of neonatal care, as well as reports on the assessment results • Number and percentage of medical institutions using SM protocols					Fund, UNFPA			
			3.3 Include the basic types of neonatal care in the list of guaranteed medical services	Basic neonatal care included as guaranteed medical care and financed completely by the state	MOH					0		
			3.4 Carry out informational and educational measures among public employees, health care providers and the public on Safe Motherhood and obstetrical and neonatal care issues	• 75% of primary health care institutions providing basic neonatal care • Number of officials and health care providers who have received training • Number of NGOs and volunteers participating in the dissemination of information among the public • Number of people covered by services	MOH, CFWA	0.09		0.08	UNICEF WHO Aga Khan Fund Health Plus Save the Children (USA)	0.01		H

				provided by volunteers and NGOs								
			3.5 Include family planning, reproductive health and other issues in the Healthy Lifestyle school curriculum	• Availability of a textbook that covers these issues • Number of schools with an integrated programme • Number of teachers who have received training and certification	MOH, MOE	0.098		0.030	UNFPA Aga Khan Fund	0.068		H
			3.6 Establish a public dialogue on reproductive health issues (including STDs among adolescents)	• Number of meetings, public campaigns, press conferences, televised debates, and radio quiz shows held • Number of materials prepared on these topics • Number of informational materials and training sessions on family planning, reproductive rights and other issues	MOH, CFWA	0.279	0.001	0.271	UNICEF WHO Aga Khan Fund UNFPA	0.007		H
			3.7 Develop and introduce adapted standards, protocols and instruments for assessing the quality of services related to family planning	• Existence of assessment standards, protocols and instruments • Number of training sessions held • Quality assessment reports for family planning services	MOH	0.111		0.096	UNFPA WHO Aga Khan Fund	0.015		H
			3.8 Supply primary health care and reproductive health institutions with the necessary equipment, contraceptives and informational materials to provide family planning services	• Number and percentage of primary health care institutions with equipment for providing family planning medical services • Availability of at least three types of modern contraceptives and informational	MOH	0.603		0.576	UNFPA Aga Khan Fund	0.027		H

				materials at primary health care institutions • Number of coordination meetings held • Number of national and regional MOH specialists who have received training • Availability of reports on assessment results • Number of administrators and managers in reproductive health care who have received training in optimal use of contraceptives								
			3.9 Increase the potential of national and provincial reproductive health centres to perform regular monitoring and quality assessment of services and qualifications of family planning specialists	• Availability of an instrument to assess the qualifications of personnel in the field of family planning and reproductive health • Number and frequency of recertification processes for family planning specialists	MOH, local authorities	0.00	0.0015	0.005	Aga Khan Fund	0.0025		H
			3.10 Improve access for adolescents to reproductive health, family planning and youth-friendly services	• Number of adolescents utilizing youth-friendly services (broken down by gender) • Number of clinics and consultation centres that provide youth-friendly services related to STDs • Number of specialists trained and certified in providing services based on YFS principles	MOH, CFWA, CYST, MOE	0.048		0.025	UNICEF WHO UNFPA	0.023		H

				• Number of training courses held and specialists trained, as well as measures to inform adolescents of youth-friendly services								
			3.11 Ensure access for women and children to fortified and enriched food products and products with added micronutrients	• Percentage of women using fortified and enriched food products • Percentage of children up to the age of five treated at therapeutic feeding centres • Number of informational and educational measures carried out to modify eating habits • Number of people receiving iron and vitamin A supplements at primary health care institutions • Publication of informational materials on regulating the interval between births with the aim of reducing the incidence of anaemia among mothers and newborns and the dissemination of these materials at treatment and preventive care centres of primary health care institutions	MOH, MAEP	0.676	0.0015	0.670	UNICEF WHO Aga Khan Fund WFP UNFPA Health Plus	0.0045		H
			3.12 Study factors in and causes of the high maternal and child mortality rate	Research performed, analytical report and practical recommendations prepared	MOH	0.067	0.001	0.062	UNICEF WHO Aga Khan Fund	0.004		H

									UNFPA			
			3.13 Promote the spread of the practice of breastfeeding babies exclusively	• Number and percentage of hospitalized babies who have received medical care according to the BFHI principle • Implementation of the Law on the Protection of Breastfeeding • Number of activities carried out to promote breastfeeding		0.128	0.002	0.122	UNICEF WHO Aga Khan Fund Counter-part	0.004		H
			3.14 Make a gradual transition to international criteria pertaining to the perinatal period and improvement of the system for the registration of births and infant deaths recommended by the WHO	• Number of training courses held • Medical personnel who have received training as a percentage of total number of medical personnel • Maternity homes supplied with necessary equipment as a percentage of the total • Percentage of maternity homes provided with the necessary reporting and registration forms	MOH	0.215	0.001	0.107	SDC UNICEF Aga Khan Fund	0.107		H
			3.15 Expand the introduction of the WHO/ UNICEF strategy for the integrated management of childhood diseases, including intensification of the parent education and community involvement component	• Number of training courses held • Percentage of parents with skills to care for small children • Existence of a monitoring and reporting system	MOH	0.39		0.355	UNICEF WHO Aga Khan Fund	0.035		H
1. Not more than 2,500 people	4. Campaign against HIV/	1. Proportion of the population with	4.1 Raise the level of public awareness,	• Number of training courses held	MOH, MOE	6.30	0.30	4.79	UNDP GF	1.214091		H

infected with HIV 2. Reduction in the overall incidence of malaria to 20 per 100,000 people and final elimination of breeding grounds for tropical malaria 3. Reduction in the incidence of tuberculosis to 145 per 100,000 people 4. Reduction in the incidence of parasitic diseases to not more than 292.2 per 100,000 people 5. Control and elimination of the measles	AIDS, malaria, tuberculosis, infections controlled by vaccination and other infectious diseases	knowledge about the prevention and treatment of HIV/AIDS (%) 2. Proportion of tuberculosis cases diagnosed and treated under the DOTS programme (%) 3. Percentage of the population in malaria-prone regions with knowledge about malaria and how to combat it 4. Percentage of the population with knowledge about the prevention and treatment of intestinal parasites 5. Health care spending on immunization (%) 6. Immunization rate for children up to the age of 1 year and older at 95% 7. Maintaining the country's polio-free status	particularly among risk groups, of the prevention of especially dangerous infectious diseases, including HIV/ AIDS, malaria, tuberculosis, parasitic diseases and targeted infectious that can be controlled by vaccines	• Number of articles, roundtables and reports in the mass media • Percentage of blood donation and AIDS centres permanently equipped with diagnostic devices • Level of public awareness of malaria prevention • Percentage of population familiar with the symptoms of tuberculosis • Percentage of patients who know the duration of treatment and treatment regimens • Level of public awareness of the importance of immunization and the prevention of infectious diseases (%)					WB ADB, UNAIDS WHO AIDS Founda-tion East-West other donors Aga Khan Fund Project Capacity SINO, Caritas			
			4.2 Reduce the stigma and discrimination associated with high-risk groups and foster positive public opinion about HIV/AIDS prevention programmes	• Epidemiological supervision and oversight system functioning correctly and publishing regular reports • Percentage of population informed about HIV/AIDS and with the appropriate attitude • Implementation of the law and sublegal acts	MOH, MOJ	5.3	0.01	4.45	UNDP GF ADB UNAIDS WHO other donors Aga Khan Fund	0.84		H
			4.3 Raise the level of public awareness of STDs	Number of informational materials on STDs distributed, with a special emphasis on labour migrants and	MOH, MOE					0		

				their family members as potential risk groups								
			4.4 Improve the system of epidemiological monitoring of the spread of malaria, parasitic diseases, infections that can be controlled by vaccines and other infectious diseases. Strengthen routine immunization. Introduce a tetanus and rubella vaccine. Raise public awareness of immuno-prevention measures. Improve the cold chain.. Integrate the immunization service with other health care services	• Number and percentage of outbreaks identified at the early stages • Number of mobile teams created and fully functioning • Report on the mapping of danger zones • Incidence of diphtheria, measles and rubella • Immunization rate for target groups • Percentage of treatment and preventive care institutions equipped with refrigeration equipment for the storage of vaccines • New vaccines introduced	MOH	0.43		0.24	UNDP GF WHO	0.189125		H
			4.5 Raise the qualifications of specialists at tropical disease centres and parasitology units of state public health and epidemiological supervision centres to combat malaria and parasitic diseases	• Number of training courses held • Number and percentage of specialists trained in the diagnosis, treatment and prevention of malaria	MOH	0.72		0.54	UNDP GF WHO	0.178979		H
			4.6 Establish a sustainable system to ensure access and coverage of persons in need of antiviral therapy (AVT)	Coverage of persons infected with HIV who are in need of AVT	MOH	2.4	0.1	1.54	UNDP GF ADB WHO other donors	0.765		H
			4.7 Carry out treatment, prevention and	• Number of breeding grounds where the danger of infection	MOH	3.08	0.35	2.40	UNDP GF	0.336952		H

			organizational and technical measures to combat malaria	has been eliminated • Percentage of parasitology laboratories fully equipped and properly functioning								
			4.8 Carry out treatment, prevention and organizational and technical measures to combat parasitic diseases	• Percentage of treated population exposed to infection risk • Early diagnosis and proper treatment of parasitic diseases indicator • Percentage of identified groups that have received anti-parasite treatment • Number and percentage of laboratories fully equipped	MOH, MOE	1.70		0.05	Other donors WFP Aga Khan Fund	1.644614		H
			4.9 Carry out treatment, prevention and organizational and technical measures to combat tuberculosis	• Percentage of medical personnel trained in the DOTS strategy (direct observation of treatment) • percentage of identification and treatment of newly identified patients suffering from pulmonary tuberculosis with a positive smear (MT+) • level of availability (%) of reserve supplies of the entire list of anti-TB drugs • Macheton National Hospital renovated and equipped • Medical and other equipment purchased for tuberculosis hospitals and the national DOTS centre in Dushanbe	MOH	12.58	0.11	10.08	UNDP GF WHO Aga Khan Fund Project Capacity SINO Caritas US Red Cross Germany (KfW)	2.383227		H

				• National reference laboratory established and equipped								
			4.10 Provide for a sustainable high level of all types of immunization coverage using new highly effective vaccines	• Number/ percentage of children that have received full immunization • Incidence of diphtheria, measles and rubella • Immunization coverage during mass campaigns against measles and diphtheria • Percentage of laboratories provided with necessary equipment	MOH	6.63	0.19	0.88	Aga Khan Fund WHO JICA	6.660048		H
			4.11 Strengthen the service responsible for the promotion and implementation of the healthy lifestyle programme	• Number of training courses held • Number of articles, roundtables and reports in the mass media • Number of sectors involved in implementing the healthy lifestyle programme • Percentage of specialists trained	MOH, MOE, CYST, CFWA	0.64	0.06	0.55		0.0377		H
	5. Better training of personnel and strengthening of the material and technical base of the health care system	1. Increase in the proportion of employees in the primary health care system who have gone through family medicine training courses 2. Increase in the proportion of MOH employees at the central and local levels who have received training in per capita financing and management of	5.1 Train family doctors and nurses in pilot regions	• Number of family practitioners trained • Family doctors as a proportion of the total number of doctors in pilot regions	MOH	1.23		1.23	WB	0		
			5.2 Raise the qualifications of management personnel in terms of using new financing methods in health care management	Proportion of management personnel who have received training in the new financing methods	MOH, MOF					0		
			5.3 Ensure uninterrupted							0		

		the health care system 3. Proportion of health care institutions with equipment, furniture and vehicles that meet established standards 4. Increase in capital investments as a proportion of total expenditures, including external financing	delivery of high-quality medicines to:									
			5.3.1 Neighbourhood Health Clinics	Basic medicines and consumables available at 1,718 Neighbourhood Health Clinic facilities	MOH, MEDT	3.35	0.35	0.70	ADB Aga Khan Fund	2.3071		H
			5.3.2 Rural Health Centres	Basic medicines and consumables available at 739 Rural Health Centre facilities	MOH, MEDT	4.43	0.30	0.21	ADB Aga Khan Fund	3.922		P
			5.3.3 District Health Centres (City Health Centres)	Basic medicines and consumables available at 112 District Health Centre (City Health Centre) facilities	MOH, MEDT	6.57	0.43	0.00		6.13312		P
			5.4 Build Neighbourhood Health Clinics	Number of Neighbourhood Health Clinics built, percentage of total number planned	MOH, MEDT	2.10		1.50	WB ADB	0.603		H
			5.5 Carry out major renovation of Neighbourhood Health Clinics	Number of Neighbourhood Health Clinics that have undergone major renovation, percentage of total number planned	MOH, MEDT	0.55	0.09	0.37	WB ADB	0.095		H
			5.6 Provide Neighbourhood Health Clinics with medical equipment and furniture	Number of Neighbourhood Health Clinics that have been provided with medical equipment and furniture, percentage of total number planned	MOH, MEDT	0.92	0.07	0.67	WB ADB	0.183		H
			5.7 Build Rural	Number of Rural	MOH, MEDT	3.46	1.24	1.13	WB	1.08		H

			Health Centres	Health Centres built, percentage of total number planned					ADB			
			5.8 Carry out major renovation of Rural Health Centres	Number of Rural Health Centres that have undergone major renovation, percentage of total number planned	MOH, MEDT	2.40	0.68	0.91	WB ADB	0.81		H
			5.9 Provide Rural Health Centres with medical equipment and furniture	Number of Rural Health Centres that have been provided with medical equipment and furniture, percentage of total number planned	MOH, MEDT	3.18	1.13	1.91	WB ADB Aga Khan Fund	0.14125		H
			5.10 Provide Rural Health Centres with vehicles	Number of Rural Health Centres that have been provided with vehicles, percentage of total number planned	MOH, MEDT	1.65	0.34	0.40	WB	0.912		H
			5.11 Build District (City) Health Centres	Number of District (City) Health Centres built, percentage of total number planned	MOH, MEDT	0.83	0.35	0.25	WB	0.225		H
			5.12 Carry out major renovation of District (City) Health Centres	Number of District (City) Health Centres that have undergone major renovation, percentage of total number planned	MOH, MEDT	1.20	0.56	0.22	WB ADB	0.423		H
			5.13 Provide District (City) Health Centres with medical equipment and furniture	Number of District (City) Health Centres that have been provided with medical equipment and furniture, percentage of total number planned	MOH, MEDT	0.78	0.41	0.29	WB ADB	0.074909		H
			5.14 Provide District (City) Health Centres with vehicles	Number of District (City) Health Centres that have been provided with vehicles, percentage of total number planned	MOH, MEDT	0.27	0.13	0.07	WB	0.079996		H

			5.15 Build central district hospitals	Number of central district hospitals built, percentage of total number planned	MOH, MEDT	4.70	4.70			0		
			5.16 Carry out major renovation of central district hospitals	Number of central district hospitals that have undergone major renovation, percentage of total number planned	MOH, MEDT	3.33	3.13	0.20	ADB, Aga Khan Fund	0		
			5.17 Provide central district hospitals with medical equipment and furniture	Number of central district hospitals that have been provided with medical equipment and furniture, percentage of total number planned	MOH, MEDT	7.31	5.33	0.77	Aga Khan Fund Counter-part	1.2182694		H
			5.18 Provide central district hospitals with vehicles	Number of central district hospitals that have been provided with vehicles, percentage of total number planned	MOH, MEDT	0.76	0.11	0.00		0.642		H
			5.19 Build city hospitals	Number of city hospitals built, percentage of total number planned	MOH, MEDT	0.65				0.65		H
			5.20 Carry out major renovation of city hospitals	Number of city hospitals that have undergone major renovation, percentage of total number planned	MOH, MEDT	0.62	0.31	0.00		0.312		H
			5.21 Provide city hospitals with medical equipment and furniture	Number of city hospitals that have been provided with medical equipment and furniture, percentage of total number planned	MOH, MEDT	0.95	0.06	0.72	Counter-part	0.17123634		H
			5.22 Provide city hospitals with vehicles	Number of city hospitals that have been provided with vehicles, percentage of total number planned	MOH, MEDT	0.22	0.07	0.00		0.144		H
			5.23 Provide	Dyakov Memorial	MOH, MEDT	4.55		4.55	JICA	0		

			equipment to Dyakov Memorial National Hospital	Hospital provided with equipment								
			5.24 Build an infectious diseases hospital in Dushanbe	Infectious diseases hospital built	MOH, MEDT	11.40	1.20	10.20	IDB	0		
			5.25 Build state public health and epidemiological supervision centres	Number of state public health and epidemiological supervision centres built, percentage of total number planned	MOH, MEDT	0.09	0.05	0.00		0.045		H
			5.26 Carry out major renovation of state public health and epidemiological supervision centres	Number of state public health and epidemiological supervision centres that have undergone major renovation, percentage of total number planned	MOH, MEDT	0.03	0.00	0.00		0.03		H
			5.27 Provide state public health and epidemiological supervision centres with medical and laboratory equipment and furniture	Number of state public health and epidemiological supervision centres equipped with medical and laboratory equipment and furniture, percentage of total number planned	MOH, MEDT	0.20	0.07	0.00		0.136		H
			5.28 Implement project to establish an interregional hospital in Dangara	Planned list of measures carried out	MOH	16.84	0.99	15.85	IDB OPEC Fund	0		
			5.29 Modernize the emergency and urgent care service	Planned list of measures carried out	MOH	4.04	0.37	3.67	Saudi Fund for Devel-opment	0		
			5.30 Implement the project to renovate Khatlon Provincial Hospital No. 2 in the town of Kulyab	Planned list of measures carried out	MOH	1.70	0.34	0.00		1.36		H
			5.31 Develop trauma care services	Planned list of measures carried out	MOH	4.50	0.90			3.6		H
			5.32 Upgrade and develop urological	Planned list of measures carried out	MOH	3.58	0.75	0.00		2.825		H

			care									
			5.33 Organize an emergency medical evacuation service	Planned list of measures carried out	MOH	2.45	0.50	0.00		1.95		H
			5.34 Implement the Integrated Sectoral Approach project	Planned list of measures carried out	MOH	3.50	0.00	0.00		3.5	WB	H
			5.35 Renovate the Sogd Province Oncology Centre	Centre renovated	MOH	1.29	0.00	0.00		1.29		H
			5.36 Repair and provide equipment for the provincial clinical hospital in the town of Khudzhand	Hospital repaired and equipped	MOH	0.56	0.00	0.00		0.56		H
			5.37 Establish a central ophthalmology centre	Centre established and functioning	MOH	1.00	0.10	0.00		0.9		H
			5.38 Upgrade the kidney stone treatment service	Service upgraded	MOH	1.60	0.00	0.00		1.6		H
			5.39 Provide vehicles for the public health and epidemiological supervision service	Planned work performed	MOH, MEDT	0.52	0.04	0.00		0.482		H
Total						**160.8**	**26.2**	**82.2**	**0.0**	**52.4**		
1. Lower the poverty rate to 52% 2. Lower the extreme poverty rate to 10%	1. Institutional restructuring of the social welfare system	Development of recommendations for the establishment (or elimination) of functions and structural units, subsidiary agencies and services	1.1 Draft a law on minimum state social standards	Law adopted. Sources of financing for its implementation identified	MLSW	0.20	0	0.00		0.2		H
			1.2 Conduct a complete functional (vertical and horizontal) survey of the management system of social welfare agencies by social institutions: state social insurance and pension security, employment and labour market, labour inspection, migration, basic	Functions and structure of administrative bodies and number of employees optimized	EAP	1.80	0	0.40		1.4		H

			vocational and professional education, social welfare (support), including support for families, women and children									
			1.3 Devise a conceptual framework and strategy for development of the social welfare system, taking into account the functional survey of social welfare system agencies	Strategy prepared and approved	MLSW, MOH	0.20	0	0.00		0.2		H
			1.4 Creation of potential in institutional and financial management	Planned list of measures carried out	MLSW, MOE, MOH	1.20	0	1.20	TACIS	0		
	2. Creation of a financially sustainable state social insurance and pension security system	1. Increase in the income replacement coefficient from 1.37 to 1.45 2. Volume of non-insurance payments from state social insurance funds	2.1 Introduce a personalized accounting system for the pension rights of insured persons through the establishment of a national automated personalized accounting information system	Information infrastructure created. Archives of personalized accounting documents established. Electronic personal accounts of insured persons created	MLSW	10.00	0	0.00		10		H
			2.2 Prepare a draft law on state pension insurance	Law adopted. Sources of financing for its implementation identified	MLSW	0.20	0	0.00		0.2		H
			2.3 Prepare a draft law on government pensions	Law adopted. Sources of financing for its implementation identified	MLSW	0.20	0	0.00		0.2		H
			2.4 Devise and approve a methodology for the calculation of pensions and social benefits taking into	Amendments and additions made to the legislation, training provided	MLSW, MOF	0.60	0	0.00		0.6		H

			account rights acquired by insured persons, including persons engaged in individual entrepreneurial activity									
			2.5 Revise the system of social insurance transfers (family benefits), taking into account the socio-demographic situation in the country	Amendments and additions made to the legislation	MLSW, MOH	0.20	0	0.00		0.2		P
			2.6 Prepare and implement a programme to develop voluntary pension insurance	Programme implemented. Laws drafted and adopted	MLSW, TC, MOJ	0.15	0	0.00		0.15		H
			2.7 Incorporate up-to-date information technologies into the process of handling pension and benefit payments (continue the process of incorporating these technologies)	Reduction in the volume and cases of inappropriate use of social insurance funds	MLSW	1.00	0	0.00		1		H
			2.8 Perform surveys, study and introduce methods for the collection and calculation of socio-demographic indicators	State demographic policy formulated. Forecast data being developed and used. Socio-demographic indicators calculated	SSC, MLSW, MOH, AS	0.50	0	0.00		0.5		H
			2.9 Identify an authorized agency responsible for the development and implementation of demographic policy	Amendments made to regulatory documents	EAP							
			2.10 Conduct studies of the economic feasibility of social insurance	Practical recommendations prepared	MLSW, MOH	0.08	0	0.00		0.08		P

			against accidents and occupational illnesses									
			2.11 Strengthen the potential of the authorized agency responsible for the management of demographic processes	Material and technical assistance provided	EAP	0.25		0	0.00		0.25	H
	3. Establishment of a methodological base for the study, monitoring and regulation of the labour market and labour migration	Methodological base established	3.1 Develop a conceptual plan for the creation and retention of jobs	Conceptual plan developed and adopted	MLSW, other bodies	0.20	0	0.00		0.2		H
			3.2 Revise the labour legislation taking into account the need to expand (increase) flexibility in regulation of the labour market	Legislation amended	MLSW	0.20	0	0.00		0.2		H
			3.3 Develop a conceptual plan for wage reform	Conceptual plan developed and approved	MLSW, MOF	0.20	0	0.00		0.2		H
			3.4 Introduce and develop mechanisms for the indexing of wages in the budget sphere	Amendments and additions made to the law	MLSW, MOF	0.25	0	0.00		0.25		H
			3.5 Devise methodologies for monitoring the labour market and performing surveys of the labour force. Conduct surveys with a view to determining the need for specialists in various occupations and sectors	Government decision adopted	MLSW, SSC, MOE	0.50	0	0.00		0.5		H
			3.6 Conduct a survey to study and eliminate causes and	Survey report submitted. Practical recommendations	MLSW	0.25	0	0.00		0.25		H

			conditions that contribute to systematic arrears on wages and the social tax. Prepare regulatory legal documents	made								
			3.7 Conduct a survey to estimate employment in the informal sector of the economy. Prepare recommendations for legalization of this activity	Practical recommendations prepared	MLSW	0.35	0	0.00		0.35		P
			3.8 Devise mechanisms to provide legal support to labour migrants	Regulatory acts on legal protection for migrants adopted	MLSW	0.15	0.5	0.00		-0.35		H
			3.9 Modify the Law on Labour Protection	Amendments and additions made to the law	MLSW	0.10	0	0.00		0.1		P
	4. Organization of employment assistance	1. Raise the level of employment (self-employment) by 25% 2. Reduce unemployment by 0.4% 3. Number of collective agreements concluded and reduction in complaints filed with the courts 4. Professional development and continuing education courses provided to 152 people 5. Specialization of six educational institutions to be shifted in	4.1 Establish an interagency coordinating Council on Labour Migration Issues under the Government	Council established	EAP	0.00	0	0.00		0		H
			4.2 Expand the base of interstate agreements to protect the rights of labour migrants	Interstate agreements concluded	MLSW, MFA, MOJ	0.00	0	0.00		0		H
			4.3 Implement the interstate agreement on the establishment of data banks on enterprises in countries receiving labour migrants from the RT and on citizens of the RT who wish to leave the country for temporary	Data banks established. Number of data bank visits	MLSW	0.50	0	0.50	TP TACIS	0		H

		accordance with the demands of the labour market 6. Training (professional development and continuing education) provided for 152 employees within the Ministry of Labour and Social Welfare system	employment abroad									
			4.4 Perform scientific research and organizational-methodological work on problems related to labour protection and working conditions	Labour protection standards and methodologies approved	MLSW, MOH	0.10	0	0.00		0.1		P
			4.5 Creation of a data bank and official website for job vacancies (job search)	Data bank created. Website posted on the Internet	MLSW, Association of Employers, FPT	0.40	0	0.00		0.4		P
			4.6 Organize legal training and social adaptation courses for labour migrants abroad	Reduction in the number of accidents and in the number of labour migrants who are deported	MLSW, NGOs	0.20	0	0.00		0.2		H
			4.7 Expand the practice of utilizing social partnership mechanisms, creating the necessary conditions for the effective operation of participants (primarily through the creation and functioning of bodies and associations that represent employers' interests)	Sectoral associations and unions of industrialists established	MLSW, SF, employers' union	0.00	0	0.00		0		P
			4.8 Restructure the network of public educational institutions providing basic vocational and technical education based on the results of regular surveys to identify structural needs in the labour market	Changes made to curricula. Recommendations developed for shifting the specialization of educational institutions	MLSW	1.15	0	0.00		1.153		H

			4.9 Identify and shift the specialization of educational institutions providing basic vocational and technical education to meet the personnel needs of major energy and infrastructure investment projects	Training provided for ___ personnel.	MLSW, MOE	0.50	0	0.00		0.5		H
			4.10 Devise a mechanism for participation by employers in the process of determining the vocational-qualifications structure and financing of personnel training	Mechanism devised and introduced	MLSW, Employers' associations	0.00	0	0.00		0		P
			4.11 Create a modern system of vocational and professional standards taking into account the demands of the labour market	System of standards created and being implemented	MLSW, MOE	0.00	0	0.00		0		P
			4.12 Develop and introduce special courses oriented toward the labour market, and vocational counselling	Courses included in the curricula of vocational counselling centres	MOE, MLSW	2.00	0	1.10	TP, TACIS	0.9		P
			4.13 Strengthen the material and technical base of the basic vocational education system and training	Technical retooling completed	MLSW	2.00	0	1.10	TACIS	0.9		H
			4.14 Strengthen the material and technical potential	Material and technical assistance provided	MLSW	0.30	0	0.00		0.3		P

			of scientific research institutes focusing on labour and social welfare									
			4.15 Strengthen the material and technical base of labour inspectorates	Material and technical assistance provided	MLSW	0.30	0	0.00		0.3		P
			4.16 Conduct professional development and continuing education courses (strengthen personnel potential) for employees of scientific research institutes focusing on labour and social welfare, employment services, labour inspectorates, migration and the system of basic vocational education and training	Courses organized and held	MLSW, MOE	0.80	0	0.00		0.8		H
			4.17 Establish adult education centres at existing basic vocational education institutions	Adult education training centres established and equipped	MLSW	2.00	0	2.00	Govt. of Germany	0		
	5. Creation of a targeted social assistance programme	1. Creation of real conditions to ensure public access to the social infrastructure	5.1 Develop and approve a methodology for estimating the poverty rate	Methodology developed, sources of financing for its implementation identified	SSC, MLSW, MOH	0.50	0	0.00		0.5		H
			5.2 Draft and adopt a law on the minimum consumption budget	Law adopted. Sources of financing for its implementation identified	MLSW	0.20	0	0.00		0.2		H
			5.3 Develop and approve a methodology for calculating the minimum consumption basket (minimum	Methodology approved and introduced	MLSW, MOH	0.10	0	0.00	WB	0.1		H

			subsistence income)									
			5.4 Draft and adopt a law on state social assistance	Law adopted. Sources of financing for its implementation identified	MLSW	0.20	0	0.00		0.2		H
			5.5 Draft and adopt a law on targeted social assistance	Law adopted. Sources of financing for its implementation identified	MLSW, MOH	0.20	0	0.00		0.2		H
			5.6 Devise a mechanism for providing targeted social assistance to low-income segments of the population, orphans and families who have lost their breadwinner. Devise and approve a methodology for providing targeted social assistance	Mechanism identified. Methodology developed	MLSW	0.50	0	0.00	EC	0.5		P
			5.7 Revise the methods for providing targeted social assistance to schoolchildren from poor families (DKV) on a decile basis	Methodology developed	MLSW, MOE	0.10	0	0.00	EC	0.1		P
			5.8 Draft and adopt a law on social services	Law adopted. Sources of financing for its implementation identified	MLSW	0.20	0	0.00		0.2		H
			5.9 Devise a methodology for forecasting the need for social services provided according to the targeted assistance principle	Methodology developed	MLSW	0.10	0	0.00		0.1		P
			5.10 Draft and adopt a law on social payments and benefits	Law adopted. Sources of financing for its implementation identified	MLSW	0.2	0	0.00		0.2		H
			5.11 Develop and approve:	Standards and relevant regulatory	MLSW	4.50	0	0.00	EC	4.5		P

			- state standards for social services; - a system for evaluating the quality of implementation of social programmes; - general requirements for the activities of public, private and other institutions providing various types of social services	legal acts approved. Sources for their financing identified								
			5.12 Update (provide for proper organization of) the system of concessions and privileges	Amendments and additions made to the legislation	MLSW, MOF, TC	0.2	0	0.00		0.2		H
			5.13 Update the methods for the determination and categorization of disability	Relevant regulatory legal documents drafted and approved	MLSW, MOH	0.10	0	0.00		0.1		H
			5.14 Amend the law on social protections for disabled persons	Law adopted. Sources of financing for its implementation identified	MLSW, MOH	0.10	0	0.00		0.1		P
			5.15 Reorganize the system for medical assessment of disability and fitness for employment	Regulatory legal documents amended. Amendments and additions made to the legislation	MLSW, MOH	0.35	0	0.00		0.35		H
			5.16 Approve and implement a programme to improve prosthetic and orthopaedic assistance for disabled persons, including efforts based on a public enterprise of factories producing prosthetic and orthopaedic devices.	Programme implemented. Facility put into operation	MLSW	1.00	0	0.00		1	EC	P

			Renovate the building of a prosthetic and orthopaedic device factory and provide it with the necessary equipment									
			5.17 Ensure public access to psychological-medical pedagogical consultation services	Number of people referred	MLSW, MOH, MOE	0.50	0	0.00		0.5	UNICEF	P
			5.18 Establish an educational institution for the training of social workers with higher and secondary professional education	Educational institution established, sources of financing identified	MLSW, MOE	0.50	0	0.00		0.5	SIDA	P
	6. Improvement in the quality of social services provided to the public	1. Expanded public access to the social infrastructure 2. Increase in the number of recipients of social services by 20%	6.1 Reform the system for managing social support for families, women and children	Management system optimized	MLSW, CFWA, MOJ, MOE	0.5	0	0.50	UNICEF	0		P
			6.2 Expand the network of regional social service centres using innovative technologies	Three centres established	MLSW, local authorities, MOF, MOE, MOH, MIA	0.50	0	0.00		0.5		H
			6.3 Renovate buildings and provide necessary equipment to in-patient facilities for disabled persons in accordance with international standards. Develop subsidiary farming operations at in-patient institutions	Facility put into operation	MLSW	2.00	0	1.50	EC	0.5		P
			6.4 Study the possibility of	Monetization of benefits introduced	MLSW, MOF MEI	0.00	0	0.00		0		P

			introducing into social assistance practice monetization of benefits instead of providing low-income families with compensation for higher energy rates									
			6.5 Convert the Chorbog boarding school into a national rehabilitation centre for children with disabilities	National rehabilitation centre functioning	MLSW	1.50	0	1.50	TICA Aga Khan Fund	0		P
	7. Creation of a multi-tiered unified system for managing the protection of children's rights	1. Establishment of 72 children's rights units	7.1 Introduce approved practices for work involving the protection of children's rights at local government bodies. Establish a children's rights unit by merging the Commission on Children's Rights and bodies responsible for guardianship and foster care	Structures to protect children's rights established	MLSW, local authorities, TC	1.00	0	0.50	UNICEF SIDA	0.5		P
			7.2 Prepare and implement community programmes to provide social services for children in conflict with the law through the involvement of the civil sector	Programmes prepared and implemented	MLSW, local authorities, MOE	0.60	0	0.60	UNICEF Child-ren's Legal Centre (UK)	0		P
			7.3 Devise a strategy for the development of family-based forms for rearing children: adoption, foster	Strategy devised and approved	MLSW, MOE	1.00	0	0.50	SIDA	0.5		P

			care, guardianship.									
			7.4 Prepare an action plan to create conditions for the effective social adaptation of children with behaviour that is in conflict with the law	Plan prepared and implemented	MLSW, MIA, MOE, MOJ	0.50	0	0.20	Govt. of United Kingdom Child-ren's Legal Centre SIDA	0.3		P
Total						**46.18**	**0.50**	**11.60**	**0.00**	**34.08**		
10. Expansion of access to water, sanitation and housing and municipal services												
Provide access by the end of 2009: 1 – to drinking water that meets state standards for 96% of the country's urban population and 51% of the rural population; 2 – to basic sanitation and hygiene conditions for 47% of the country's urban population and 37% of the rural population. Increase in the proportion of household who own their own homes	1. Institutional reform of the sector	1. Establish a regulatory legal base for the water supply, sanitation and housing and municipal services sector	1.1 Perform a functional and institutional survey of the sector	Analysis performed and advisory proposals presented	MRWR, KhMK, MEDT, MOJ, SCI	0.25	0	0		0.25		H
			1.2 Increase the potential of agencies responsible for the development and implementation of policy related to water supply, sanitation and housing and municipal services	Proportion of employees who have received training	MRWR, ACA, KhMK, MOH	1.2	0	0		1.2		H
			1.3 Draft and adopt a law on drinking water and water supply	Law drafted and adopted	KhMK, MRWR, ACA, MOJ, MOH, DWC, KhWC	0.15	0	0		0.15		P
			1.4 Draft and adopt a law on homeowner partnerships	Law drafted and adopted	ACA, KhMK, MEDT, MOJ, SCI	0.15	0	0		0.15		P
			1.5 Prepare a new version of the Housing Code	New version of the Housing Code prepared and adopted	ACA, MRWR, KhMK, MEDT, MOJ, SCI	0.2	0	0		0.2		P
			1.6 Prepare sanitary regulations and norms for drinking water	New sanitary regulations and norms for drinking water prepared	MOH, MRWR, KhMK, MEDT, MOJ	0.15	0	0		0.15		P
			1.7 Implement the first stage of the Programme to Improve the Drinking Water	Water losses and electricity consumption reduced	MRWR, KhMK, MEDT, MOJ	5.8	0	0		5.8		P

			Supply in the Republic of Tajikistan for 2007–2020									
			1.8 Provide a stable electricity supply for water delivery systems, supply electrical power and hydro-mechanical equipment to the towns of Kurgan-Tyube, Kulyab and Kanibadam	Standards developed for electricity consumption per cubic metre of water for water supply services and the requisite electrical power and hydro-mechanical equipment installed and functioning	MEI, MRWR, KhMK	1.60	0	0		1.6		P
			1.9 Introduce a system for the effective tracking of drinking water consumption	Water consumption standards developed for consumers and statistical reporting forms prepared	KhMK, MRWR, MEDT, MOJ, SSC	0.20	0	0		0.2		P
			1.10 Prepare and implement a conceptual plan for the restoration and development of heating supply systems	Up to 15% of centralized heating systems in towns and villages restored and rebuilt	MEI, KhMK, local authorities	10.1	0	0		10.1		P
			1.11 Prepare a conceptual plan for the development of housing	Conceptual plan prepared	ACA, MEDT, NBT, local authorities	0.44	0	0		0.44		P
			1.12 Perform an analysis of existing rates for municipal services and the collection rate for municipal services provided	Analysis performed and advisory proposals presented	KhMK, MRWR, DWC, KhWC	0.57				0.57		P
			1.13 Provide for training and professional development of engineering and technical personnel in the housing and municipal services sector	up to 20%	KhMK, MRWR, MOH	0.191				0.191		P
	2. Involve private		2.1 Perform an	Analytical report	MEDT,	0.26				0.26		P

	business and attract investments		analysis of the attractiveness of facilities from an investment standpoint and privatization	prepared Practical recommendations presented	KhMK, MRWR, MOJ, SCI, local authorities							
			2.2 Improve water supply management	Management improved	MRWR, local authorities	1	0	1	UNDP	0		
			2.3 Enable private construction firms to lease equipment and tools necessary to improve the services provided and develop the infrastructure (FDI)	Increase in the fleet of construction machinery, equipment and tools. Improvement in the infrastructure of towns and villages	ACA, local authorities	3	0	0		3		
	3. Increase in the effectiveness and optimal utilization of the sector's infrastructure	1. Reduction in the proportion of the population without living space that meets current standards 2. Reduction in the proportion of dilapidated, unsafe housing in need of major renovation 3. Reduction in the proportion of housing without public utilities in accordance with current standards and norms 4. Reduction in regional inequality in access to basic municipal services 5. Reduction in inequality in access to housing for urban and rural residents 6. Reduction in inequality in availability of living space in different regions of	3.1 Correction and partial implementation of the General Plan for Development of the Territory and Public Utilities Infrastructure of the City of Dushanbe	Plan corrected and partially implemented	ACA, MRWR, KhMK, MEDT, MOJ	0.50				0.5		P
			3.2 Correction and partial implementation of the General Plan for Development of the Territory and Public Utilities Infrastructure of the City of Vakhdat	Plan corrected and partially implemented	ACA, MRWR, KhMK, MEDT, MOJ	0.20				0.2		P
			3.3 Correction and partial implementation of the General Plan for Development of the Territory and Public Utilities Infrastructure of Rudaki District	Plan corrected and partially implemented	ACA, MRWR, KhMK, MEDT, MOJ	0.30				0.3		P
			3.4 Correction and partial implementation of the General Plan for Development of the	Plan corrected and partially implemented	ACA, MRWR, KhMK, MEDT, MOJ	0.20				0.2		P

		the country 7. Equal access to municipal services for urban and rural residents 8. Equal access to proper sanitary conditions and sewer services for urban and rural residents	Territory and Public Utilities Infrastructure of Gissar District									
			3.5 Correction and partial implementation of the General Plan for Development of the Territory and Public Utilities Infrastructure of Varzob District	Plan corrected and partially implemented	ACA, MRWR, KhMK, MEDT, MOJ	0.10				0.1		P
			3.6 Promotion of projects to build public housing for the poor and vulnerable segments of the population in the city of Dushanbe	Negotiations held with investors. Public housing construction projects prepared. Construction of public housing for the poor and vulnerable segments of the population begun	ACA, MOF, MEDT, MOJ, SCI, NBT, local authorities	2.47				2.47		P
			3.7 Promotion of projects to build public housing for the poor and vulnerable segments of the population in the Gissar District	Negotiations held with investors. Public housing construction projects prepared. Construction of public housing for the poor and vulnerable segments of the population begun	ACA, MOF, MEDT, MOJ, SCI, NBT, local authorities	1.00				1		P
			3.8 Promotion of projects to build public housing for the poor and vulnerable segments of the population in the city of Vakhdat	Negotiations held with investors. Public housing construction projects prepared. Construction of public housing for the poor and vulnerable segments of the population begun	ACA, MOF, MEDT, MOJ, SCI, NBT, local authorities	1.00				1		P
			3.9 Promotion of projects to build public housing for the poor and vulnerable segments	Negotiations held with investors. Public housing construction projects prepared.	ACA, MOF, MEDT, MOJ, NBT, local authorities	0.50				0.5		P

			of the population in the Rudaki District	Construction of public housing for the poor and vulnerable segments of the population begun								
			3.10 Promotion of projects to build public housing for the poor and vulnerable segments of the population in the Varzob District	Negotiations held with investors. Public housing construction projects prepared. Construction of public housing for the poor and vulnerable segments of the population begun	ACA, MOF, MEDT, MOJ, NBT, local authorities	0.20				0.2		P
			3.11 Increase access to housing and municipal services for low-income and socially vulnerable segments of the population	Compensation established for low-income and socially vulnerable segments of the population to pay for municipal services	MOF, MLSW, NBT, ACA, MEDT, MOJ, local authorities	10.00				10		P
			3.12 Prepare regulatory documents and standards pertaining to the quality of housing and municipal services	Standards for the quality of housing and municipal services developed and approved	ACA, KhMK, MEDT, MOJ	0.08				0.08		P
			3.13 Restore central sewer systems in the cities of Dushanbe and Vakhdat	Proportion of housing served by central sewer systems	DWC, local authorities, KhMK, MEDT, MOJ	1.055	0	0		1.055		P
			3.14 Build facilities for the collection and recycling of solid household waste in Rudaki District and the city of Kurgan-Tyube	Number of newly established enterprises for the collection and recycling of solid household waste. Proportion of the population (%) with access to central sewer systems	KhMK, MEDT, MOF, local authorities	1	0	0		1		P
			3.15 Provide protection of sanitary zones in the cities of Dushanbe, Khudzhand, Kurgan-Tyube,	Number of sanitary zones and water supply facilities protected	KhMK, MRWR, DWC, KhWC, local authorities	5.35	0	0		5.35		P

			Tursun-Zade, Bokhtar Buston, Khamadoni, Kulyab, Kumsangir, Taboshar, Istravshan, Gissar, Vakhdat, Faizabad, Kharog, Aini, Todzhikitobod, Rudaki and Shakritus									
			3.16 Install water meters	Proportion of housing equipped with water meters	KhMK, MRWR, DWC, KhWC, local authorities	14	0	0		14		P
			3.17 Restore and rebuild the reservoir for daily regulation of water levels in the city of Dushanbe	99% of the population has access to high-quality drinking water	DWC, local authorities	9.46	0.89	8.57	IDB	0		
			3.18 Restore and rebuild interior plumbing systems	99% of the population has access to high-quality drinking water Proportion of housing equipped with the proper utilities	DWC, local authorities	5.65	0.2	5.45	WB Govt. of Japan	0		
			3.19 Restore and rebuild heating and water supply systems in the city of Khudzhand	93% of the population has access to high-quality drinking water and heating Proportion of housing equipped with the proper utilities	DWC, local authorities	2.3	0.5	1.8	EBRD grant from Switzer-land and Norway	0		
			3.20 Restore and rebuild interior plumbing systems	93% of the population has access to high-quality drinking water and heating Proportion of housing equipped with the proper utilities	KhWC, local authorities	17.815	0	0		17.815	WB	P
			Khochagii Manziliyu Kommunali state unitary enterprise 3.21 Develop the municipal services infrastructure	93% of the population served by the Khochagii Manziliyu Kommunali state unitary enterprise Proportion of housing equipped with the	KhMK, local authorities	11.283	1.161	10.122	IDA	0		

				proper utilities								
			3.22 Develop the public utilities infrastructure in GBAO	93% of the population has access to high-quality drinking water Proportion of housing equipped with the proper utilities	KhMK, local authorities	0.074	0.05			0.024		P
			3.23 Restore and rebuild water supply systems in rural areas: Dzhilikul, Kumsangir, Vakhsh, Bokhtar	as much as 5% more of the population	MRWR, local authorities	6.75	1.1	5.65	ADB	0		
			3.24 Implement the Clean Water for Poor Rural Residents project	as much as 5% more of the population	MRWR, local authorities	3		3	UNDP (TACIS, DFID, ECHO)	0		
			3.25 Build new water supply systems in Bishkent, Shvartuz, Dzhilikul, Vakhsh, Kumsangir, Kalkhozbad, Dangara	as much as 5% more of the population	MRWR, local authorities	21.665	0	0		21.665		P
			3.26 Implement a project to restore the water supply system in Zafarabad District	Planned list of measures carried out	MRWR, local authorities	2.2	0.35	0		1.85		H
			3.27 Carry out the project to build the Dangara Group Water Supply Line	Planned list of measures carried out	MRWR, KhMK, local authorities	7.7	1.1	0		6.6		H
			3.28 Complete construction of the second stage of the sewage treatment facility in the city of Khudzhand	Proportion of housing equipped with the proper utilities increased by as much as 5%	KhWC, local authorities	2	0	0		2		P
			3.29 Restore and rebuild the sewage treatment facility in the city of Dushanbe	Proportion of housing equipped with the proper utilities increased by as much as 10%	DWC, local authorities	5	0	0		5		P
			3.30 Rehabilitate the sewer systems in the towns and district centres of Kulyab,	Proportion of housing equipped with the proper utilities	KhMK, local authorities	9.3	0	0		9.3		P

			Kurgan-Tyube, Kumsangir, Shakhritus, B. Gafurov, Pendzhikent, Taboshar, Isfara, Istravshan, Rudaki, Tursunzoda, Gissar, Vakhdat, Faizabad, Khorog, and carry out new construction of sewage treatment facilities in Vose, Asht and Shakhrinav									
			3.31 Restore city gas networks	Gas networks restored	Local authorities, MEI	2.67	0	0		2.67	EBRD	H
			3.32 Bring condition of gas mains back up to regulatory standards	Gas mains restored	MEI, local authorities	6.337	0	0		6.337	EBRD	H
			3.33 Bring gas service to Matcha District	Planned list of measures carried out	MEI, local authorities	3.8	0	0		3.8		H
Total						**180.2**	**5.4**	**35.6**	**0.0**	**139.3**		
	11. Promotion of environmental sustainability											
Comply with the principles of sustainable development and halt the squandering of natural resources by: - increasing the proportion of land area covered by forest by 5%; - increasing the area of land set aside for purposes of preserving biological diversity by 3%;	1. Institutional reforms and improvement of the legislative base	Reform completed, legislative base strengthened	1.1 Optimize the functions of agencies responsible for the development and implementation of environmental protection policy	Practical proposals prepared and presented	EAP							
			1.2 Increase the potential of central and local government authorities responsible for the development and implementation of environmental protection policy	Percentage of employees who have received training	MAEP, CES, other bodies,	0.3	0	0		0.3		P
			1.3 Harmonize environmental protection	Amendments and additions made to the relevant legislative	MAEP, MOJ, other bodies	0.75	0	0		0.75		P

- reducing the area of degraded land and pasture land by 5%; - reducing the discharge of polluted water into surface and underground water sources by 7-9%; - reducing the release of pollutants into the atmosphere from point and non-point sources by 4%			legislation with other sectoral legislation in accordance with the requirements of environmental conventions that have been signed	acts								
			1.4 Draft a Convention on Environmental Security	Convention on Environmental Security drafted and adopted	MAEP, other bodies	0.1	0	0		0.1		H
			1.5 Prepare a draft law on environmental monitoring	Draft law prepared and adopted	MAEP, other bodies	0.43	0	0		0.425		P
			1.6 Draft regulatory legal acts on procedures for the preparation of environmental impact statements (EIS) in accordance with laws on environmental protection and state expert environmental assessments	Draft documents prepared and adopted	MAEP, MOJ	0.03	0	0		0.03		H
			1.7 Study the possibilities for the RT's accession to the Kyoto Protocol	Report and recommendations prepared	MAEP		0	0		0		
			1.8 Prepare proposals for writing off external debt to resolve environmental protection and sustainable development issues	Relevant proposals prepared, changes and amendments made to economic regulatory legal acts	MAEP, other bodies	0.02	0	0		0.02		P
			1.9 Strengthen monitoring posts with the aim of ensuring the security of the most important dams and reservoirs	Number of posts installed for monitoring the condition of reservoirs and dams	MRWR, MAEP	2				2		H

			1.10 Prepare a comprehensive programme for the rehabilitation and development of the environmental monitoring system, taking into account the introduction of computer networks and the latest information technologies (GIS) and the development of a territorial model for a national environmental network in electronic and cartographic formats based on satellite images	Draft programme prepared and implementation begun in pilot regions	MAEP	0.1				0.1		P
			1.11 Restore and develop the environmental monitoring system	Number of restored and new monitoring posts outfitted with modern equipment, availability of a territorial model, availability of incoming monitoring data	MAEP, other bodies					0		
			1.12 Prepare and establish a data base on territories and facilities potentially subject to catastrophic natural and manmade effects, with the aim of predicting natural disasters	Availability of a modern data base	MAEP, CES, other bodies	0.4				0.4		P
			1.13 Establishment of a system of interconnected environmental protection data bases in pilot	System of interconnected data bases introduced and being used in pilot regions. Number of specialists	MAEP	0.20	0	0		0.2		P

			regions	who have attended special training courses								
			1.14 Study the feasibility of revising the amount of payments, rates and fines for environmental pollution and prepare proposals	Relevant proposals prepared, changes and amendments made to economic regulatory legal acts	MAEP							
			1.15 Study and present proposals for revision of the Water Code	Report and proposals prepared on revision of the Water Code	MAEP, MOF, MEDT, other bodies	0.01				0.01		H
			1.16 Conduct a geo-botanical survey and determine the degree of degradation of pasturelands	Degree of degradation of pasturelands determined and established measures taken	MAEP, local authorities, AS, other bodies	0.45				0.45		P
			1.17 Organize reforestation operations	Reforestation operations carried out	MAEP, other bodies	0.35				0.35		P
			1.18 Strengthen the potential of units involved in forestry and effective use of forest resources	Existence of forestry management service	MAEP	0.4				0.4		P
			1.19 Carry out informational and educational measures (campaigns) among government employees and the public to promote environmental awareness	Public information campaigns carried out	MAEP, other bodies	0.01				0.01		H
			1.20 Incorporate environmental education elements into the general system of basic, secondary, vocational-technical and higher education	Environmental education elements incorporated	MOE, MAEP	0.1				0.1		H

			1.21 Prepare proposals to encourage private sector enterprises to produce environmentally clean products and to use environmentally clean technologies	Analytical report prepared and practical recommendations made	MAEP, other bodies	0.01				0.01		H
			1.22 Implement the Environment and Sustainable Energy Management project	Negotiations held and required funding sought	MEI, MAEP	4.25		4.25	UNDP	0		
			1.23 Implement a project to improve emergency preparedness and risk management	Negotiations held and required funding sought	CES, MAEP	2.25		2.25	UNDP	0		
			1.24 Prepare a draft of a new long-range State Environmental Programme, taking into account the NDS/PRS goals and priorities	Programme prepared	MAEP	0.25	0	0		0.25	EC	P
	2. Promote new and existing investment projects in the area of environmental protection	Increase in the volume of ozone-depleting substances and POP pesticides recovered and destroyed to 18.3 and 160 tonnes; 2 garbage recycling plants built; number of sanitary landfills for the burial of municipal waste that meet international standards brought up to 18; improvement in conditions at 6 sites for the disposal of solid household waste; number of	2.1 Implement a flood management and rehabilitation project in Khatlon Province	Project implemented	MRWR, MAEP	10.8	1.8	9	ADB	0		
			2.2 Promote projects to modernize existing and install new dust and gas scrubbers at industrial enterprises	Negotiations held and required funding sought	MEI, MAEP	0.5	0	0		0.5		P
			2.3 Promote projects to establish scientific-production bases for the repair and production of dust and gas scrubbers, components and equipment for monitoring air	Negotiations held and required funding sought	MEI, MAEP	0.4	0	0		0.4		H

		tailing ponds covered by rehabilitation measures brought up to 2	quality									
			2.4 Promote projects to introduce technologies for the recovery and destruction of ozone-depleting substances and other hazardous chemicals banned from use	Negotiations held and required funding sought	Local authorities, MTC, MAEP, MEI, MOH	0.3	0	0		0.3		P
			2.5 Promote projects to develop integrated and biological methods to combat pests, establish the information base necessary for the production of biological pest control agents and ensure compliance with the relevant standards	Negotiations held and required funding sought	MAEP, AS, AAS	0.2	0	0		0.2		P
			2.6 Promote projects to build new and rebuild existing local treatment facilities for industrial and agricultural enterprises and sewage treatment facilities and ensure compliance with the relevant standards	Negotiations held and required funding sought	Local authorities, MAEP, MEI	0.1	0	0		0.1		P
			2.7 Provide for trash and waste recycling	Planned list of measures carried out	Local authorities, MAEP, MEI	6.2	0	6.2	EBRD Govt. of Sweden	0		
			2.8 Promote projects to build interregional toxic waste disposal sites (6 sites)	Negotiations held and required funding sought	Local authorities, CES, MAEP, MOH, AS	0.2				0.2		P
			2.9 Rehabilitate the Vakhsh and Kanibadam disposal sites, which have	Negotiations held and required funding sought	Local authorities, CES, MAEP, MOH, AS	5.4				5.4		H

			become degraded and can no longer be used for poisonous chemicals									
			2.10 Rehabilitate tailing points containing radioactive waste in Sogd Province	Negotiations held and required funding sought	MEI, local authorities, CES,, MOH, AS, MAEP	6.25				6.25		H
			2.11 Promote projects to encourage a public dialogue on issues concerning environmental protection and sustainable use of natural resources	Number of meetings, public events, press conferences, television debates and radio quiz shows held. Number of materials prepared on these topics. Number of informational materials on environmental protection issues prepared and distributed	MAEP	0.010				0.01		H
			2.12 Promote projects to train farmers in agricultural production methods that take environmental factors into account	Negotiations held and funding sought	Local authorities, MAEP, AAS	0.1				0.1		P
			2.13 Study ways to create and support eco-tourism in the country, including tourist activities in specially protected natural areas	Analytical report prepared, practical recommendations made, report on the mapping of the most promising zones for tourism	CYST, MAEP, MOF	0.50				0.5		P
			2.14 Promote projects to train instructors, guides and tour group leaders for eco-tourism	Negotiations held and funding sought	CYST, MAEP	0.5				0.5		P
			2.15 Promote projects to develop programmes for the	Negotiations held and funding sought	MAEP, ALGC, MRWR,	0.1				0.1		P

			prevention of land degradation		CES, MEDT, MOF							
			2.16 Organize avalanche control measures on the Dushanbe-Khudzhand highway in the Anzob Pass area	Range of measures planned and being implemented	MAEP, ALGC, MRWR, CES, MEDT, MOF	0.3	0	0		0.3		H
			2.17 Carry out riverbank reinforcement work on dangerous sections of the Zarafshan River in Pendzhikent District	Range of measures planned and being implemented	MAEP, ALGC, MRWR, CES, MEDT, MOF	0.3	0	0		0.3		H
			2.18 Develop the Tajik National Park	Range of measures planned and being implemented	MAEP, ALGC, MRWR, CES, MEDT, MOF	0.338	0.04			0.298		H
			2.19 Restore the 50th Anniversary of Tajikistan dam in Rasht District	Dam restored	MAEP, ALGC, MRWR, CES, MEDT, MOF	0.27	0	0		0.27		H
			2.20 Restore the Piyazy canal in Dzhirgatal District	Canal restored	MAEP, ALGC, MRWR, CES, MEDT, MOF	0.75	0	0		0.75		H
			2.21 Restore the flumes in the right bank area of the city of Khudzhand	Flumes restored	MAEP, ALGC, MRWR, CES, MEDT, MOF	1	0	0		1		H
			2.22 Restore the network of snow measuring rods	Network restored	MAEP, ALGC, MRWR, CES, MEDT, MOF	0.15	0	0		0.15		H
			2.23 Preserve the biodiversity of the Dashtidzhum nature reserve	Range of measures planned and being implemented	MAEP, ALGC, MRWR, CES, MEDT, MOF	0.75	0	0.75	WB	0		
Total						**47.823**	**1.84**	**22.45**	**0**	**23.533**		
			12. Gender equality									

Expand gender equality and raise the country's development rating taking the gender factor into account from 91st place in 2004 to 85th place in 2009	1. Improvement of the institutional base for gender policy	Increase in the number of women as a proportion of total government employees from 27.3% in 2005 to 35% in 2009	1.1 Prepare and introduce amendments and additions to current acts with a view to promoting gender equality									
		11% increase in the proportion of women in management positions in government bodies. Representation of women and men in local councils [*majlisi*] of people's deputies: - provincial: 25/75 - town: 25/75	1.1.1 Study, and if necessary make additions and amendments to the legislation on the civil service that will encourage the advancement of women in government bodies	Methods (mechanisms) for the advancement of women based on the "catch-up" principle introduced	CSA, CFWA, MOJ	0.120	0.000	0.000		0.120		H
			1.1.2 Make amendments and additions to the Law on Gender Equality and other regulatory legal acts with regard to mechanisms for implementation	Relevant regulatory legal acts adopted, as well as amendments and additions to current laws	CFWA, MOJ	0.035	0.000	0.035	OSCE UNI-FEM UNPFA	0.000		
			1.1.3 Adopt a law and prepare regulatory legal documents on social and legal protection against domestic violence	Legislative act adopted. Number of crimes reported by type and with a breakdown by the victim's gender (reporting system introduced in 2007). Number of victims of domestic violence seeking recourse through law enforcement authorities and the courts (reporting system introduced in 2007)	CFWA, MOJ, MIA	0.063	0.000	0.025	UNI-FEM SDC	0.038		H
			1.1.4 Make	Relevant regulatory	CFWA, MOJ	0.050	0.005	0.000		0.045		H

			amendments to regulatory and legal acts to require gender assessments of state programmes and plans under development	and legal acts adopted, as well as amendments and additions to current laws								
			1.1.5 Perform a functional survey of departments responsible for the development and implementation of gender policy	Authorities of agencies defined, responsibility for the results of implementation of gender policy increased	EAP	0.020	0.010	0.000		0.010		H
			1.1.6 Devise and introduce a mechanism for monitoring the implementation of gender policy	Monitoring developed and implemented	CFWA, SSC	0.033	0.000	0.033	UNPFA CIDA UNI-FEM	0.000	OSCE UNI-FEM	H
			1.1.7 Identify structural units within ministries and departments, including power ministries, and government agencies, or assign staff units to be responsible for the development and implementation of gender policy in the respective sectors	Departmental level of a national mechanism for the implementation of gender policy established	EAP, other bodies					0.000		
			1.1.8 Increase the potential of employees of ministries and departments responsible for the development and implementation of gender policy	Increase in the proportion of employees who have received training from 0% in 2005 to 20% in 2009	EAP, SCA, CFWA	0.120	0.000	0.07	OSCE UN-ESCO EC	0.050		P
			1.1.9 Establish an inter-agency commission on gender policy with the participation of	Inter-agency commission established	EAP, SCA, CFWA	0.030	0.000	0.030	UNI-FEM	0.000		

			representatives of civil society (based on existing bodies)									
			1.1.10 Establish mechanisms for cooperation between the state, civil society and business structures to address gender problems	Mechanism for partnership and public dialogue established	EAP, SCA, CFWA							
			1.1.11 Conduct training programmes for officials responsible for the development and implementation of major strategic and sectoral human development documents, taking the gender factor into account	Increase in the number of specialists, with a breakdown by sector and level of government, who have received training (from 0% in 2005 to 20% in 2009). Gender priorities included in sectoral strategies and policies	CSA, CFWA	0.055	0.000	0.024	UNI-FEM	0.031		H
			1.1.12 Develop and approve methods and mechanisms for the gender-based analysis of budgets with a breakdown by sectors on a pilot basis	Methods developed for the performance of gender-based budget analysis, adapted to the conditions in Tajikistan (on a pilot basis)	MOF, MEDT, CFWA	0.050	0.000	0.000		0.050		H
			1.1.13 Increase the potential and gender sensitivity of government employees through the inclusion of mandatory gender education in professional development courses, holding workshops, training courses and providing on-the-job training programmes for government employees	Increase in the proportion of government employees who have received mandatory training from 1.3% in 2005 to 5% in 2009	CSA, CFWA	0.150	0.000	0.035	OSCE	0.115		H

			1.1.14 Introduce soft quota methods in competition to fill civil service vacancies at all levels	Soft quota system introduced	EAP, CSA, CFWA	0.060	0.000	0.025		0.035		P
			1.1.15 Create female personnel potential and a reserve to fill civil service vacancies on a competitive basis	Data bank of possible candidates for civil service positions created. Training programmes for women carried out on an ongoing basis	EAP, CSA, CFWA	0.200	0.000	0.000		0.200		H
			1.1.16 Monitor the implementation of a targeted programme to train and promote women to government positions	Monitoring of programme implementation performed	CSA, CFWA	0.060	0.000	0.000		0.060		H
			1.1.17 Gender education courses organized for teachers at the Teachers' Professional Development and Continuing Education Institute	Increase the number of teachers who have received a certificate of completion of the courses from 0% in 2005 to 10% in 2009	MOE, CFWA	0.150	0.000	0.100	OSCE OSI	0.050		H
	2. Establishment of effective mechanisms to ensure equal access to resources	Change in the ratio of young men and young women attending higher education institutions (from 73/27 in 2005 to 65/35 in 2009) Gender gap in wages reduced by 6% (49% in 2005)	2.1.1 Perform public information and educational work to encourage a favourable public opinion of the importance of education not only for young men, but for young women as well	Reports on women's education issues appearing regularly in the mass media. Other informational measures on this topic carried out regularly	CFWA, MOE	0.300	0.000	0.080	Save the Children (USA), UNICEF UN-ESCO	0.220		P
			2.1.2 Continue the practice of setting quotas for applicants from remote regions and low-income families for admission to higher education	Number of students annually enrolled under quotas, with a breakdown by gender. Quota for young women only in 2005, and 60% for young women and 40% for	MOE, CFWA	0.030	0.000	0.000		0.030		P

			educations in all fields of study, including law, economics, etc.	young men in 2009								
		Increase in the percentage of women in the economically active population from 19% in 2005 to 25%	2.1.3 Provide support for existing and establish new educational and training centres for young women from outlying regions	Increase in the number of students enrolled at educational and training centres from 150 in 2005 to 200 in 2009. Increase in the number of new educational and training centres established for young women from outlying regions from 1 in 2005 to 2 in 2009	CFWA	0.230	0.010	0.080	OSI	0.140		H
			2.1.4 Identify methods to provide support for gifted students and young female scholars, taking international experience into account	Methods developed and approved. Sources of financial support identified	CFWA, MOE, AS, MOF	0.050	0.000	0.015		0.035		P
			2.1.5 Determine the feasibility of the mandatory study of international norms and standards for women's rights as part of courses on human rights for students at higher education institutions	Report and practical recommendations presented	CFWA, MOE	0.009	0.000	0.005	UNTOP OSI	0.004		P
			2.1.6 With a view to reducing the wage gap between men and women and among sectors, identify methods to raise the required qualifications in occupations and sectors in which	Methods developed and recommendations made for their implementation	CFWA, MLSW, MEDT, MOF	0.048	0.000	0.025		0.023		P

			women are employed									
			2.1.7 Perform a gender-based assessment of textbooks used in secondary schools and higher education	Increase in the number of textbooks that have gone through a gender-based assessment from 3 in 2005 to 6 in 2009	CFWA, MOE	0.067	0.000	0.002	OSI	0.065		H
			2.1.8 Regularly collect information on the most urgent needs of women entrepreneurs with the aim of targeting support for them more effectively	Survey of women entrepreneurs conducted. Analytical report prepared and practical recommendations developed	CFWA	0.070	0.000	0.000		0.070		P
			2.1.9 Study the possibility of including a gender breakdown in social and demographic statistics	Analytical report prepared and practical recommendations developed	CFWA, SSC, other bodies	0.020	0.000	0.000		0.020		P
	3. Reduction in the level of domestic violence and violence in society	Package of measures developed aimed at reducing the level of violence against women and children	3.1.1 Study the need for and possibility of drafting and adopting a law to protect against sexual harassment on the job	Analytical memorandum prepared	CFWA, MOJ	0.050	0.000	0.000		0.050		P
			3.1.2 Perform an estimate of the actual scale of domestic violence as a whole and violence against women in urban and rural areas. If necessary, develop an action plan aimed at the prevention of domestic violence and violence against women and children	Analytical report prepared and practical recommendations developed	CFWA, SSC, MOJ, MIA	0.050	0.000	0.000		0.050		P
			3.1.3 Conduct training programmes for employees of law	Training programmes conducted	MIA, CFWA, MOH	0.070	0.000	0.070	UNI-FEM SDC	0.000		

			enforcement authorities, medical institutions and other services who work with victims of violence and trafficking									
			3.1.4 Study the possibility of establishing a structural unit within the MIA to deal with problems of domestic violence and violence against women	Statistical reporting and monitoring methods developed for problems of domestic violence and violence against women. Data base created for cases of domestic violence and violence against women	MIA, CFWA	0.020	0.000	0.200	UNI-FEM SDC EC	0.000		P
			3.1.5 Provide support for existing and establish new crisis centres and shelters in the city of Dushanbe and in provincial centres for women who are victims of domestic violence	The number of victims of domestic violence who sought assistance from crisis centres at 75 of the 2005 level. Increase in the number of existing and newly opened crisis centres from 13 in 2005 to 15 in 2009.	MIA, CFWA	0.440	0.000	0.300	UNI-FEM SDC OSCE EC	0.140		H
			3.1.6 Carry out informational activities aimed at raising the level of awareness and legal literacy among the public with regard to the negative consequences of polygamy and domestic violence	Annual information campaigns conducted to overcome traditional stereotypes about victims of domestic violence. Increase in the coverage of public information campaigns from 55% of the population in 2005 to 100% in 2009	CFWA, MLSW, MOJ	0.170	0.000	0.080	UNI-FEM SDC OSCE EC	0.090		P
			3.1.7 Conduct informational and educational measures to prevent illegal trafficking in human beings, including among children and labour	Annual information campaigns conducted	CFWA, MIA, MFA	0.090	0.000	0.300	USAID OSI OSCE EC	-0.210		H

			migrants									
			3.1.8 Perform constant monitoring of the involvement of children, boys and girls, in labour (child labour) to identify measures to prevent the worst forms of child labour, and also to integrate children (boys and girls) involved in child labour into the educational process	Number of children involved in the worst forms of child labour determined. Increase in the number of children able to return to school	CFWA, MIA, MLSW, MOE	0.330	0.000	0.200	ILO – IPEC	0.130		H
Total						**3.240**	**0.025**	**1.184**		**1.661**		
Total spending on the PRS in 2007-2009						**4798.9**	**239.3**	**2014.1**	**0.0**	**2545.2**		

Main PRS Monitoring Indicators for 2007-2009

Macroeconomic development

Type of indicator	Name	Unit of measure	Value in 2005	Value in 2009	Organization responsible for measurement
Outcome indicators	Average annual growth in GDP	%	6.7	7.0	SSC, MEDT
	State budget deficit as a proportion of GDP	%	0.2	1.0	MOF
	State budget revenues as a proportion of GDP	%	18.0	20.7	MOF
	Tax receipts as a proportion of GDP	%	16.6	18.6	MOF
	Average annual inflation rate	%	7.1	6.0	MOF, SSC
	Gross investment in fixed capital as a proportion of GDP	%	12.0	20.0	SSC, NBT, MEDT
	Exports of goods and services as a proportion of GDP	%	43.9	47.5	SSC, NBT, MEDT
	Broad money as a proportion of GDP	%	7.3	8.5	NBT
Input indicators	State budget spending as a proportion of GDP	%	18.2	21.7	MOF
	Payments and servicing of external debt as a proportion of GDP	%	5.3	4.7	MOF

Improvement of the investment climate, development of the private sector and entrepreneurship

Type of indicator	Name	Unit of measure	Value in 2005	Value in 2009	Organization responsible for measurement
Impact indicators	Private sector as a proportion of GDP	%	43	55	SSC
	Annual growth in gross private investment attracted (excluding investment in the primary sector)	%	100	115	SSC
Outcome indicators	Growth in FDI	%	100	110	SSC
	Growth in the number of registered businesses	%	100	125	SSC, MOJ
	Improvement in the overall rating of the business climate in Tajikistan	unit	133	122	SCI, SSC
	Improvement in the overall rating of the investment climate in Tajikistan	unit	*	-10	SCI, SSC
	Proportion of OPP employees covered by training	%	100	150	CSA, SCI
Output indicators	Number of training courses held for entrepreneurs	%	100	150	SCI

Regional cooperation and integration into the global economy

Type of indicator	Name	Unit of measure	Value in 2005	Value in 2009	Organization responsible for measurement
Outcome indicators	Foreign trade turnover as a proportion of GDP	%	96.8	113.0	SSC, NBT, MEDT
	Growth in electricity exports, in monetary terms	%	8.7	15.0	MEI, SSC
	Growth in exports of light industrial products	%	5.2	10.0	MEI, SSC

	Growth in exports of fruits and vegetables	%	5.0	20.0	MAEP, SSC
	Growth in intra-regional trade	%	10.0	30.0	SSC, MEDT
	Increase in tourists visiting the Republic of Tajikistan	thous. people	50.0	300.0	CYST
Output indicators	Growth in gross agricultural output	%	103.1	120.0	MAEP
	Growth in labour productivity in agriculture	%	100.0	125.0	MAEP

Food security and development of the agricultural sector

Type of indicator	Name	Unit of measure	Value in 2005	Value in 2009	Organization responsible for measurement
Outcome indicators	Increase in average cotton yield	centners/ hectare	15.6	23.0	MAEP
	Increase in the volume of raw cotton processed domestically	%	18.1	30.0	MAEP
	Increase in exports of agricultural products	%	100.0	130.0	MAEP
	Increase in profitability of animal husbandry	%	100.0	120.0	MAEP
	Decline in the amount of debt owed by farms	%	100.0	75.0	MAEP
	Increase in the number of farms financed without using futures	number	1,200.0	35,000.0	MAEP
	Decline in the degree of salinization of total agricultural land	%	100.0	98.0	MRWR
	Decline in the degree of swamping of total agricultural land	%	100.0	97.0	MRWR
	Increase in rural household income	%	100.0	115.0	SSC
	Decline in acute malnutrition among children	%	0.0	6.2	MOH
	Decline in iron-deficiency anaemia among children	%	0.0	29.5	MOH
	Decline in iron-deficiency anaemia among women	%	0.0	45.0	MOH
	Decline in goitre among children	%	0.0	50.5	MOH
	Decline in goitre among women	%	0.0	40.8	MOH
Output indicators	Number of land-use registration certificates issued for *dekhan* farms for three years	thous. units	25.9	36	ALGC
	Number of land-use registration certificates issued for subsidiary farming plots for three years	units	0.0	180,000	ALGC
	Number of land-share certificates issued for three years	units	0.0	30,000	ALGC
	Restoration of agricultural land taken out of use	thous. hectares	2.3	7.8	MRWR
	Growth in *dekhan* income per tonne of cotton sold	%	100.0	150.0	MAEP
	Number of *dekhan* farms by gender of head of farm (men/women)	thous. people	20.1/3	23.5/3.5	MAEP, ALGC, SSC
	Number of land-use registration certificates issued for individual private farming plots for three years	units	0.0	9,000	ALGC
	Number of land-use registration certificates issued for non-agricultural purposes for three years	units	0.0	9,000	ALGC

Development of infrastructure, energy and industry

Transportation indicators

Type of indicator	Name	Unit of measure	Value in 2005	Value in 2009	Organization responsible for measurement
Outcome indicators	Road transport freight turnover	million tonne-km	1,790.6	2,016.2	SSC
	Road transport passenger turnover	million passenger-km	2,331.4	2,439.8	SSC
	Length of highways with satisfactory quality	km	386.5	1,083.5	MTC
	Domestic and foreign investment attracted for the implementation of transportation projects	million dollars	83.9	193.7	MTC
	Increase in the volume of freight shipped to Kyrgyzstan by truck	thous. tonnes	2.5	95	TK, MTC
	Increase in the number of foreign airlines operating in Tajikistan	unit	13	20	SUAE
Output indicators	Increase in the number of domestic and foreign flights	%	100/100	120/150	SUAE
	Length of new (rebuilt) highway sections put into operation (by type)	km	143.3/90.7	697.1/227.7	MTC
	Proportion of transportation agency employees who have received training	%	15	35	CSA

Communications sector indicators

Type of indicator	Name	Unit of measure	Value in 2005	Value in 2009	Organization responsible for measurement
Impact indicators	Growth in communications sector as a proportion of GDP	%	1.13	1.56	SSC
Outcome indicators	Density of telephone subscribers	%	4	5.4	MTC
	Increase in the number of users of main transmission lines	unit	0	744	MTC
Output indicators	Percentage of MoC employees who have received training	people	17	40	CSA
	Growth in the number of licensees in the communications sector	%	65	70	MTC
	Increase in the volume of numbers handled by telephone exchanges	unit	336,795	406,400	MTC
	Increase in the proportion of the telephone network that has been upgraded	%	84	86.8	MTC

Energy indicators

Type of indicator	Name	Unit of measure	Value in 2005	Value in 2009	Organization responsible for measurement
Impact indicators	Increase in the duration of daily electricity supply	hour	16	20	MEI
Outcome indicators	Decline in the quasi-fiscal deficit	%	20.5	0	MEI
	Decline in the level of energy losses	%	14	10	MEI
	Increase in electricity generating capacities	megawatt	4,070	6,169.56	MEI
	Coal production	thous. tonnes	98.5	148.56	MEI
	Oil production	thous. tonnes	21.7	29.3	MEI
	Gas production	thous. tonnes	29.4	30.5	MEI
Output indicators	Number of small HPPs built	units	9	17	MEI
	Increase in electricity rates	cents	0.65	1.65	EAP, MEI
	Proportion of consumers in the country provided with gas meters	%	60	100	MEI
	Growth in the number of electricity consumers	%	1.4	2.1	MEI

Industry indicators

Type of indicator	Name	Unit of measure	Value in 2005	Value in 2009	Organization responsible for measurement
Outcome indicators	Labour productivity	%	100	116	SSC
	Industrial output	%	100	125.6	SSC
	Industrial exports	%	100	118	TC, MTC
	Number of people employed in industry	%	100	120.5	SSC
	Proportion of cotton fiber subject to processing	%	18.12	30	MEI, SSC
	Proportion of leather subject to processing	%	4.4	10	MEI, SSC
	Proportion of wool subject to processing	%	22.5	32	MEI, SSC
	Proportion of tobacco and silkworms subject to processing	million dollars	100/100	110/120	MEI, SSC
	Gross output of light and food industry	%	100/100	130/125	SSC
	Investment in the sector	%	100	130	SSC
	Number of households with their own (non-centralized) electricity sources	units	5,600	27,000	MEI

Development of education and science
Education

Type of indicator	Name	Unit of measure	Value in 2005	Value in 2009	Organization responsible for

					measurement
Outcome indicators	Children covered by primary and general basic education	% of total number of children of the relevant age	97.0	98.0	MOE, SSC, local authorities
	Overall school attendance rate	%	88.4	91.0	MOE, SSC
Output indicators	Proportion of schools with parent-teacher associations	%	30.0	40.0	MOE, local authorities
	Proportion of administrators in the education sector who have received continuing education and professional development training	%	10.0	30.0	MOE, local authorities
	Proportion of schools financed on a per capita basis	%	10.0	20.0	MOE, local authorities
	Proportion of updated state standards, curricula and study programmes	%	10.0	50.0	MOE
	Proportion of teaching personnel who have received retraining and continuing education and professional development training	%	30.0	50.0	MOE
	Proportion of students in the primary grades who receive hot meals at school	%	58.0	60.0	MOE
	Expansion of school capacity	number of places for students	30,739 (2006)	92,200.0	MOE
	Number of schools built	number	66 (2006)	120.0	MOE
	Number of classrooms built		407 (2006)	1,220.0	
	Number of textbooks published	million units	1.8	4.7	MOE
	Proportion of schools with running water, heating and sanitary and hygiene conditions that meet established standards	%	20.0	50.0	MOE, local authorities
	Number of schools that have received classroom furniture	number	100.0	330.0	MOE, local authorities
Input indicators	Spending on secondary education as a proportion of total spending on education	%	70.0	80.0	MOE, MOF

Science

Outcome indicators	Relevance and incorporation of scientific advances into the real sector of the economy as a proportion of total	%	10.0	30.0	AS, SSC
Output indicators	Number of joint developments completed by academic, applied and higher education science	number	5.0	20.0	AS
	Proportion of total current research and development financed on a competitive basis	%	0.0	100.0	AS
	Extrabudgetary financing as a proportion of the total amount	%	53.0	70.0	AS

	of financing for scientific activity				
	Number of facilities renovated for high-priority research	%	2.0	20.0	AS
	Proportion of high-priority research efforts provided with instruments, equipment and reagents	%	30.0	50.0	AS
Input indicators	Science funding as a proportion of state budget spending on the social sphere	%	1.3	2.0	MOE, MOF

Development of the health care system

Type of indicator	Name	Unit of measure	Value in 2005	Value in 2009	Organization responsible for measurement
Impact indicators	Mortality rate among children under the age of 5	Per 1,000 live births	79 (MICS-3)	75	MOH, SSC
	Infant mortality		65 (MICS-3)	62	MOH, SSC
	Maternal mortality	Per 100,000 people	97 (MICS-3)	70	MOH, SSC
	Number of HIV infections	People	627 (2006)	not more than 2,500	MOH, SSC
	Incidence of malaria	Per 100,000 people	37.4 (2005)	20	MOH, SSC
	Incidence of tuberculosis (WHO figures)		177 (2004)	145	MOH, SSC
	Incidence of parasitic diseases		292.9 (2004)	not more than 292.9	MOH, SSC
	Incidence of measles		0	0	MOH, SSC
Outcome indicators	Immunization coverage of children up to 1 year of age and older	%	93	95	MOH, SSC
	Proportion of births attended by qualified medical personnel		83.4	90	MOH, SSC
	Proportion of women of reproductive age with knowledge about sexual reproductive health, reproductive rights and family planning		41.5	60	MOH, SSC
	Proportion of population with knowledge about HIV/AIDS prevention and treatment		43	75	MOH, SSC
	Proportion of cases of tuberculosis diagnosed and treated through DOTS programmes		62	100	MOH, SSC
Output indicators	Proportion of primary health care institutions providing medical care to the population based on the family practice mode	%	8	15	MOH, SSC
	Regulatory legal documents governing the delivery of fee-based services in the health care system, adopted	Yes/No	No	Yes	MOH, SSC

	Proportion of primary health care and reproductive health care institutions that meet established requirements for personnel qualifications and material and technical support in the sphere of safe motherhood, neonatal care and family planning services	%	48	65	MOH, SSC
	Safe motherhood and neonatal care protocols introduced at all levels of medical care		30	70	MOH, SSC
	Proportion of iodized food products in the total consumption of the relevant foods		63	90	MOH, SSC
	Proportion of fortified and enriched food products in the total consumption of the relevant foods		10	40	MOH, SSC
	Proportion of blood donation and AIDS centres at which diagnostic equipment is regularly available		95	100	MOH, SSC
	Proportion of areas with a risk of malaria that are covered by anti-malaria prevention measures		30	70	MOH, SSC
	Proportion of medical personnel trained in the DOTS strategy		40	80	MOH, SSC
	Newly built and renovated health care institutions as a proportion of total number of treatment and preventive care facilities		25	35	MOH, SSC
	Proportion of health care institutions with equipment, furniture and vehicles that meet established requirements		30	40	MOH, SSC
Input indicators	Spending on primary health care as a proportion of total state budget spending on health care	%	25	40	MOH, SSC

Improvement of social welfare

Type of indicator	Name	Unit of measure	Value in 2005	Value in 2009	Organization responsible for measurement
Impact indicators	Poverty rate	%	64	52	SSC, MLSW
	Extreme poverty rate	%	18	10	SSC, MLSW
Outcome indicators	State social insurance coverage as a percentage of the economically active population	%	33	70	SSC, MLSW
	Volume of non-insurance payments from state social insurance funds	% of Social Welfare Fund budget	27	12	MLSW
	Average pension for self-employed persons	somoni	28.31	102	MLSW
	Amount of social welfare provided	somoni per person	12	90	MOF, MLSW
	Social services provided	thous.	7,974	8,532	MLSW

		people			
	Number of collective contracts concluded	unit	2,699	10,000	RT Council of Trade Unions, MLSW
Output indicators	Laws adopted	unit	4	8	MLSW
	Methodologies devised and introduced	unit	5	10	MLSW
	Workers trained	%	100	145	MLSW
	Job placement of unemployed	%	100	150	MLSW
	Number of social service centres established	unit	4	10	MLSW
	Specialization of educational institutions changed	unit	0	6	MLSW
	Educational institutions established for the training of social service workers	unit	0	1	MLSW
	Buildings renovated	unit	11	7	MLSW

Expansion of access to water supply, sanitation and housing and municipal services

Type of indicator	Name	Unit of measure	Value in 2005	Value in 2009	Organization responsible for measurement
Impact indicators	Proportion of urban population with regular access to high-quality water sources	%	93 (MICS)	96	SSC, MRWR, KMK
	Proportion of rural population with regular access to high-quality water sources	%	49 (MICS)	51	SSC, MRWR, KMK
	Urban population with access to basic sanitary and hygiene conditions	%	20 (MICS)	47	MRWR, KMK
	Rural population with access to basic sanitary and hygiene conditions	%	5 (MICS)	37	SSC, KMK
Output indicators	Number of sanitary zones and water collection facilities upgraded	units	14	21	MRWR, KMK
	Proportion of personnel who have received training	%	10	20	KMK
	Proportion of housing with meters	%	30	85	KMK
	Proportion of urban population with access to housing and municipal services	%	35	75	SSC
	Proportion of rural population with access to housing and municipal services	%	5	20	SSC
	Proportion of housing that is dilapidated, unsafe and in need of major renovation	%	65	45	ACA
Input indicators	State budget spending on water supply, sanitation and	% of GDP	1.1	2	SSC

	housing and municipal services				
	Spending on public housing as a proportion of total state budget expenditures on housing and municipal services	%	5.7	8	SSC

Promotion of environmental sustainability

Type of indicator	Name	Unit of measure	Value in 2005	Value in 2009	Organization responsible for measurement
Impact indicators	Area of land covered by forest as a percentage of total land area	%	100	105	MAEP, SSC
	Area of land set aside for purposes of maintaining ecological diversity	%	100	103	MAEP, SSC
	Area of degraded land and pastureland	%	100	95	MAEP, SSC
	Discharge of waste water into surface water and groundwater sources	%	100	93,0/91,0	MAEP, SSC
	Point and non-point air pollution	%	100	96	MAEP, SSC
Outcome indicators	Number of solid household waste disposal sites that meet the requirements of environmental protection legislation	unit	0	6	MAEP, SSC
	Number of rehabilitated garbage dumps	unit	0	18	MAEP, SSC
	Number of rehabilitated tailing ponds	unit	0	2	MAEP, SSC
	Volume of ozone-depleting substances recovered	tonne	0	18.3	MAEP, SSC
	Volume of pesticides recovered and destroyed	tonne	0	160	MAEP, SSC
	Number of waste recycling plants	unit	0	2	MAEP, SSC
	Number of sanitary disposal sites for the burial of municipal waste that meet international standards	unit	1	5	MAEP, SSC
	Number of restored and new environmental monitoring stations with modern equipment	unit/unit	15/23	19/36	MAEP, SSC

Promotion of gender equality

Type of indicator	Name	Unit of measure	Value in 2005	Value in 2009	Organization responsible for measurement
Impact indicators	Republic of Tajikistan's development index based on the gender factor	place	91 (2004)	85	CFWA, SSC
Outcome indicators	Proportion women in total number of civil service employees	%	27.3	35	SSC, CFWA
	Proportion of women in management positions in executive government bodies	%	100	111	SSC, CFWA

	Ratio of males to females enrolled at higher education institutions	%	73/27	65/35	SSC
	Gender gap in wages	%	55	49	SSC, CFWA
	Women as a proportion of the economically active population	%	19	25	CSA, CFWA
	Representation of women and men in local *majlisis* (councils) of people's deputies - provincial - city - district		 17.9/82.1 14.2/85.8 15.6/84.4	 25/75 25/75 25/75	CSA, CFWA
	Time spent on housework	hr/person	7	6	SSC, MLSW
	Number of crimes reported by type, broken down by the gender of the victim	unit	38	36	MIA
Output indicators	Number of female students studying and living at educational and training centres	person	47	82	SSC, CFWA
	Number of victims of violence who received assistance from crisis centres and other services	person	56	67	MIA

APPENDIX 3. PRS PRIORITIZATION PRINCIPLES

APPENDIX 3

Prioritization Principles

The government understands the need to establish spending priorities given the shortage of "development budget" funds, so as to ensure the most effective utilization of resources available to combat poverty. Inasmuch as the prioritization principle has not been applied to date in state budget practices, the government lacks the necessary institutional potential to introduce a full-scale system of priorities in the planning of PRS measures and the drafting of the PIP. This sort of system will be introduced in stages, starting with pilot programmes in several sectors in 2007, followed by its introduction throughout the entire PRS and PIP structure. The pilot prioritization system will presumably be implemented in education and health care, sectors in which there are also plans to introduce the SWAp (sector-wide approaches) mechanism on an experimental basis.

Prior to the drafting and implementation of the Medium-Term Budget Framework (MTBF), a rating method is being used to identify priorities for the 2007-2009 PRS. In addition, national goals and priorities have been established under the NDS, along with the main tasks of the PRS over the medium term. All of the measures under the sectoral sections are aimed at the fulfilment of these goals and tasks. In connection with this, the government and donors have a unique opportunity to ensure the effective use of the limited resources available and to reallocate internal resources and foreign assistance among various sectors based on the criterion of the greatest effectiveness, and to select sectoral measures that are of the greatest importance to the country for priority implementation.

The approach and principles described below have been proposed for a comparative review of the measures proposed in the PRS matrix for 2007-2009:

1. Only new PRS measures without funding (or without full funding) from the state budget, donors or the private sector are to considered. Current measures and measures with funding, as well as those that do not require funding, are not to be considered. All new measures (but not tasks) that will be added subsequently to the PRS matrix must go through a priority assessment.

2. In order for an individual measure to be included in the matrix of priority measures, it must pass through two so-called "filters": (a) the measure must be consistent with national priorities as set forth in the NDS (public administration reform, development of the private sector and

attraction of investment, development of human potential); and (b) there must a certain degree of ease in tracking the implementation of the measure (it can be monitored, the outcome is clear and well-defined).

3. A rating is established for each PRS measure based on the following components:

Rating component	Assessment criterion	Number of points
1. Type of impact	1.1 Scope 1.2 Size of impact 1.3 Sustainability	Each criterion is assessed on the basis of the degree to which the individual measure corresponds to the given criterion: "low" – 10 points, "average" – 15 points; "high" – 25 points. The maximum number of points for all three criteria is 75.
2. Feasibility	2.1 Political component 2.2 Organizational-structural component (potential for implementation) 2.3 Time component (speed)	Each criterion is assessed on the basis of the degree to which the individual measure corresponds to the given criterion: "low" – 10 points, "average" – 15 points; "high" – 25 points. The maximum number of points for all three criteria is 75.
3. Impact on the process of achieving the MDGs	3.1 Direct	25 points
	3.2 Indirect	10 points

"**Scope**" refers to the coverage of the measure (number of people, regions, etc.)

"**Size of impact**" is a measure of the importance of the given measure and its positive impact or effect (extent to which a situation is changed as a result of implementation of the measure)

"**Sustainability**" is a measure of the duration of the positive effect of the measure, as well as the possibility of its continuing without ongoing donor support

"**Political component**" is the feasibility of the measure, taking into account difficulties associated with political decision-making or political importance

"**Organizational-structural component**" refers to the feasibility of a measure based on the potential and capacities for its planning, implementation and monitoring

"**Time component**" refers to the feasibility of a measure involving the speed at which certain results are achieved or the time needed for its implementation.

Thus, the maximum rating a priority can receive is 175 points: 75 points for the **type of impact** (25 points each for the "high" correspondence of the measure to each of the three criteria); 75 points for the **feasibility** (25 points each for the "high" correspondence of the measure to each of the three criteria); and 25 points for a **direct impact on the MDGs**. The minimum rating is 70 points. The total score for each measure is then ranked and classified under one of two "bands" for ease of reference to the overall priority of an action, namely "priority (P)" (if the total score is 70-100) and "high priority (HP)" (if the total score is 101-175).

4. The priority rating makes it possible to rank a measure within the PRS sectoral matrix by importance, and also to make comparisons among measures in different sectors. On the basis of this ranking, the government will identify measures that are to receive funding, including those for which donor funding will be needed.

APPENDIX 4. PARTICIPATION IN THE DEVELOPMENT OF THE NDS/PRS

Appendix 4

Participation in the drafting of the NDS/PRS

NDS/PRS Steering Committee – A. G. Akilov, M. S. Davlatov, G. D. Babayev, M. M. Alimardonov, S. M. Nadzhmutdinov, A. Kodirov, A. A. Rakhmonov, M. Khamidov, Sh. Zukhurov, R. Abdurakhmanova, D. K. Gulmakhmadov, Sh. Rakhimov, M. Sh. Shabozov, N. Kh. Buriyev, N. S. Khushvakhtova, D. M. Davlatov, M. S. Isakov, representatives of the World Bank, IMF, ADB, UNDP

Public administration reform – M. S. Davlatov, F. S. Kholboboyev, D. Kh. Kabirov, M. N. Nazarov, D. M. Davlatov, M. S. Kadirov, N. Kh. Buriyev, N. Kh. Khushvakhtova, A. K. Latipov, Sh. K. Sokhibov, R. F. Umarov, M. D. Mullayev

Infrastructure, transportation, communications and industry – A. Gulomov, M. M. Khakdodov; ***Infrastructure subgroup*** – M. Kh. Khabibov, A. Ashurov, I. U. Usmonov, M. Anvarov; ***Transportation, communications and energy subgroup*** – Sh. Gulov, A. Yerov, A. R. Sulaimonov, A. N. Niyozov, Kh. Kh. Aliyev, R. R. Gulov, S. Usmonov, Z. N. Krasii; ***Industry subgroup*** – Sh. Gulov, Z. Sh. Saidov, M. Gulov, D. Rasulov, A. Khikmatov, T. Amirkhonov, R. M. Rakhmatov, R. Kodyrov, M. Amonov

Macroeconomics – G. D. Babayev, Kh. Kh. Soliyev, M. N. Saifiyev, A. S. Eshonkulov, R. B. Bakhromov, N. K. Kayumov, R. K. Rakhimov, A. G. Rogozina, T. P. Gukasova; ***Fiscal policy subgroup*** – S. M. Nadzhmutdinov, K. Kh. Azimov, B. S. Sultonov, A. Sh. Akramov, R. M. Damonov, S. Rustamov; ***Monetary policy subgroup*** – M. M. Alimardonov, Dzh. Z. Yusupov, T. I. Khaknazarov, Z. B. Fattidinova, L. G. Dureyeva, Sh. Davlatov

Integration into the global economy – G. D. Babayev, Kh. Kh. Soliyev, I. I. Makhmudov, M. M. Makhshulov, E. Dzhurabekov, M. T. Karimova, Kh. Umarov, T. Kirillova, K. Gafurov

Improvement of the investment climate, development of the private sector and entrepreneurship – G. D. Babayev, Kh. Kh. Soliyev, Z. K. Kendzhayev, A. S. Anvarova, R. T. Dzhabborov, G. Kokova, Z. G. Kendzhayeva, Kh. Abdurakhimov, M. Normatova, M. Nurmakhmadov, N. Kh. Khonaliyev, R. Madaminov, F. Sh. Shomurodov, N. Radzhabova, S. Zabirov, M. T. Uldzhabayeva, M. Dzhabarova, A. F. Sharipov

Food security and development of the agricultural sector – A. Kadirov, V. S. Madaminov, B. A. Abdualimov, A. Abdulloyev, Sh. Bazarov, K. T. Gafurov, N. Izatov, V. S. Fadeyev, Kh. S. Khairov, T. Yergasheva

Education and science – A. A. Rakhmonov, M. Ilolov, Z. Sh. Sharipov, Kh. Kh. Karimov, Kh. M. Akhmedov, M. Dinorshoyev, V. R. Naimova, A. D. Akhrorova, M. L. Lutfulloyev, Kh. R. Sodikov, F. Partovov, Sh. Kodirov, G. T. Yevdokimenko, T. F. Nasimova, S. Samadova, T. Devonshoyeva, T. Ulanova, N. Boboyeva, M. Karimova, A. Malikov

Health care – R. Abdurakhmanova, N. F. Faizulloyev, A. A. Temurov, N. M. Sharopova, Z. T. Avgonov, N. Kh. Khaitboyev, S. R. Miraliyev, B. B. Sharipova, O. I. Bobokhodzhayev, Kh. D. Aminov, S. D. Isupov, M. M. Ruziyev, A. Ya. Aliyeva, S. S. Karimov, S. P. Aliyev, Sh. M. Kurbanov, Sh. S. Dzhobirov, S. R. Saidaliyev, A. Mirzoyev, A. S. Sharipov, Kh. S. Khairov, S. R. Saifuddinov, N. F. Salimov, N. P. Artykova, Z. Akhmedova, F. Bakiyev, M. M. Sheraliyeva, M. Beknazarov

Water supply, sanitation and housing and municipal services – M. Khamidov, A. A. Nazirov, N. Ashurov, I. Eshmirzoyev, A. Azimov, M. Isoyev, M. Sharipov, P. Shodmonov, N. Izatov, B. Safarov, A. Sabitov, A. Nabiyev, Ya. Pulatov, N. Nurmatov, A. Tirandozov, A. Sattorov, I. Abduchalilov; ***Housing and municipal services subgroup***: M. Dzh. Khalifayev, S. D. Khisainov, I. E. Eshmirzoyev, A. I. Zokirova, S. Nazarov, L. Kudusova, N. Sarashoyev, R. Gulov, O. Salimdzhanov

Social welfare – Sh. Zukhurov, Z. Vazirov, M. Kh. Kosimov, M. M. Kholikov, M. Makhmadaminov, M. S. Solekhov, A. Dzh. Uzokova, N. Dzhurayev

Environmental protection – A. Kodirov, A. Ye. Karimov, R. B. Latipov, I. I. Saidov, T. Kh. Nazarov, Dzh. Dzh. Buzrukov, O. Nazmiyeva, N. T. Azizova, B. Yatimov, M. Bobodzhanova, R. M. Babadzhanov, A. O. Latifi

Gender development – S. M. Sherova, B. Z. Mukhamadiyeva, K. K. Dzhurayev, G. Khusniddinova, M. T. Nosirova, R. M. Babadzhanov, Sh. Khoshokova

Executive editorial group – R. T. Dzhabborov, F. M. Khamraliyev, N. Kh. Izatov, A. Yu. Nadzhimiddonov, A. A. Sharipov, Dzh. Dzh. Lafizov, D. Naskov, Dzh. Sharipov, R. M. Babadzhanov, M. Dzh. Mulloyev. ***Group Coordinators***: N. Kh. Buriyev, N. S. Khushvakhtova

Expert group – A. Khaidarov, B. Yatimov, S. Bazarova, S. Khaitov (World Bank), C. Diawara, A. Longy, U. Rakhmonov, F. Bakiyev, T. Yergasheva, I. Safarov, Kh. Aliyev (UNDP)

Consultants – R. Mogilevskiy (EU), M. Kholmatov (DFID), D. Valiyev (UNIFEM)