



**UNITED STATES  
DEPARTMENT OF STATE**



**USAID**  
FROM THE AMERICAN PEOPLE

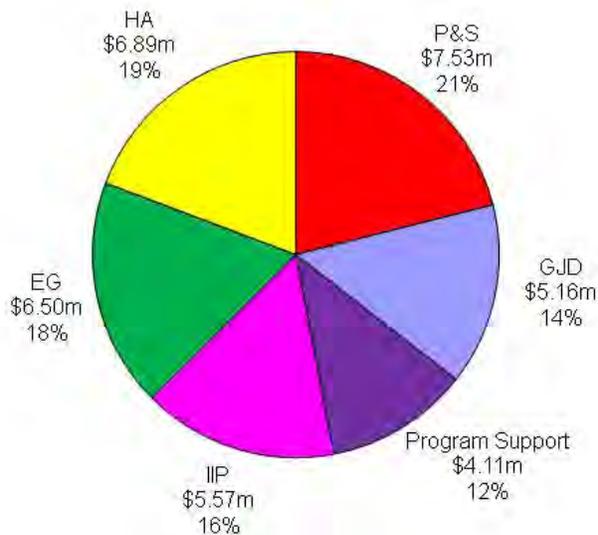
## TAJIKISTAN

# U.S. FOREIGN ASSISTANCE PERFORMANCE PUBLICATION Fiscal Year 2009

### FY 2009 FOREIGN ASSISTANCE GOALS

Tajikistan occupies a strategic position in the heart of Asia, bordering Afghanistan, China, Uzbekistan, and the Kyrgyz Republic. Food insecurity, energy shortages, and the inability of the Government to provide adequate services to its citizens have been exacerbated by the world financial crisis, putting additional strain on the economy. U.S. Government (USG) assistance is important to developing Tajikistan's economy, democratic norms, and social services, so that it can be a stable, prosperous partner in the region.

**TOTAL FY 2009 FOREIGN OPERATIONS APPROPRIATED ASSISTANCE: \$35.77 MILLION\***



#### **FY 2009 Areas of Focus**

P&S: Peace and Security

HA: Humanitarian Assistance

EG: Economic Growth

IIP: Investing in People

GJD: Governing Justly and Democratically

(\*Foreign Operations funding appropriated for FY 2009, not including centrally managed, regional Foreign Operations funding that is not budgeted for specific countries. Humanitarian Assistance total does not include the value of donated humanitarian commodities transported by the Department of State, estimated at \$38.54 million in FY 2009.)

## **HIGHLIGHTS OF FY 2009 PERFORMANCE BY AREA OF FOCUS**

---

### **Peace and Security**

In FY 2009, USG assistance:

- Enabled six students to graduate from U.S. military courses. Two of these graduates are English language instructors who will establish an in-country English language course to help prepare officers for future IMET participation.
- Reconstructed border outposts on the remote Tajik-Afghan border, hours from Dushanbe via difficult, mountainous roads. One outpost was finished in FY 2009, and an additional three are slated for completion in FY 2010. The USG continued its extensive renovation of the Border Guard Academy in Dushanbe and worked with the Organization for Security and Cooperation in Europe to revamp training materials and methods. In addition, several guards were trained at the USG-supported Khorog Border Guard Training Center. The USG also completed reconstruction of one floor of the Training Academy of the Committee for National Security, making an analytical center, computer training area, and English-language laboratory now operational.
- Provided technical assistance and training to support Tajikistan ability to detect, deter, and interdict commodities and materials usable in weapons of mass destruction (WMD). USG programs renovated several classrooms and computer rooms in the Tajik Customs Academy, and also assisted the Tajik Nuclear Radiation Safety Agency strengthen its capacity to train on WMD detection and interdiction techniques. Equipment, including contraband detection kits, an X-ray machine, and all-terrain vehicles, was provided to assist the Government of Tajikistan (GOT) in patrolling and securing its borders.
- Increased awareness of trafficking in persons (TIP) and its dangers, and provided reintegration services to TIP victims by supporting 10 non-governmental organizations (NGOs) in 10 administrative regions who conducted nearly 500 awareness-raising events that benefited over 23,000 people. USG-supported TIP hotlines received over 3,200 calls.
- Provided 11 TIP victims a safe haven at a USG-supported shelter (7 victims of labor exploitation, 2 victims of sexual exploitation, 1 woman coerced into being a surrogate mother, and 1 case of domestic servitude). Nearly a dozen TIP victims were returned from destination countries (the UAE, Russia, Kazakhstan, Moldova, Turkey, and Afghanistan). They included victims of both sexual and labor exploitation and all received psychological, medical, legal, and social assistance in the shelter. In addition, 11 other victims of trafficking from previous years were assisted by the shelter.
- An inter-Governmental agreement was signed between Tajikistan and Afghanistan in the area of drug enforcement. Four liaison offices of the Tajik Drug Control Agency (DCA) were opened in the northern provinces of Afghanistan. Information exchange on drug trafficking is ongoing between the two countries, and DCA analysts are providing training to their Afghan counterparts. Mobile deployment (drug control) investigation teams are established and operational along the Tajik-Afghan border as well as along the drug trafficking routes from Afghanistan to and through Tajikistan.

## **Governing Justly and Democratically**

In FY 2009, USG assistance:

- Sponsored roundtable discussions on the draft Criminal Procedure Code (CPC) for members of the parliament, judges, advocates, NGOs, and professors. This roundtable set the stage for the introduction of a progressive draft CPC in Parliament, which was passed in November 2009.
- Provided technical support to the Parliament and a governmental working group on sub-national governance, which culminated in the approval of the “Local Self-Government Law” by the Parliament and its signature into law by the President in July 2009. The Local Self-Government Law provides for elections and budgetary authorities for local government officials.
- In collaboration with local governments, completed drinking water projects in 20 communities, which included training of over 300 people. For example, in Puluton Jamoat, 10 local government employees and hydro-specialists were trained in pump station operations, maintenance and water treatment; additionally, work was done to fix and replace pumps, pipes, and spigots. With U.S. support, the local government presented a transparent budget, elicited community feedback, and taught citizens about water use, sanitation, and hygiene.
- Contributed three significant changes to legislation governing civil society organizations, including a provision to simplify NGO registrations by creating a “one window” system requiring applicants to visit only one state office instead of four to register. Technical assistance provided by the United States also played an important role in changing the tax code to increase the income tax exemption for charitable donations from 5 percent to 10 percent of taxable income.

## **Investing in People**

In FY 2009, USG assistance:

- Helped the Ministry of Health and Ministry of Finance develop and approve improved regulation and methodology for per capita payment system implementation for primary health care (PHC). The new, improved regulation allows separate accounting and human resource management for PHC networks, and separation of PHC capital assets. The regulation also expanded the new payment system to all 44 regions in Khatlon and Sughd provinces. U.S.-supported health financing arrangements now assist more than 1 million Tajiks.
- Conducted clinical mentoring and monitoring visits to eight U.S.-supported safe motherhood (SM) maternity houses. Progress in the implementation of SM technologies led to a significant decline in the use of unnecessary non-evidence-based procedures and medications, active management of the third stage of labor and reduction in the number of postpartum hemorrhages, and an increase in partner participation in labor and delivery.
- Supported the implementation of per-capita financing in public schools in many regions of the country. This transparent and equitable funding mechanism promotes efficiency and local accountability of school finances. In specific areas targeted by the USG, 63 percent of schools have adopted per-capita financing, and 3 new modules for training in per-capita financing were developed, tested in the field, and approved by the Government for use.

## Economic Growth

In FY 2009, USG assistance:

- Supported the Budget Department of the Ministry of Finance to revise the budget classification system, improve the budget presentation format, and upgrade the Tajikistan budget system to support a revised chart of accounts and revised budget preparation procedures for the 2010 State Budget. As a result, the functional reorganization of the Varzob Tax Inspectorate, beginning in October 2008, has shown positive results, including a 9 percent increase in revenue collection over the six-month period to March 2009, a 15 percent decrease in the amount of tax arrears between October 2008 and March 2009, and improved taxpayer service.
- Enabled Tajikistan to attend a World Trade Organization (WTO) accession Working Party meeting in September 2009. This was a major achievement, as Tajikistan had not attended previous Working Party meetings for three years. The most difficult issue in Tajikistan's accession to the WTO will be reform of the technical regulation system. USG experts helped the Tajik Government explore this issue, explained international best practices, and presented proposals for trade regulation reform.
- Helped Tajikistan implement a single-window business registration process – a major improvement over the previous system, which involved many different Government agencies with many opportunities to exact bribes from business applicants
- Provided technical assistance that contributed to a decrease in the number of regulatory reporting errors in all major banks and improved cooperation between banks and the Bank Supervision and Licensing Department (BSLD) to ensure timely responses to requests for information and error corrections. Six micro-finance deposit institutions implemented an off-site financial surveillance system. With U.S. assistance, the National Bank of Tajikistan issued recommendations regarding operational risk in order to strengthen risk management processes. A new banking activity law created an opportunity to advise on comprehensive changes to the entire prudential framework governing banking activities, and U.S.-supported technical assistance strove to streamline the prudential regulations of the country and to bring the legal base in line with the best world practices. This is a significant step in strengthening authority of the BSLD and enhancing compliance with 25 Basel Core Principles for Effective Bank Supervision.
- Promoted the importance of the World Bank Doing Business (WBDB) indicators for the country's investment attractiveness. As a result, Tajikistan was named the 8th top reformer in the 2009 WBDB publication, with positive changes in 5 of the 10 WBDB indicators, including: Starting a Business, Dealing with Construction Permits, Access to Credit, Protecting Investors, and Closing a Business. Beyond the WBDB process, U.S. assistance helped the GOT in conducting an inventory and streamlining of all licenses and permits, which helped simplify the licensing process by eliminating illegal or unnecessary acts and increased transparency by legally publishing controlling documents. With USG support, the government also performed a legal analysis of the legislation and the revised Law “On Special Economic Zones” (SEZ) in Tajikistan and technical-economic justification for the creation of SEZ “Sughd.”

## **Humanitarian Assistance**

In FY 2009, USG assistance:

- Aided vulnerable populations, including the elderly, orphaned children, and the disabled. U.S. resources leveraged significant contributions from NGOs, distributing donated medicine, medical supplies, and non-medical assistance with a total value of over \$38.5 million. USG support provided primary medical assistance (including medical and pharmaceuticals donations) and distributed blankets, food, and clothing for institutionalized or displaced populations. In May 2009, emergency assistance items were provided to victims of mudslides in the southern region of the country.