



# investment policy review



**TAJIKISTAN** 



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# Preface

UNCTAD Investment Policy Reviews (IPRs) are intended to help countries improve their investment policies and to familiarize Governments and the international private sector with an individual country's investment environment. The reviews are considered by the UNCTAD Commission on Investment, Enterprise and Development. The recommendations of the IPR are then implemented with the technical assistance of UNCTAD. The support to beneficiary countries is delivered through a series of activities which can span over several years.

The Investment Policy Review of Tajikistan, initiated at the request of the Government of Tajikistan, was carried out through a fact-finding mission in March 2015 and is based on information current at this date and additional information made available to UNCTAD until 31 January 2016. The mission received the full cooperation of the relevant ministries, departments and agencies, in particular the Ministry of Economic Development and Trade, the Ministry of Foreign Affairs, the State Committee on Investment and State Property Management, as well as the Government Working Group on the IPR. The mission also benefited from the views of the private sector, foreign and domestic, bilateral donors and development agencies. The United Nations Development Programme (UNDP) in Tajikistan provided substantive contributions as well as financial and logistical support to the IPR process. The Energy Charter Treaty Secretariat also participated in meetings during the fact-finding mission and provided comments on the draft version of the report. The report also benefitted from discussions with the Asian Development Bank (ADB). A preliminary version of this report was discussed with stakeholders at a national workshop in Dushanbe on 3 November 2015. The final report reflects comments from stakeholders, including ministries and agencies of the Government of Tajikistan.

The analysis is based on the UNCTAD Investment Policy Framework for Sustainable Development and its core principles (UNCTAD, 2015a). It follows, to a large extent, the national investment policy guidelines of the UNCTAD Policy Framework, which deal with concrete measures to formulate investment policies and regulations and ensuring their effectiveness, especially in terms of grounding investment policy in development strategy. The IPR also deals with institutional mechanisms for effective policy implementation.

This report was prepared by the Investment Policy Reviews Section under the supervision of Chantal Dupasquier, Chief of the Section. Joerg Weber, Head of the Investment Policies Branch in DIAE, and James Zhan, Director of DIAE, provided overall guidance. The report was drafted by Ariel Ivanier, Kalman Kalotay, Massimo Meloni and Irina Stanyukova, with inputs from Ismoil Gaffarov, Trevor Killen and Julien Levis. It has also benefited from substantives inputs and suggestions from Bahrriddin Azamatov, Ruben Barreto, Richard Bolwijn, Stephania Bonilla-Féret, Hamed El Kady, Maha El Masri, Joachim Karl, Yongfu Ouyang, Manuchehr Rakhmonov, Sergey Ripinski, Elisabeth Tuerk and Paul Wessendorp. The report was co-funded by the Government of Sweden and UNDP in Tajikistan.

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# Table of contents

PREFACE .....	iii
ABBREVIATIONS .....	vi
KEY MESSAGES .....	vii
CONTEXT .....	1
I. The legal and operational framework for investment in Tajikistan.....	5
<b>A. Foreign investment-specific regulation .....</b>	<b>6</b>
a. Entry and establishment .....	6
b. Treatment and protection.....	7
<b>B. Company operations .....</b>	<b>11</b>
<b>C. Taxation.....</b>	<b>14</b>
<b>D. Commercial justice and governance.....</b>	<b>19</b>
<b>E. Competition regime.....</b>	<b>21</b>
<b>F. Labour .....</b>	<b>22</b>
II. Attracting FDI and enhancing its impact for sustainable development .....	25
<b>A. Institutional framework for investment policy and promotion in Tajikistan .....</b>	<b>27</b>
<b>B. Building absorptive capacities for attracting and benefitin from FDI.....</b>	<b>34</b>
a. Skills development and access to foreign skills .....	34
b. Entrepreneurship and SME development .....	38
<b>C. Policies for the transfer of technology, spillovers and business linkages.....</b>	<b>44</b>
REFERENCES .....	48

## Annexes

Annex 1.	Summary of recommendations .....	52
Annex 2.	Bilateral investment treaties signed by Tajikistan as of June 2015.....	55
Annex 3.	Methodology of international corporate tax comparisons .....	56

## Figures

Figure 1.	Limited and volatile FDI inflows.....	2
Figure 1.1.	Comparison of tax regimes in selected countries and industries.....	15
Figure 2.1.	Institutional architecture for investment in Tajikistan .....	27

## Tables

Table 1.	Tajikistan lags behind comparator countries in terms of inflows of foreign direct investment.....	3
Table 1.1.	Starting a business in Tajikistan and selected countries in 2016.....	12
Table 2.1.	Quotas and issuance of work permits in Tajikistan.....	37

## Boxes

Box 1.1.	Overview of company taxation and incentives in Tajikistan .....	18
Box 2.1.	Free economic zones in Tajikistan .....	30
Box 2.2.	The PARE 1+1 programme of the Republic of Moldova.....	42
Box 2.3.	Development of ICT exports in Armenia .....	46

## Abbreviations

<b>ADB</b>	Asian Development Bank
<b>BIT</b>	bilateral investment treaty
<b>CAREC</b>	Central Asia Regional Economic Cooperation
<b>CIS</b>	Commonwealth of Independent States
<b>EBRD</b>	European Bank for Reconstruction and Development
<b>ECE</b>	Economic Commission for Europe
<b>FAO</b>	Food and Agriculture Organization of the United Nations
<b>FDI</b>	foreign direct investment
<b>FET</b>	fair and equitable treatment
<b>FEZ</b>	free economic zone
<b>GDP</b>	gross domestic product
<b>GIZ</b>	German Agency for International Cooperation
<b>IAP</b>	Istanbul Anti-Corruption Action Plan
<b>ICSID</b>	International Centre for the Settlement of Investment Disputes
<b>IIA</b>	international investment agreement
<b>ILO</b>	International Labour Organization
<b>IMF</b>	International Monetary Fund
<b>IOM</b>	International Organization for Migration
<b>IP</b>	intellectual property
<b>IPA</b>	investment promotion agency
<b>ISDS</b>	investor–State dispute settlement
<b>ITC</b>	International Trade Centre
<b>LLC</b>	limited liability company
<b>MFN</b>	most favoured nation
<b>MIGA</b>	Multilateral Investment Guarantee Agency
<b>MNE</b>	multinational enterprise
<b>NBT</b>	National Bank of Tajikistan
<b>NDS</b>	National Development Strategy
<b>NSED</b>	National Strategy of Education Development
<b>OECD</b>	Organization for Economic Cooperation and Development
<b>PPD</b>	public–private dialogue
<b>PPP</b>	public–private partnership
<b>PRAI</b>	principles for responsible agricultural investment
<b>RandD</b>	research and development
<b>SRRP</b>	Silk Road Regional Programme
<b>SMEs</b>	small- and medium-sized enterprises
<b>SOE</b>	State-owned enterprise
<b>TIN</b>	tax identification number
<b>TAJSTAT</b>	Agency for Statistics under the President of the Republic of Tajikistan
<b>TRIPS</b>	Agreement on Trade-Related Aspects of Intellectual Property Rights
<b>TWh</b>	terawatt-hours
<b>UNCITRAL</b>	United Nations Commission on International Trade Law
<b>UNCTAD</b>	United Nations Conference on Trade and Development
<b>UNDP</b>	United Nations Development Programme
<b>USAID</b>	United States Agency for International Development
<b>VAT</b>	value added tax
<b>VET</b>	vocational education and training
<b>WIR</b>	<i>World Investment Report</i>
<b>WTO</b>	World Trade Organization

## Key messages